AUSMON RESOURCES LIMITED

ABN 88 134 358 964

ANNUAL REPORT 2019

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CHAIRMAN'S LETTER

Dear Shareholder,

I am pleased to present the 2019 Annual Report of the Group.

Following our acquisition last year of seven projects for exploration of cobalt and base metals in Queensland and New South Wales and the subsequent granting of all the licences that were then under applications, we have carried out preliminary geological studies and field orientation work to assess the potential of those areas.

The Review of Operations in this Annual Report sets out our findings. Of interest is the potential for cobalt within EL 8747 Stirling Vale and for zinc within EL 8745 Kanbarra near Broken Hill, NSW that warrants further exploration.

During the year, the market price of cobalt worldwide retreated significantly due to oversupply from producers and demand from battery makers not rising as fast as anticipated. Unfortunately, equity investors also withdrew from the battery minerals sector driving down materially the share price of junior explorers like ourselves. However, we are still confident that the market will recover as the take up of electric vehicles and therefore demand for cobalt improves.

We have been successful in renewing our licences at Pooraka for gold potential and Koonenberry for copper exploration for a further 2 years each and we will look at how best to derive value from them.

We continue to rank our projects to assess where best to carefully deploy our funds having regards to the current difficult equity market for junior exploration companies to raise equity capital. We also continue to contain cash burn.

The Company continues to look out for new ventures but will avoid any proposal that in the Directors' view is highly speculative or unduly dilutes the existing shareholders' value and not in the best interest of all shareholders.

I thank all our shareholders for their support, Mr Mark Derriman, who joined us in August 2018 as Chief Technical Officer, for his dedication to the exploration work carried out, the staff and executives for their efforts during the year.

Boris Patkin
Chairman
24th September 2019

REVIEW OF OPERATIONS

SUMMARY

CORPORATE

- Mr Mark Derriman was appointed Chief Technical Officer on 15 August 2018 to manage the Group's exploration strategy and program.

- At the Annual General Meeting held on 25 October 2018 shareholders approved the issue within 3 months of up to 150 million fully paid ordinary shares in accordance with ASX Listing Rule 7.1. The shares have not been issued by the expiry of the 3 months on 24 February 2019.

- At the Annual General Meeting held on 25 October 2018 shareholders approved the issue of a total of 13,000,000 fully paid ordinary shares at a deemed issue price $0.006 to the Directors Messrs Boris Patkin, John Wang and Eric Sam Yue in settlement of director's fees owing to them for the 6 months period ended on 31 August 2018. The shares were issued on 29 October 2018.

EXPLORATION

NSW Cobalt and Base Metals Exploration Areas in ELs 8745, 8746 and 8747 near Broken Hill (100% interest) and Exploration Licence Application ELA 5829 near Tumut (100% interest).

- **EL 8747 Stirling Vale**
    - Historic diamond hole drilled in 1995 was relogged and assayed for Cobalt analysis. Results were encouraging indicating potential host of ore grade mineralisation.
    - Land access agreement with landholders were signed.
    - A first field trip was completed in the September 2018 quarter to prepare for the first stage of the exploration program.
    - Second field trip, was completed in October 2018.
- **EL 8745 Kambarra and EL 8746 Nth Pinnacle**
    - An orientation soil sampling field trip to EL 8745 Kambarra and EL8746 Nth Pinnacle was completed in April 2019.
    - In the June 2019 quarter the results from the orientation soil sampling field work were received and evaluated in conjunction with historical exploration results.
    - Zinc analyses from the clay fraction sampling defined a >100 ppm soils anomaly in excess of 800 m East West and 200 m North South at the Nth Kambarra base metal prospect.
    - On 2nd July 2019, the Group lodged an application for a Cobalt and Base Metal Exploration Licence near Tumut. The licence of 19 sub blocks covers a portion of the Coolac Serpentinite Belt with numerous chromite and copper historical workings.

REVIEW OF OPERATIONS (continued)

QLD Greenvale Cobalt-Nickel Exploration Areas in EPMs 26813, 26814 and 26815 (100% interest).

- In November 2018, the Queensland Government Department of Natural Resources and Mines ("QLD Department") granted the EPMs 26813, 26814 and 26815 for a period of 5 years to November 2023..
- Detailed studies of available data from the 3 EPMs were completed in the June quarter.
- Field based exploration has been planned for the September 2019 quarter after execution of land access agreements with landowners.

QLD Mount Tewoo Nickel Cobalt Manganese Exploration Area in EPM 26764 (100% interest).

- In March 2019, the QLD Department granted the EPM 26764 for a period of 5 years from 21 March 2019.
- Detailed studies of all available data were completed in the June 2019 quarter.
- Field based exploration has been planned for the September 2019 quarter after execution of land access agreements with landowners. An airborne electromagnetic survey has also been planned for the December 2019 quarter.

NSW Koonenberry Copper Exploration Area EL 6400 (100% interest).

- Information has been provided to certain parties who were interested to investigate the possibilities of in-situ leaching process for extraction of cop per within the EL 6400. The potential is still under consideration and requires further research by the Company.
- Following lodgement of a renewal application for EL 6400 with the NSW Government Department of Planning and Environment ("NSW Department"), a 2-year renewal to April 2021 was granted with the tenement reduced in size to 8 sub blocks.

NSW Pooraka 2 Gold Exploration Area EL 8424 and EL 6413 (100% interest).

- A renewal application for the Pooraka EL 8424 for a period of 2 years was lodged in December 2018 with the NSW Department.
- In March 2019, the NSW Department granted a 2-year renewal for EL 8424 to February 2021 with the tenement reduced in size to 4 blocks.
- In July 2019, the NSW Department granted a 2-year renewal for EL 6413 to May 2021 with the tenement reduced in size to 3 blocks.

REVIEW OF OPERATIONS (continued)

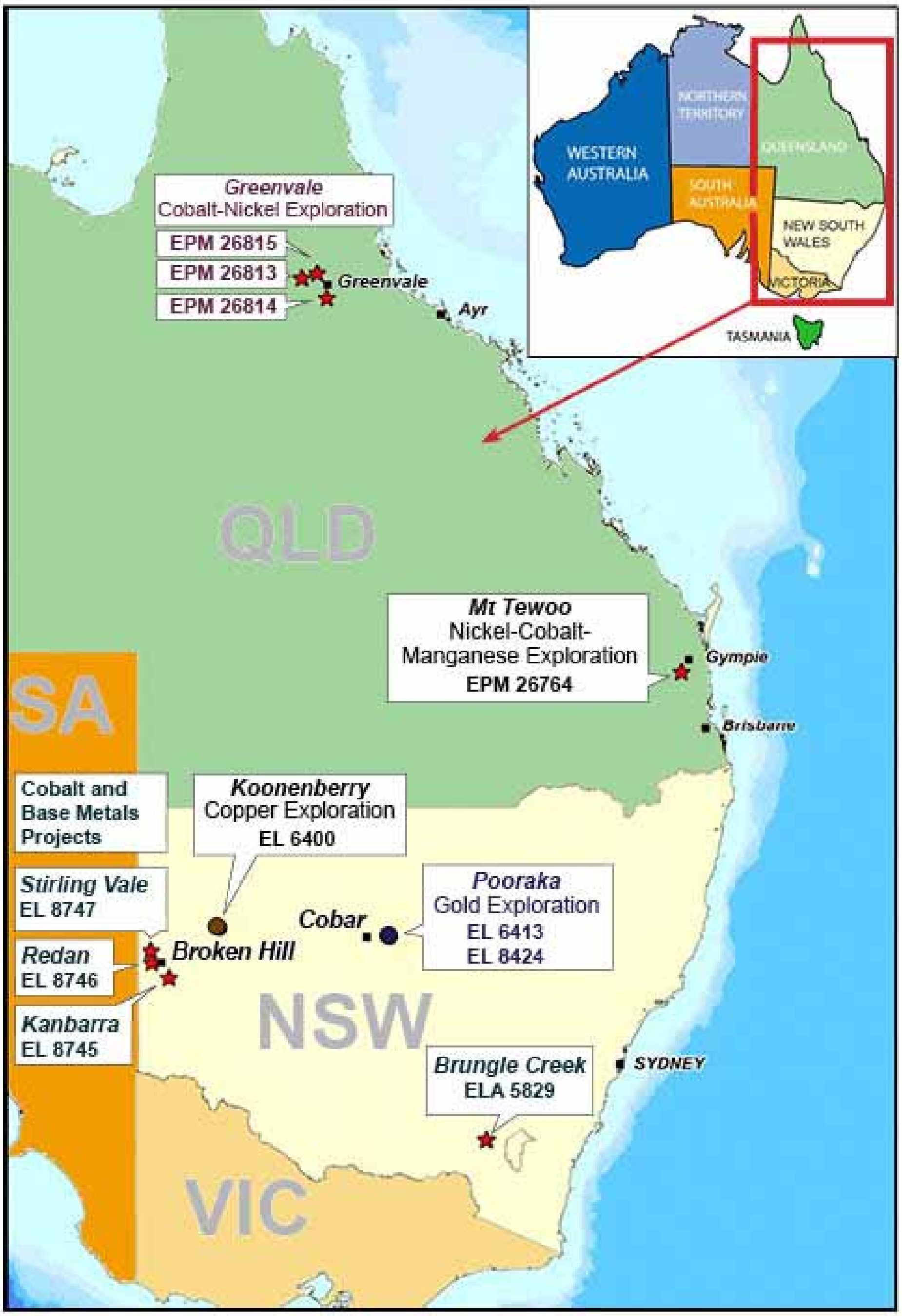

Figure 1: Location of Licences of Ausmon Resources Limited Group
ELA 5829 is an application awaiting grant, All the other tenements are granted with 100% ownership

REVIEW OF OPERATIONS (continued)

NSW: BROKEN HILL EXPLORATION AREAS

ELs 8745, 8746 and 8747 near Broken Hill in NSW – 100% interest granted
Cobalt and Base Metals Exploration

In May 2018, EL 8745, EL 8746 and EL 8747 were granted for 6 years to May 2024 by NSW Department. The 3 ELs cover an area of approximately 174 km^2 near Broken Hill and the cobalt development areas of Cobalt Blue (ASX:COB).

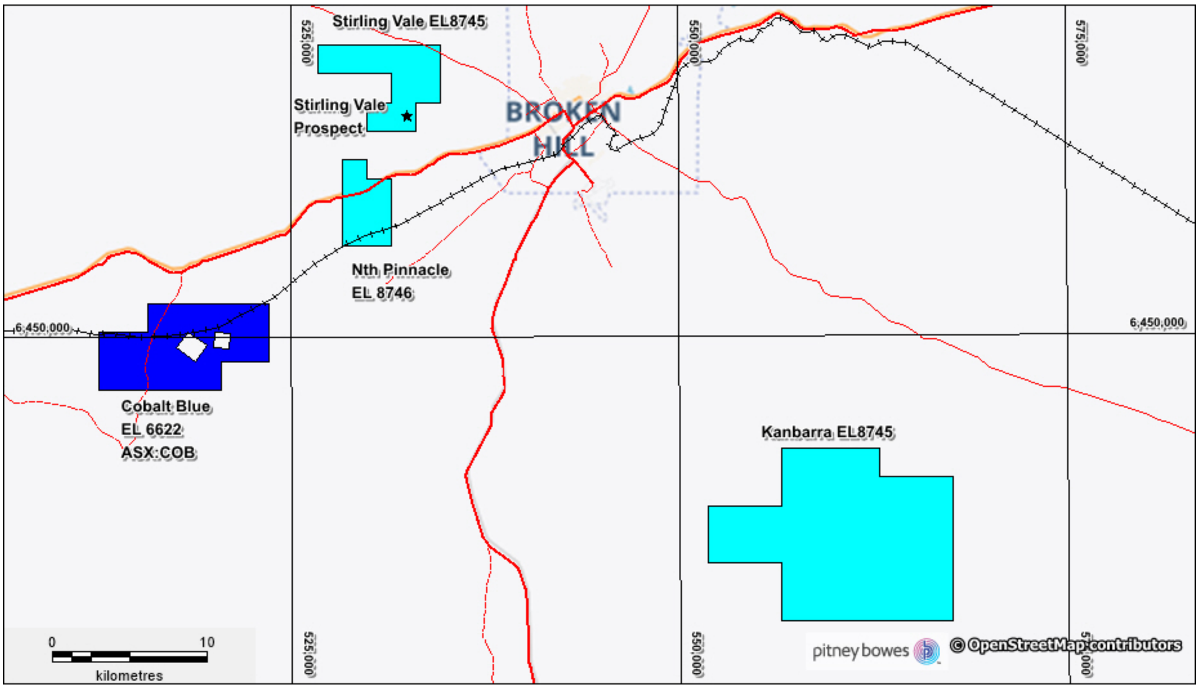

Figure 2: Location of ELs near Broken Hill with Stirling Vale Cobalt Prospect within EL 8747

EL 8747

Background on Recent Work and Assessment

In July 2018, the Company had geologically relogged and sampled a historic diamond hole DD95STV3 that was drilled in 1995, by previous operator Pasminco Exploration in joint venture with Aberfolye Resources on historic EL 3500 now covered in part by EL 8747 at Broken Hill, into the Stirling Vale Synform targeting base and precious metals, but not Cobalt.

The Stirling Vale Synform appears to bear similar geology to Cobalt Blue's Pyrite Hill Geology with the "Pl2" pyritic bearing horizon present, as shown below by the black arrows in Figure 3. Cobalt Blue has reported recently very positive results for that area. The Stirling Vale Synform is located 20 kms north east of Cobalt Blue's Thackaringa deposit in EL 6622, and 10 kms west of Broken Hill.

REVIEW OF OPERATIONS (continued)

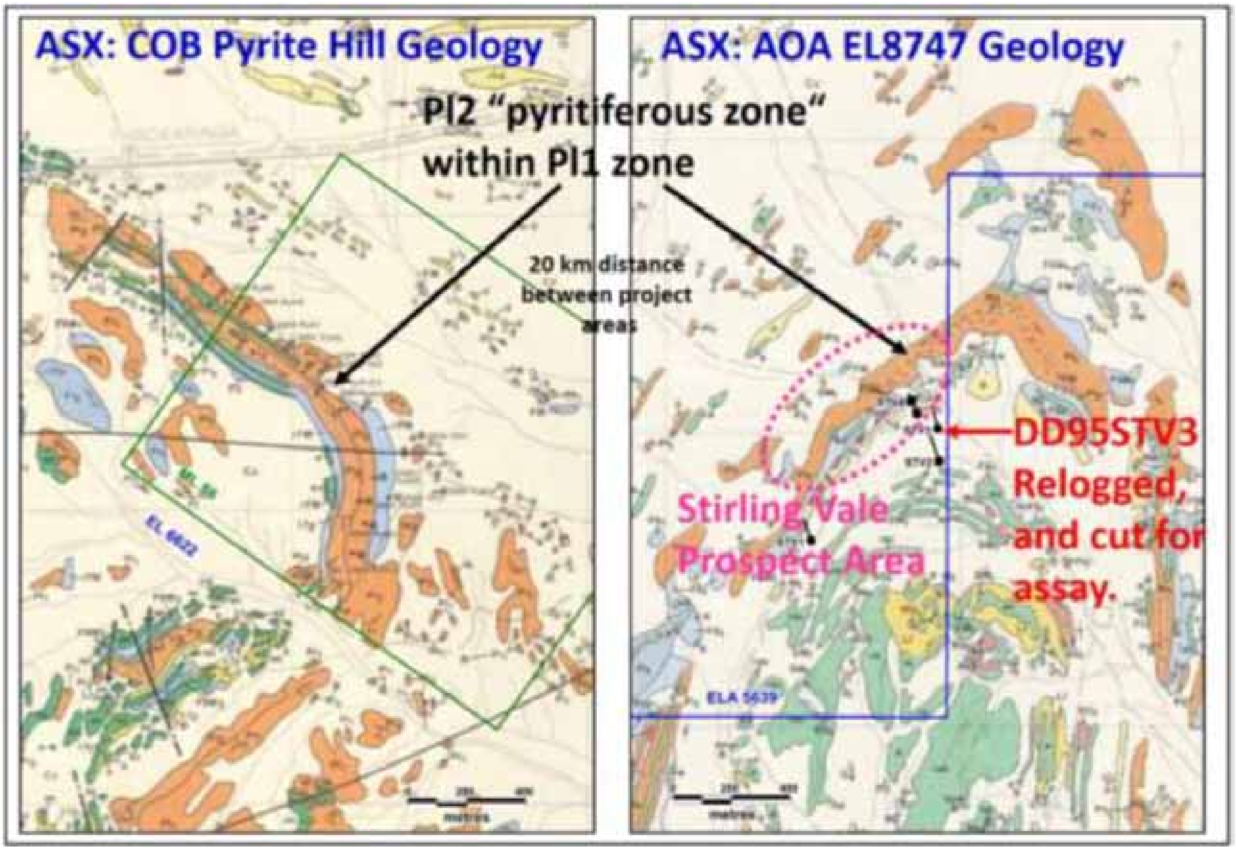

Figure 3: Geological similarities of Stirling Vale Prospect with Cobalt Blue's Cobalt Deposits*

*{Source of Geology Maps: NSW Geological Survey "Thackaringa" 1:25k Map (1977) for Cobalt Blue (COB); and "Broken Hill" 1:25k (1979) for Ausmon Resources Limited (AOA)}.

A total of 51 samples were cut and sent for analysis covering 42.1 prospective metres. The relogging revealed two significant findings:

1. An extensive pryitiferous zone from 108.6 metres to the end of hole at 143.3 metres was identified (open at depth). This total intersection of 34.7 metres were cut and submitted for cobalt analysis at the Intertek Laboratory in Adelaide.

2. Two zones of Broken Hill Type Lode Unit type have been identified from 51.5 to 52.7metres (0.7m wide) and from 85.5 to 86.9 metres (1.4m wide). *See Figures 6 and 7 respectively*. These were submitted for gold and base metal analyses.

REVIEW OF OPERATIONS (continued)

Figure 4: An example of the strongly pyritic (potentially cobaltiferous) bands in albitic gneiss in DD95STV3.

Figure 5 is a photo of the core tray from DD95STV3 showing the diamond core from around 123 to 133 metres with the yellow hue of pyrite sulphide bands visible throughout this core section.

Figure 5: Pyrite zone in DD95STV3 from around 123 to 133 metres relogged.

REVIEW OF OPERATIONS (continued)

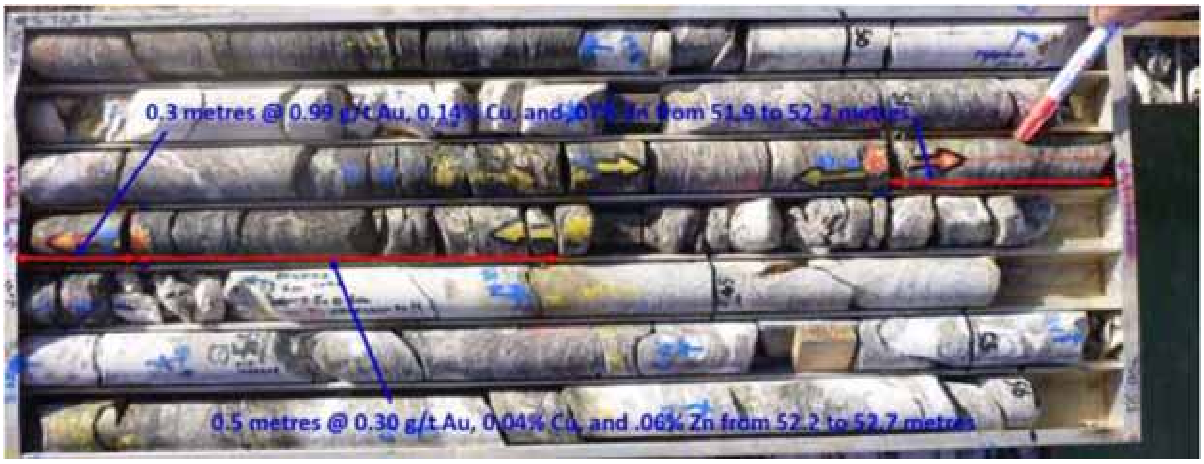

Figure 6: Mineralised quartz gahnite bearing BHT Lode Zone 1 from 51.5 to 52.7 metres.

Figure 7: Mineralised garnet & BIF bearing BHT Lode Zone 2 from 85.5 to 86.9 metres.

In mid-July 2018 the Company received encouraging results for cobalt and base and precious metals from the assaying of historic diamond hole DD95STV3.

Best cobalt results include:

- 1.4 metres @ 0.096% Co from 130 to 131.4 metres downhole, or 962 ppm Co.
- 0.3 metres @ 0.074% Co from 131.7 to 132 metres downhole, or 739 ppm Co.

The first zone of geologically interpreted Broken Hill Lode Unit type rocks from 51.9 to 52.7 metres downhole returned:

- 0.3 metres @ 0.99 g/t Au, 0.14% Cu, and 0.07% Zn from 51.9 to 52.2 metres downhole.
- 0.5 metres @ 0.30 g/t Au, 0.04% Cu, and 0.06% Zn from 52.2 to 52.7 metres downhole.

REVIEW OF OPERATIONS (continued)

Best results from the second zone of geologically interpreted Broken Hill Lode unit type rocks returned 0.87 metres @ 0.15% Zn from 85.8 to 86.67 metres downhole. The interval from 51.5 to 86.7metres averaged 460 ppm zinc over 35.2 metres.

See Figure 8 for the drill hole plot of anomalous cobalt and base and precious metal intersections for DD95STV3.

The assay results provide encouragement for exploration for Cobalt at Stirling Vale Prospect which is 300 metres north from hole DD95STV3 and also that the area has the potential to host ore grade mineralisation.

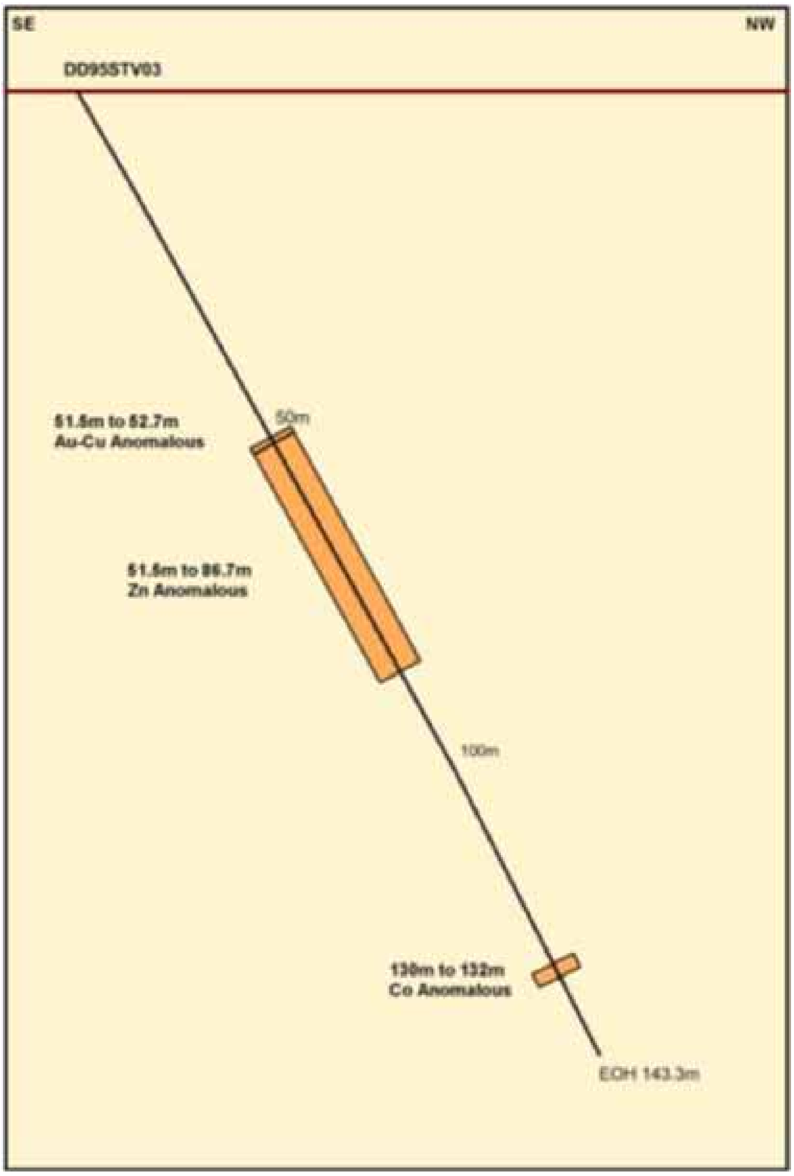

Figure 8: DD95STV3 Anomalous cobalt, gold, and zinc zones

REVIEW OF OPERATIONS (continued)

Figure 9: Outcropping PI2 Zone left and hand specimen of pyritic chert right

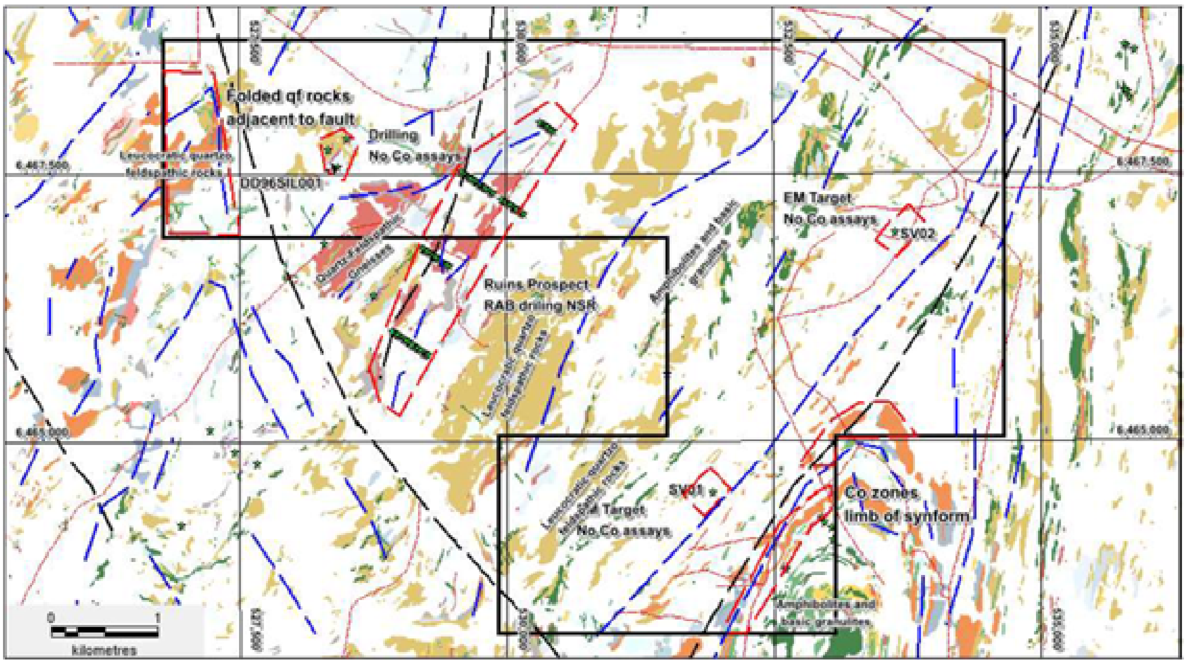

Figure 10: Outcrop geology showing target zones(red outlines) for future exploration and historical drilling as green stars

REVIEW OF OPERATIONS (continued)

In addition to the cobaltiferous pyrite zone “PI2” located on the limb of the Stirling Vale Synform (Figure 10 lower right of tenement) is also prospective for Broken Hill style massive Zn+/Pb,Ag mineralisation as is currently being mined at Broken Hill. In a field visit to EL8747 several occurrences of Zn gossan were noted between drillholes SV01 and SV02 near the eastern margin of the tenement (Figure 10).

Figure 11: Hand specimens of ferruginous Zn gossan within EL8747

EL 8746

This tenement is located to the south of EL 8747 (Figure 2) and as is shown in Figure 12 comprises in excess of 60% transported cover sediments which will reduce the effectiveness of surficial geochemical exploration of which there has been very little in the past. Figure 13 shows an aeromagnetic image with the transported cover sediments overlain and shown in a faint hatching. The known mineral occurrences (Cu and Pb) adjacent to EL 8746 are also shown and in many instances are associated with linear magnetic highs (Figure 13). As can be seen on Figure 13 many linear magnetic features are hidden by recent cover sediments. Before any further surficial geochemical sampling is contemplated a program of regolith mapping will be completed and, in some instances, shallow (<10m) interface drilling will be used to get a geochemical signature of the cover’s geological units.

REVIEW OF OPERATIONS (continued)

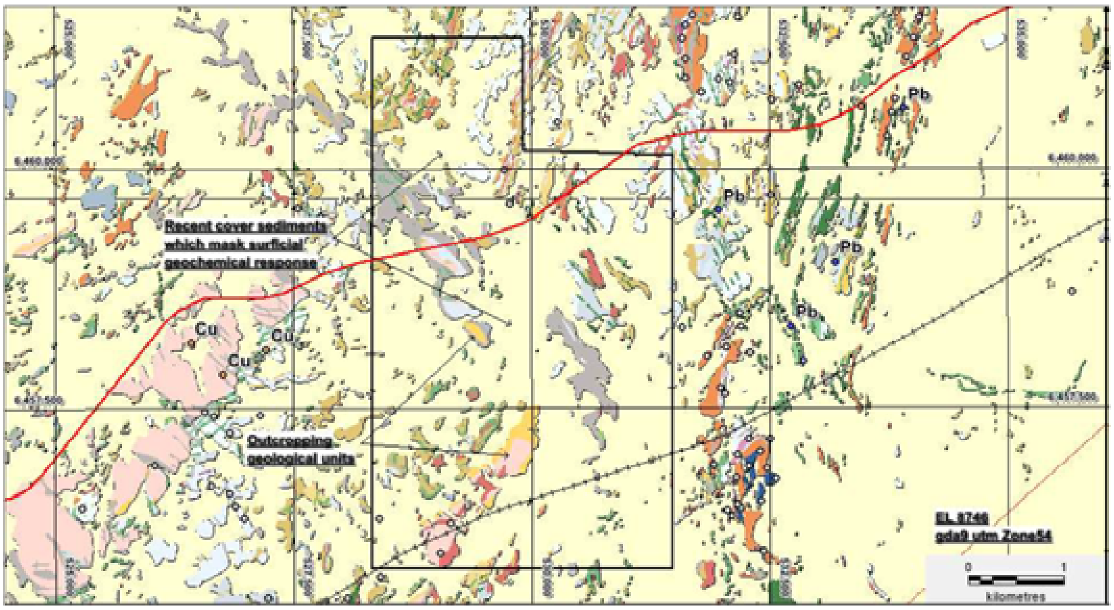

Figure 12: EL 8746 showing areas if outcropping geology and recent cover sediments

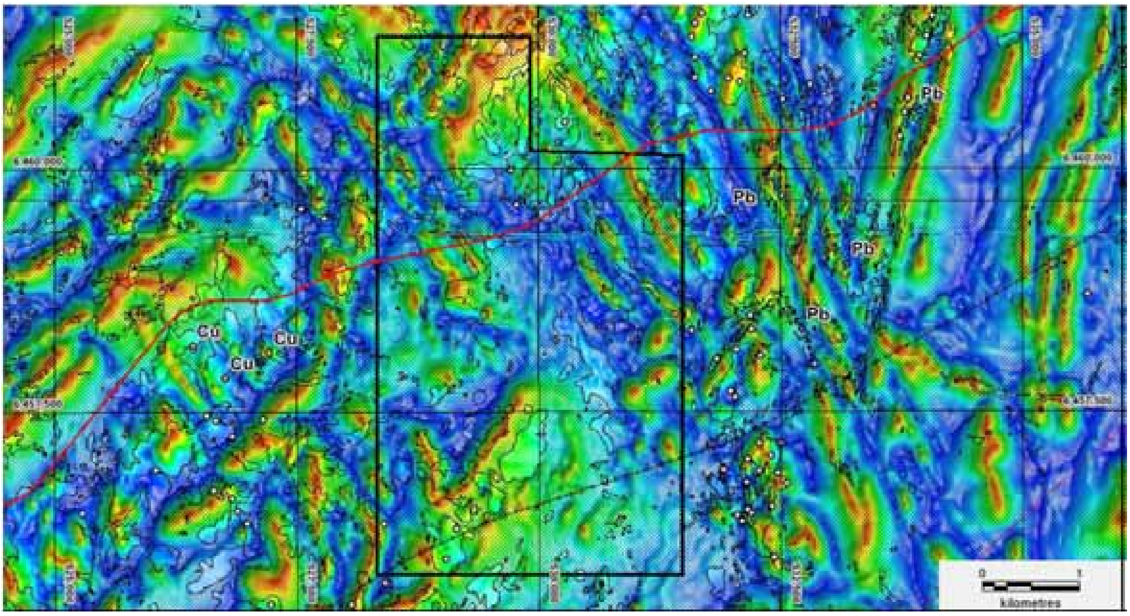

Figure 13: EL 8746 showing areas of recent cover sediments overlaid on aeromagnetics

REVIEW OF OPERATIONS (continued)

Quartz lag

REVIEW OF OPERATIONS (continued)

Fine alluvial transported sediments

REVIEW OF OPERATIONS (continued)

Garnetiferous metasediments

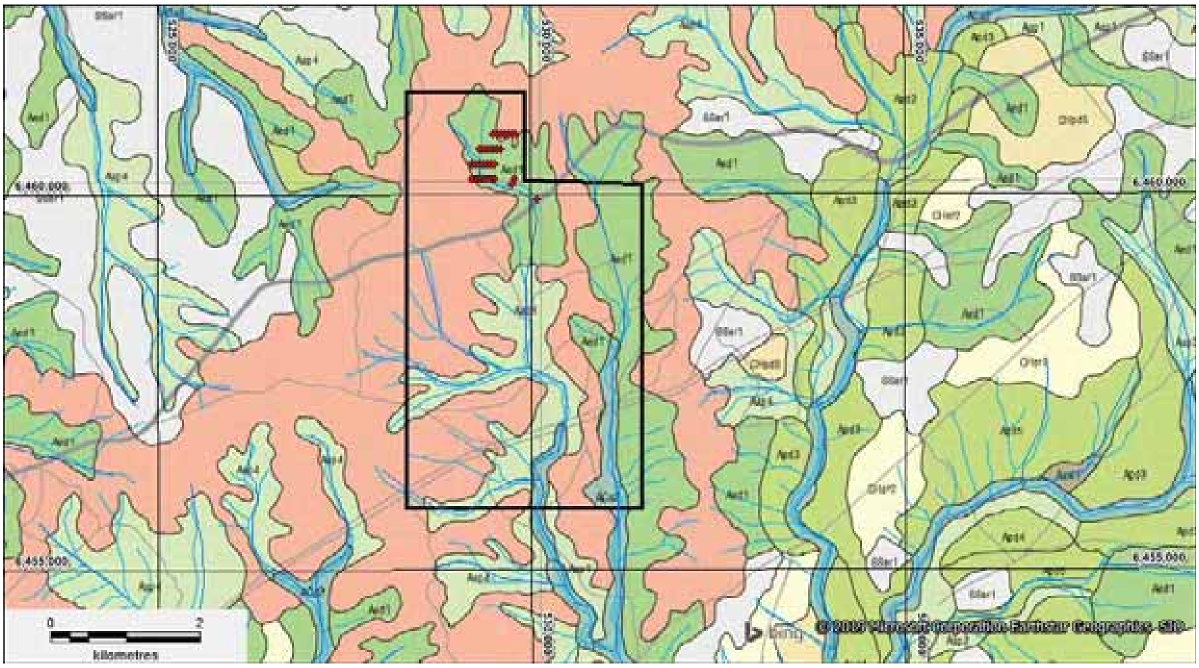

Figure 14: North Pinnacle Prospect (EL 8746) the 100K government regolith mapping and orientation sample lines

REVIEW OF OPERATIONS (continued)

Historical exploration has not included extensive soil sampling programs and the recent surficial geochemical sampling by the Company at the Broken Hill tenements has shown that in areas of minimal outcrop analyses of the -2 micron fraction can be an effective exploration tool. An added benefit is the ability to measure the spectral mineralogy of the sample thus combining mineralogy (alteration vector) and geochemistry (element association). In addition, magnetics (either airborne or ground) will be used to add a structural component to the exploration strategy. Follow up exploration is planned for the September 2019 quarter.

EL 8745

This licence is located 30 km south east of Broken Hill with more extensive recent cover than the other two Broken Hill licenses. Figure 15 shows the extent of outcropping geology as coloured polygons and areas where the cover sediments are generally <2 m in thickness. In other areas the thickness of cover sediment can be in excess of 50 m. A broad structural interpretation of the aeromagnetics has been completed and target areas based on a combination of known structures and likely thin depositional cover. These areas formed part of the Phase 1 field exploration program carried out in April 2019.

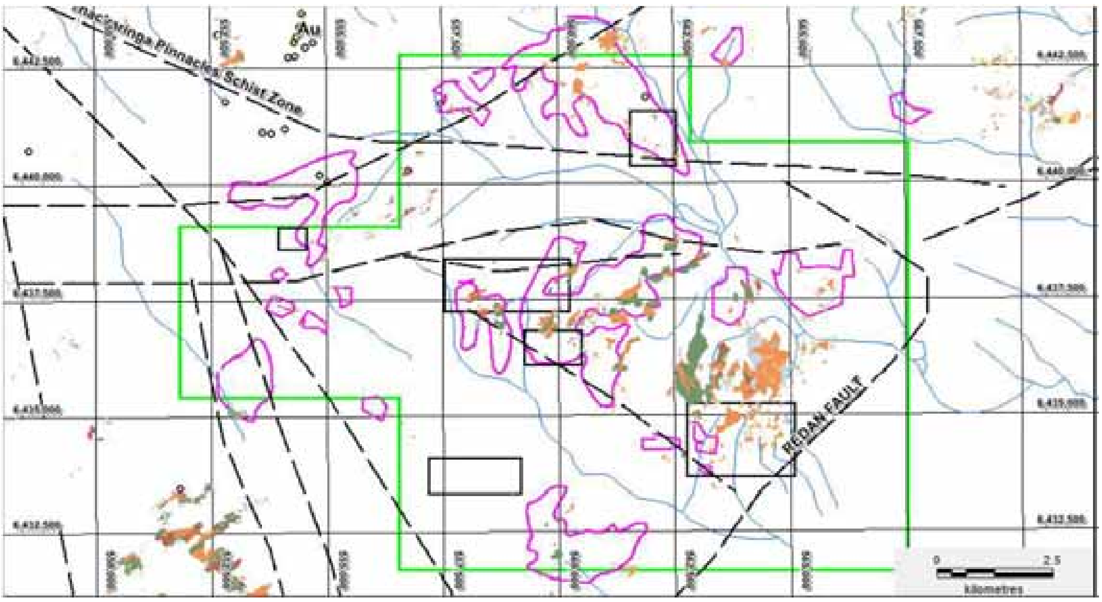

Figure 15: EL 8745 showing areas of outcropping geology and recent cover sediments with aeromagnetic structures and target areas (boxes)

Figure 16 shows the prospects sampled and the sampling lines. Regolith mapping by the NSW government (Figure 17) shows the extensive depositional cover (shades of yellow) across the tenement. In the case of Sampson's Dam and Nth Kambarra the cover is relatively thin with bedrock sub crop and lag locally observable. The combination of regolith mapping, fine fraction geochemistry and ground magnetics will be utilised to further explore the Broken Hill tenements.

REVIEW OF OPERATIONS (continued)

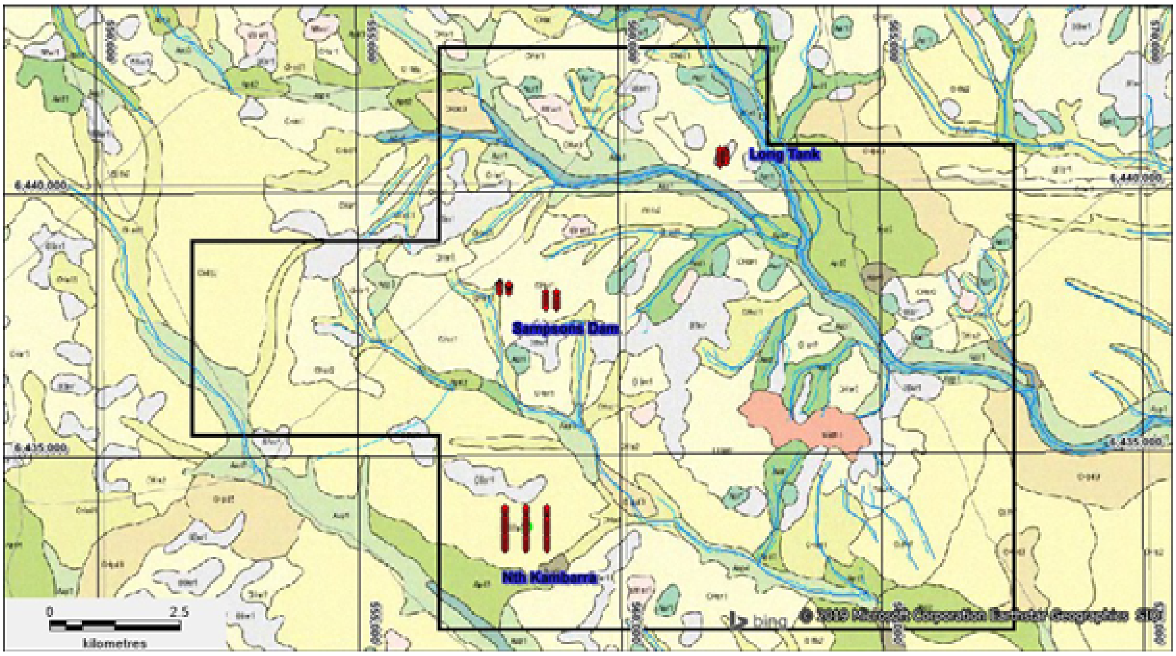

Figure 16 - EL 8745 showing the prospects sampled and sample lines

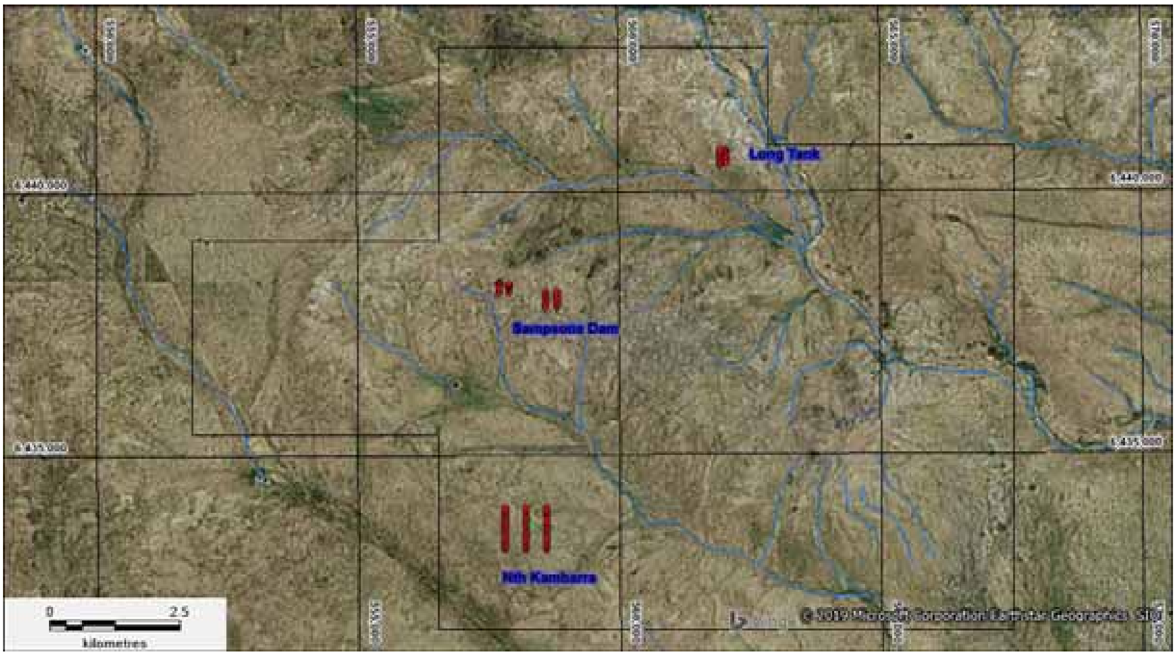

Figure 17 - EL 8745 showing the prospects sampled and 1:100K government regolith mapping

REVIEW OF OPERATIONS (continued)

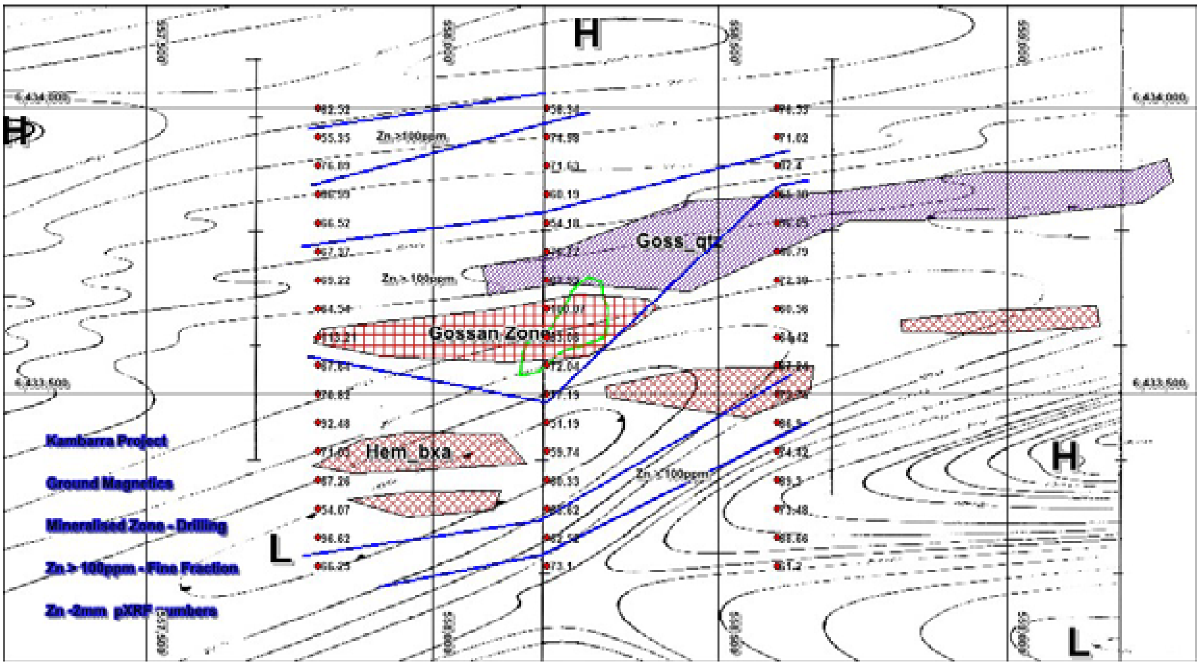

Figure 18 – Nth Kambarra Prospect (EL 8745) showing ground magnetic contours and surficial geochemistry

Figure 18 shows a comparison between the -2 mm pXRF Zn ppm sample numbers and the blue outlines of the -2 micron 100 ppm Zn areas. For reference, the only outcrop is shown by a green polygon in the centre of the map. Within the central broad 100 ppm Zn region which encompasses the mineralised subcrop, the results of the -2 mm pXRF sampling show that the clay fraction analyses increase the tenor and aerial extent of the Zn anomaly. The mineralised zone as shown by areas of gossan and gossan/qtz as defined from historical drilling are associated with a NE-SW trending magnetic low. Additional clay fraction Zn anomalies flank the main anomaly to the north and south.

In addition, a statistical analysis was carried out using a correlation matrix to look for elemental associations. Based on a correlation coefficient >0.6 the following elements have a high correlation with Zn – Ag(0.8), Be(0.65), Cd(0.93), Co(0.74), Pb(0.95), Sb(0.82), Sn(0.63) and Ti(0.71). The correlation with Pb, Ag and other elements may indicate a broad association with the Broken Hill Zn lode system.

Planned Exploration Work near Broken Hill

Initial field work carried out in April 2019 involved surface geological and regolith mapping along zones prospective for cobaltiferous pyrite and massive zinc (Broken Hill style) style mineralisation. In conjunction, targeted calcrete/fine fraction sampling were carried out across the target zone to assist in delineation of mineralised zones. These zones may then be the focus of ground based geophysical surveys in order to define drill targets.

The elevated cobalt zones occur within a pyritic (cobaltiferous) albitic gneiss containing well banded strongly pyritic stratiform mineralization locally grading up to 50% pyrite eg: 131.1 - 131.2 m. The association of elevated Co analyses associated wide zones of pyrite mineralisation will be used as a geophysical targeting tool to locate further cobaltiferous pyrite zones. In conjunction samples of the pyritic (cobaltiferous) zone will be collected for petrographic studies.

The minimum total expenditure work commitment for the first year of the 3 ELs of $46,000 will be fulfilled. The Company intends to invite potential joint partners to participate in future drilling programs to share the risks and minimise the Company’s cash outlays.

NSW: TUMUT EXPLORATION LICENCE

ELA 5829 near Tumut in NSW – 100% interest application
Cobalt and Base Metals Exploration

Figure 19 – Brungle Creek location map

Exploration Licence Application 5829 was lodged on 2nd July 2019. The tenement is located 15 km north east of Tumut in the south and 15 km east of Gundagai in the north with the tenement following the serpentine ridge of the Honeysuckle Range, as shown in Figure 19. The tenement application comprised 19 sub blocks.

Regionally the tenement lies along the boundary of the Forbes Anticlinorial zone in the east and the Bogan Gate Synclinorial zone to the west. The Mooney Mooney thrust system separates the two tectonic provinces. The Cambrian to Ordovician Jindalee Beds occur in two north-south trending belts near the eastern margin of the

REVIEW OF OPERATIONS (continued)

Bogan Gate Synclinorial Zone. These beds comprise sediments and volcanics formed at the converging plate margin of a continental slope and ocean basin and merged in a trench to form a flysch wedge.

The Silurian-Devonian Blowering beds are separated by a ridge of basement Jindalee beds and consist mainly of acid volcanic rocks. Within these units the main serpentinite and talc-carbonate intrusive bodies occur in two trend lines striking roughly north-south along or parallel to the Mooney Mooney Thrust System. These intrusives are part of an ophiolite sequence formed in an orogenic belt.

Within the tenement outcropping units of the Coolac Serpentinite are bounded against the Young Granodiorite rock of the Forbes Anticlinorial Zone to the east. Wehrlite, dunite, clinopyroxene and hornblende bearing gabbros of the North Mooney Complex lie to the west emplaced within largely acid volcanic rocks of the Silurian-Devonian Blowering Beds (Figure 20).

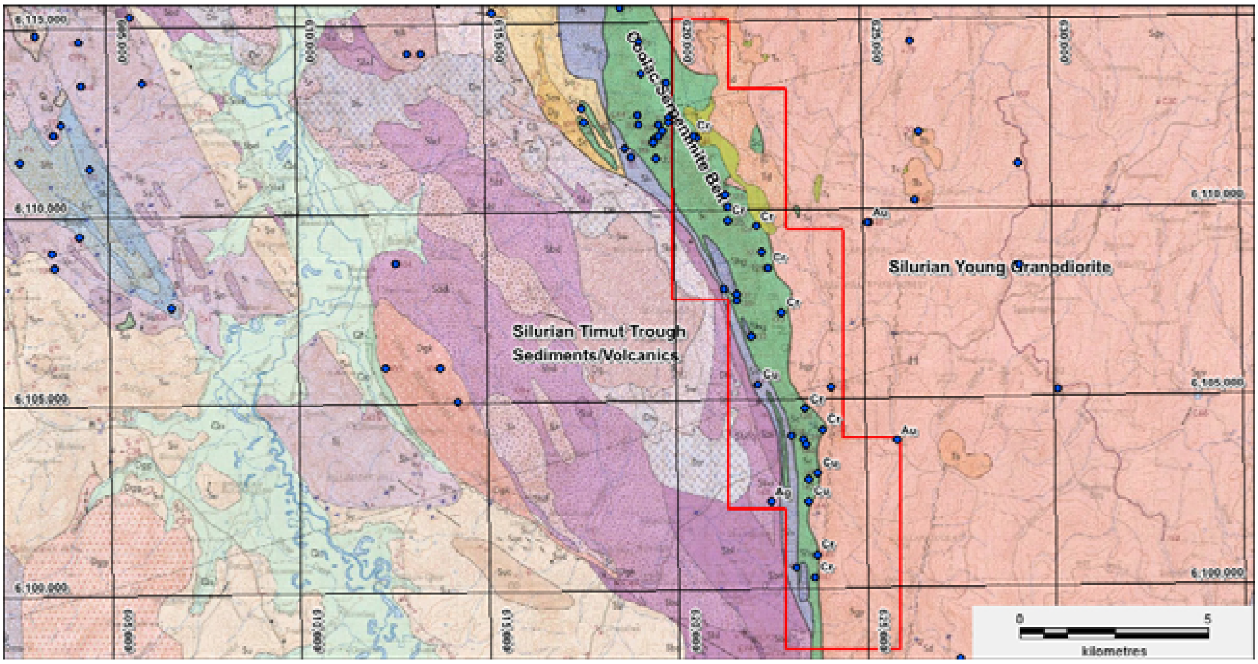

Figure 20 – Brungle Creek geology map (1:250K series) showing the extent of the Coolac Serpentinite Belt

QLD: GREENVALE COBALT- NICKEL EXPLORATION AREAS

EPMs 26813, 26814 and 26815 near Greenvale - 100% interest granted.

EPM 26813, EPM 26814 and EPM 26815 (*see Figure 1 and Figure 21*) were granted in November 2018 for a 5-year period to November 2023. They cover a total area of approximately 276 km^2 and are strategically located 20-50 kms from the reportedly most advanced cobalt project in Australia (ASX: AUZ ''Sconi'' ML10368). Sconi has attracted an offtake agreement from SK Innovation, a very large battery supplier and has been declared a Prescribed Project by the Queensland Government that will assist it fast tracking future development. A project like Sconi near the Group's EPMs will be helpful for future project development should the Group's exploration be successful within its EPMs.

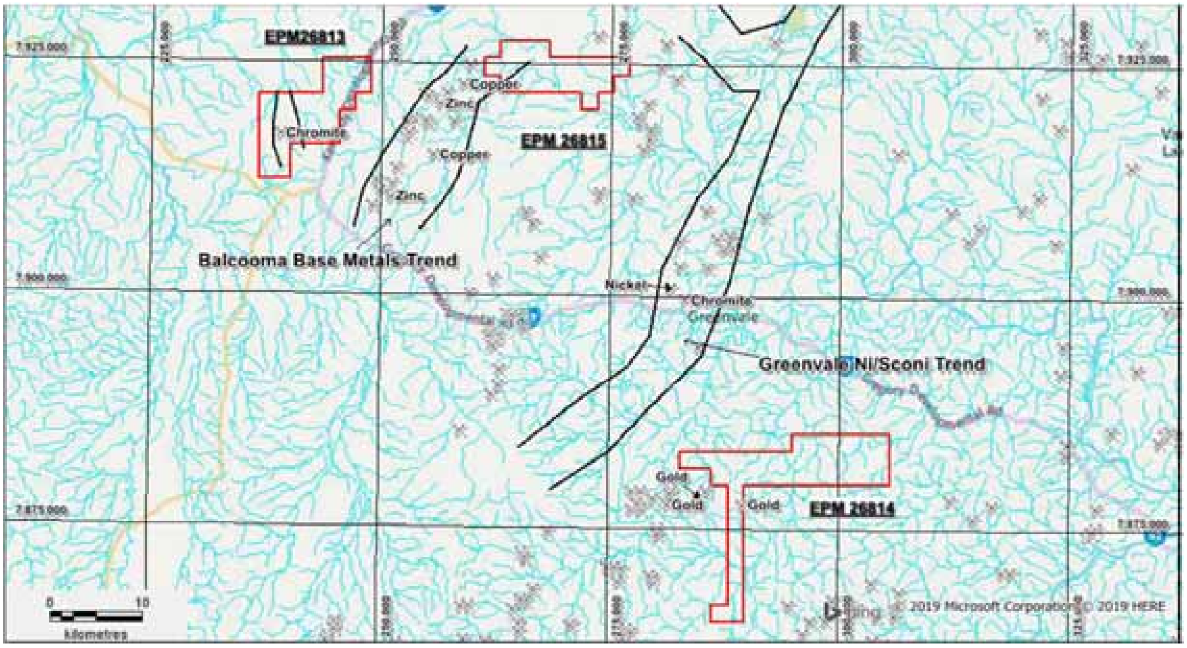

Figure 21: Greenvale Exploration Areas granted EPMs

The Greenvale tenements are located in a highly mineralised region of North Queensland adjacent to the regionally significant Greenvale Ni and Sconi Co/Sc trend with a chromite mineral occurrence located within EPM 26813 (QLD Department's data base). In addition, EPM 26815 is located along the Balcooma base metal trend that has produced several Cu/Zn mines. EPM 26814 is located adjacent to several historical gold workings.

Based on the results of analysis and studies of all available historical data that have been completed since the grant of those EPMs in November 2018, site sampling work was carried out in September 2019 as described below. The aim of the sampling is to evaluate historical exploration targets and the overall prospectivity of the tenement.

This initial exploration comprised the collection of pXRF readings using the Group's portable Olympus Vanta unit along soil traverses and of isolated rock outcrop. A total of 50 soil and 13 rock readings were taken.

Meetings has been held with landholders to explain the Group's exploration methodology and discuss exploration field work in general.

EPM 26813

This licence is located 40 km north west of Greenvale (Figure 22) with access provided by the sealed Kennedy Development Road thence by station tracks and fencelines.

REVIEW OF OPERATIONS (continued)

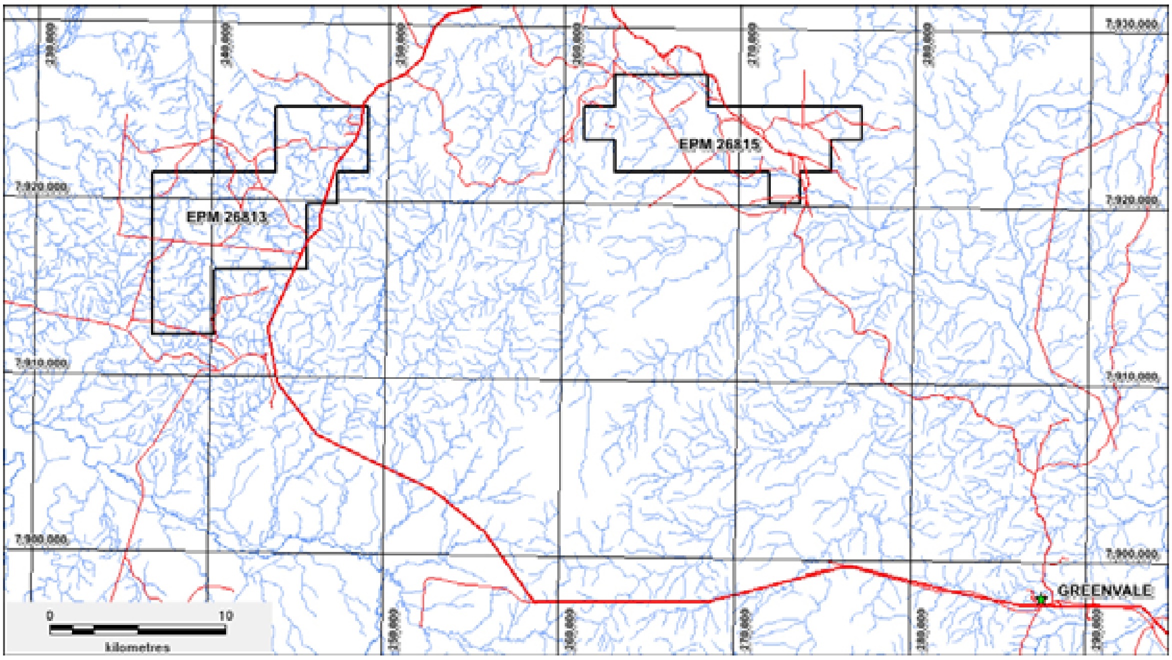

Figure 22 - Greenvale tenements EPMs 26813 and 26815 located in northern QLD near the town of Greenvale

Work within the tenement comprised three soil traverses and the collection of random pXRF readings on rock outcrop. The traverses targeted areas of historical geochemistry and drilling. Figure 23 is a solid geological interpretation and Figure 3 is a TIM aeromagnetic map of the tenement.

North East Traverse:
Consisted of 2 soil traverses across a magnetic high that was tested with one drill hole. There were no anomalous geochemistry with Pb to 7 ppm and fresh amphibolite was noted in several creeks (Plate 1).

Ultramafic Sampling
Several pXRF readings were taken of a serpentinized ultramafic located in the centre of the tenement. The outcrop is vey small and extends about 300 m north of the fence line. Maximum geochemistry of 2,199 ppm Ni and 192 ppm Co were noted. This level of Ni is at background levels for serpentinized ultramafics in the area.

South Traverse:
A singe pXRF soil traverse was completed across the south of the tenement (Figure 23) with lithologies encountered including granite (with local garnet development), coarse mica pegmatites and mica schists. Maximum pXRF readings were 26 ppm Ni, 118 ppm Zn, 26 ppm Pb and 18 ppm Cu.

REVIEW OF OPERATIONS (continued)

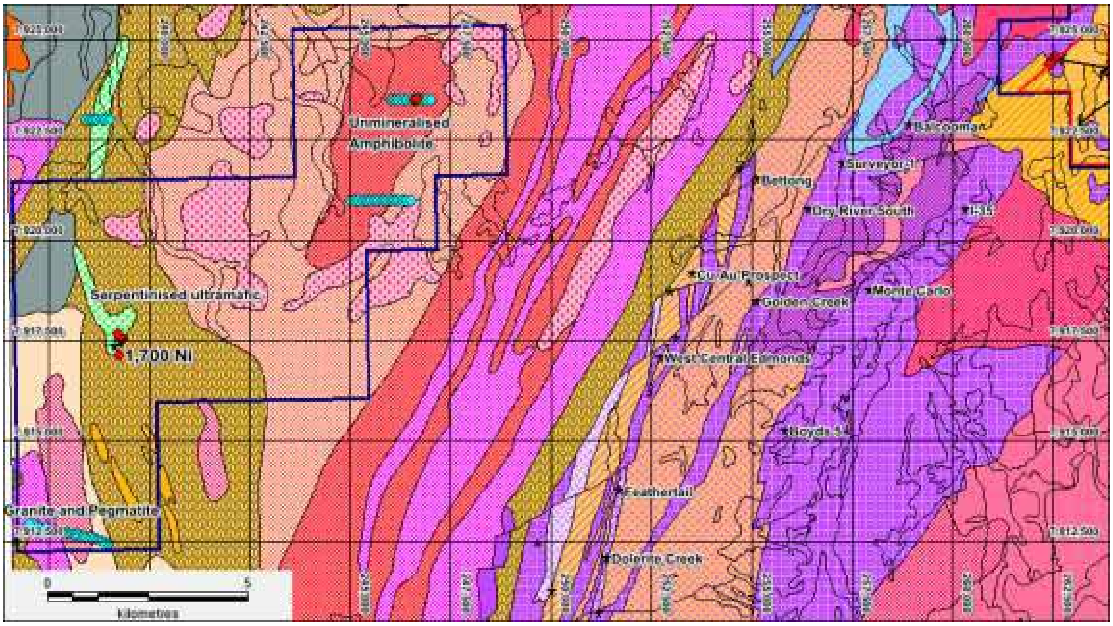

Figure 23 - EPM 26813 solid geology, mineralisation and geochemistry

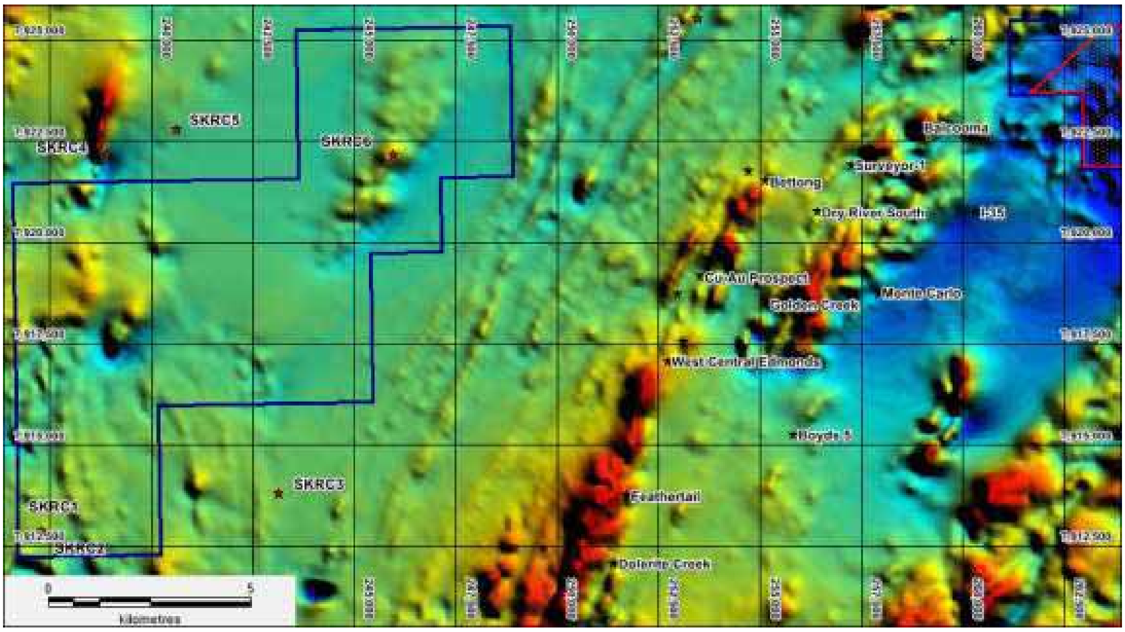

Figure 24 - EPM 26813 aeromagnetics, mineralisation and drilling

REVIEW OF OPERATIONS (continued)

Plate 1 - Amphibolite located in the north

Plate 2 - Fine grained granite/coarse grained pegmatite contact in sout

EPM 26185

This licence is located 40 km north west of Greenvale (Figure 22) with access provided by the unsealed Conjuboy Road thence by station tracks and fencelines.

Plate 3 - Felsic volcanic breccia and view of the outcrop

Historical rock sampling in the western portion of EL 26815 returned anomalous base metal geochemistry within a site of felsic volcanics. A brief field traverse across the western portion of EL 26815 encountered several small hills comprising clay altered and brecciated felsic volcanics (Plate 3). Maximum pXRF readings were 26 ppm Ni, 18 ppm Cu and 26 ppm Pb. However, the Olympus Vanta does not record Au as such additional sampling of the felsic volcanics will be considered.

REVIEW OF OPERATIONS (continued)

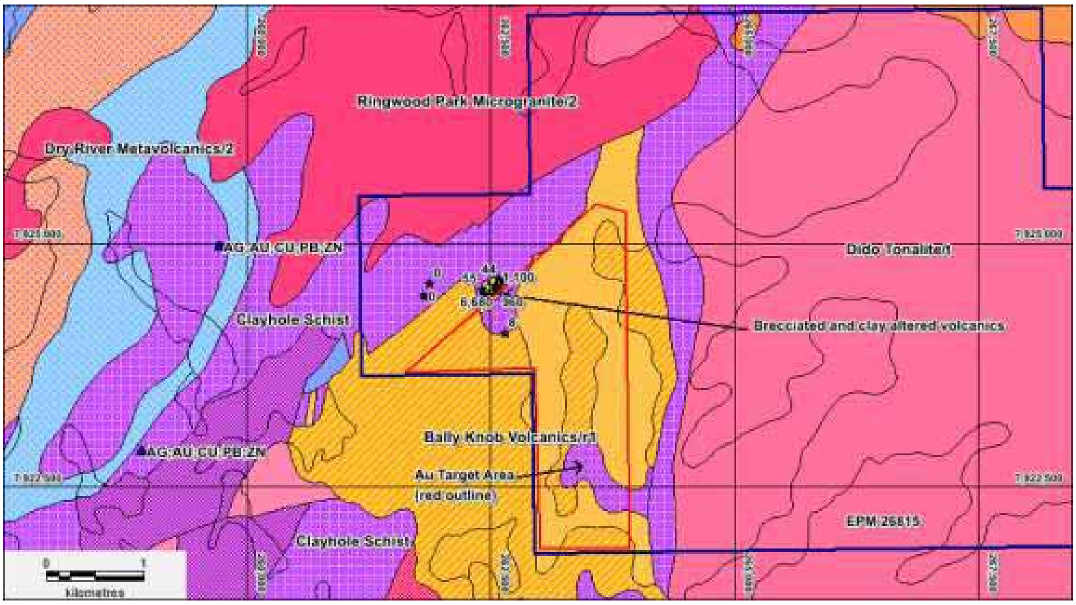

Figure 25 - EPM 26815 solid geology, mineralisation and rock geochemistry

QLD: MOUNT TEWOO NICKEL COBALT MANGANESE EXPLORATION AREA

EPM 26764 Application near Gympie - 100% interest granted.

The Mount Tewoo Nickel Cobalt Manganese Exploration Area comprises EPM 26764 covering an area of approximately 178 km^2 located 25 km south-west of Gympie, and 30 km south-east of Kilkivan (Figure 26). During the Native Title Notification period that ended on 11 August 2018 an objection was lodged by the Kabi Kabi First Nation. For expediency, the Company agreed to exclude access for exploration in a relatively small area that may be subject to Native Title Claim and as such the tenement was granted on 21 March 2019 for a period of 5 years. The total minimum work expenditure commitment for the first year is $41,000.

EPM 26764:

- is 15 km south-east of Aus Tin Mining's (ASX: ANW) Mt Cobalt, Nickel-Cobalt deposit and Pembroke Nickel Sulphide discovery, in EPM 19366;
- covers approximately 32 kms of prospective Mt Mia Serpentinite, a potential host rock for nickel-cobalt mineralisation similar to that discovered by Aus Tin Mining (ASX: ANW) (Figure 26).
- is in an area with similar geology to Pembroke and Mt Cobalt where nickel sulphide and oxide nickel-cobalt mineralisation have been discovered.
- contains known mineral occurrences for gold and copper.

REVIEW OF OPERATIONS (continued)

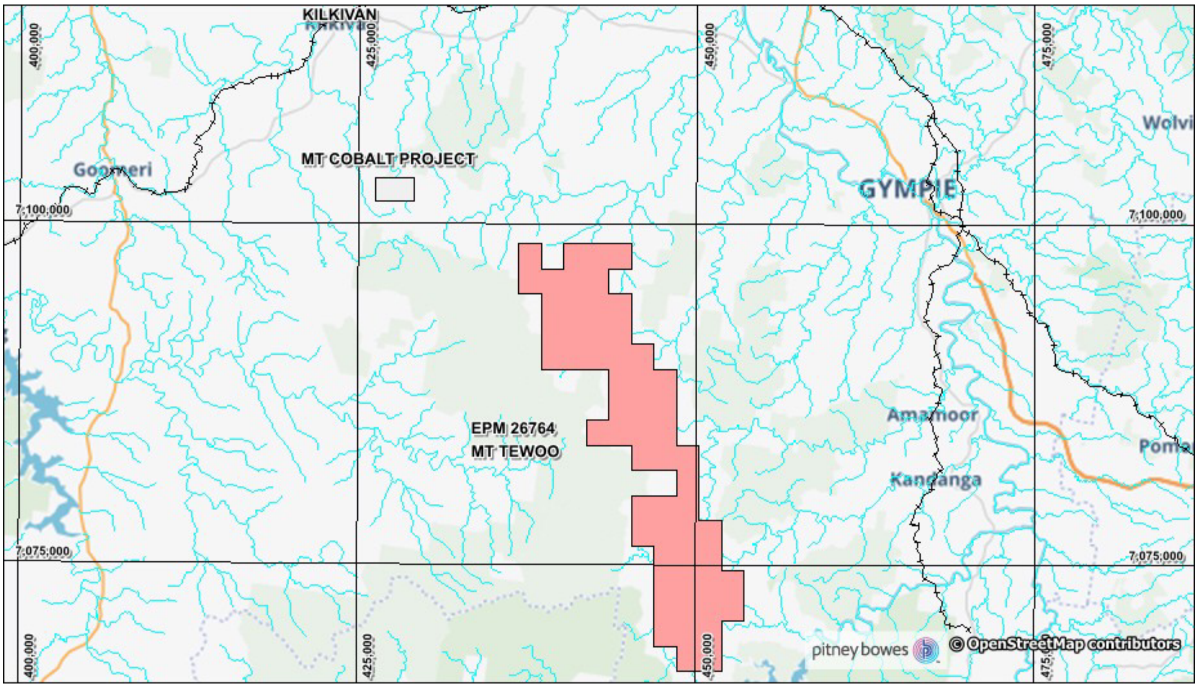

Figure 26: Mt Tewoo EPM 26764 south east of ANW's Mt Cobalt Project

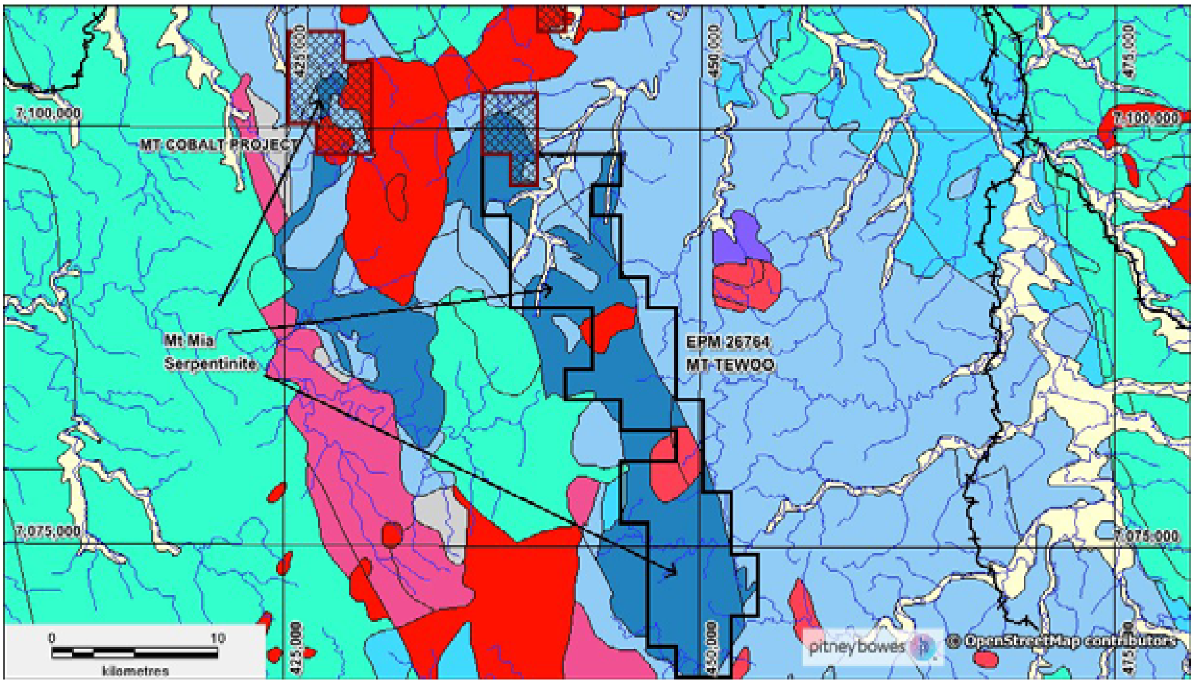

Figure 27: EPM 26764 geology map indicating extent of Mt Mia Serpentinite coverage
The Aus Tin Mining project is shown as hatched regions.

KOONENBERRY COPPER EXPLORATION AREA

EL 6400 NSW – 100% interest granted
Copper - Zinc - (Silver) Exploration

This EL covers the Grasmere-Peveril Cu-Zn-(Ag) deposits (Figure 28), which contain a significant indicated and inferred JORC Code 2004 compliant resource of 5.75mt @ 1.03% Cu, 0.35% Zn, 2.3g/t Ag and 0.05g/t Au (Inferred: 2.73 mt grading 0.9% Cu, 0.4% Zn, .04 g/t Au and 2.05 g/t Ag. Indicated: 3.02 mt grading 1.15% copper, 0.3% Zn, 0.06 g/t Au and 2.53 g/t Ag). Information relating to this mineral resource was prepared and first reported in accordance with the JORC Code 2004 in 2006. It has not been updated since, to comply with the JORC Code 2012, on the basis that the information has not materially changed since it was reported in 2006. Exploration to date has not achieved an increase in that resource.

The Company has shared proprietary information with certain parties to investigate the possibilities of an in situ leaching process for the extraction of the copper. It is the Group's intention to continue to seek joint venture partners to share the risks and costs of the project.

During the June 2019 quarter the NSW Department has granted a renewal of EL6400 for a further 2 years to 2021. The tenement was reduced from 17 sub-blocks to 8 sub-blocks.

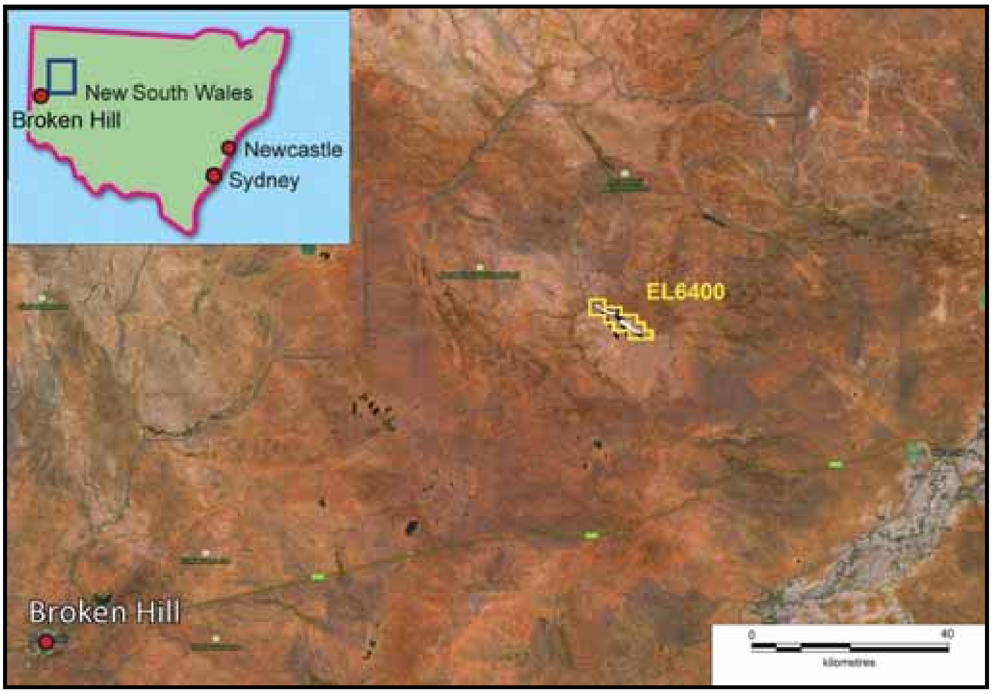

Figure 28 – Location of Current Koonenberry Exploration Licence EL 6400

REVIEW OF OPERATIONS (continued)

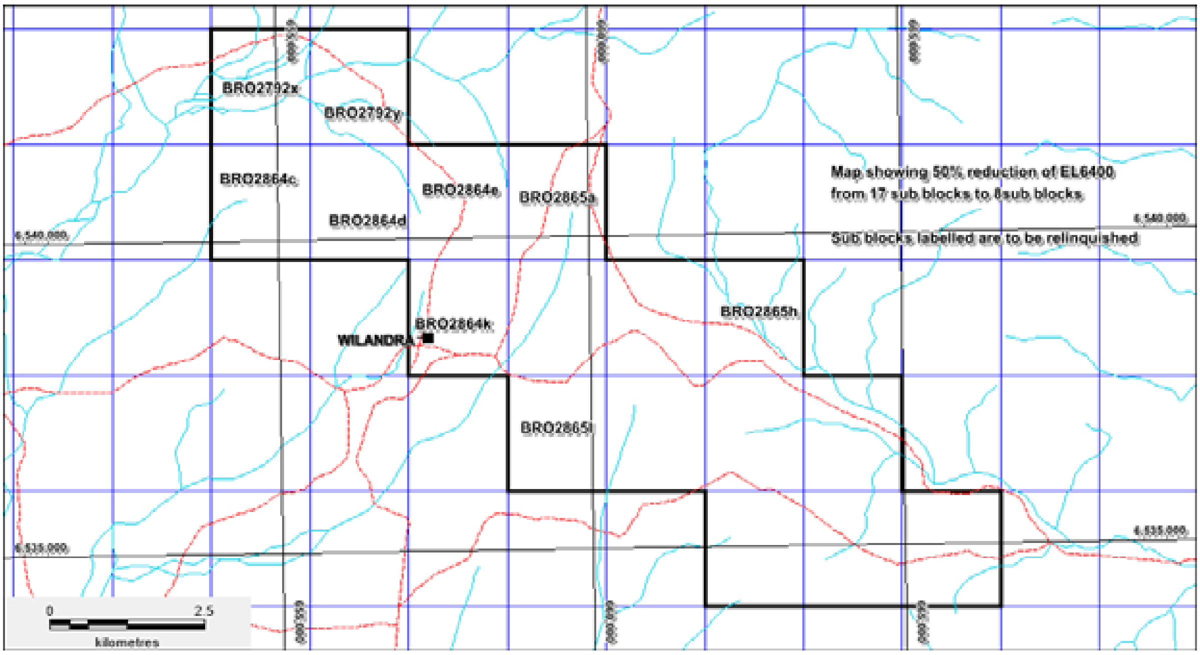

Figure 29 – Location of Current Koonenberry Exploration Licence EL 6400 showing sub-blocks relinquished on renewal

POORAKA GOLD EXPLORATION AREA

Pooraka ELs 6413 and 8424 near Cobar – NSW - 100% interest granted
Gold, Silver and Base Metal Exploration

EL 6413, 50 km east of Cobar, contain several gold and base metal target areas gleaned from earlier exploration results.

EL 8424 has been granted a renewal for a period of 2 years to 17 February 2021 by the NSW Department on a reduced size of 4 blocks.

A renewal application for EL 8424 for a period of 2 years to May 2021 was lodged in December 2018 with the NSW Department. In July 2019, the NSW Department has granted a renewal of EL6413 for a further 2 years to 2021. The tenement was reduced from 6 sub-blocks to 3 sub-blocks.

No field activities have been carried out during the reporting period while the Company waited on renewal of the EL.

REVIEW OF OPERATIONS (continued)

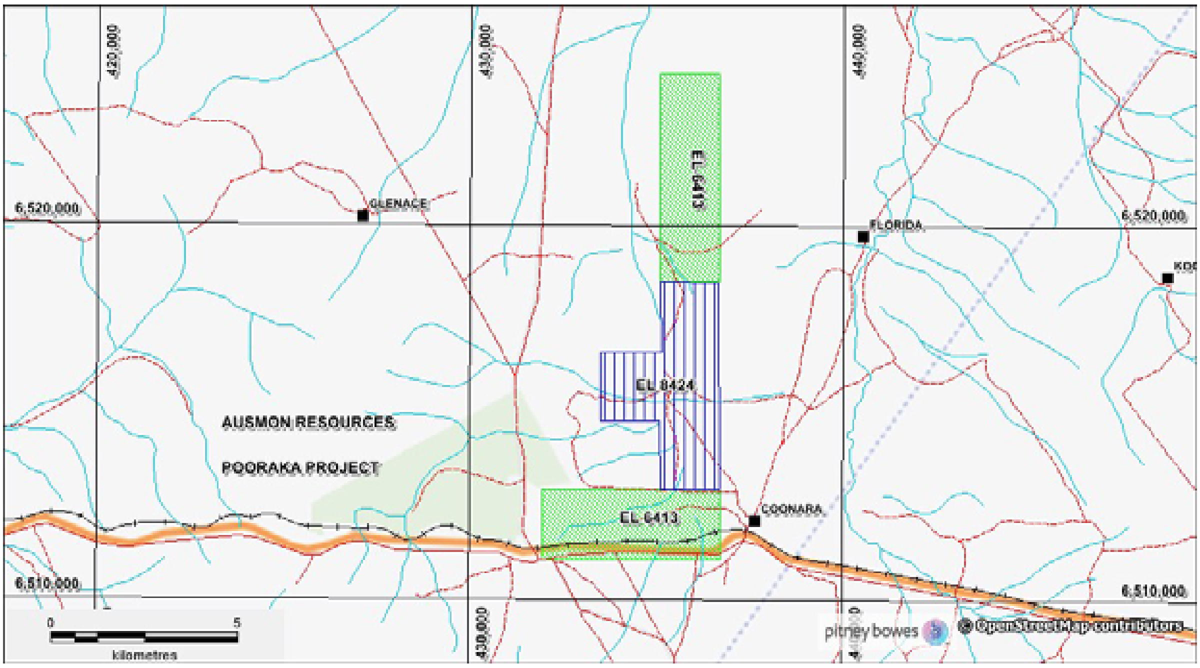

Figure 30 – Location of EL 6413 and EL 8424 (Three sub-blocks of EL 6413 to the west of Coonara have been relinquished)

REVIEW OF OPERATIONS (continued)

LICENCES STATUS

Minerals tenements and applications for tenements held at 30 June 2019 and acquired or disposed of during the year and their locations are as follows:

Tenement	Area Name	Location	Beneficial Interest	Status
EL 6400	Koonenberry	NSW	100%	Expiry on 1 April 2021 (Renewal applied for 2 years from expiry 1 April 2019 and renewal granted on 02 July 2019)
EL 6413	Pooraka 1	NSW	100%	Expiry on 17 May 2021 (Renewal applied for 2 years from expiry 17 May 2019 and renewal granted on 19 August 2019)
EL 8424	Pooraka 3	NSW	100%	Expiry on 17 February 2021
EL 8745	Kanbarra	NSW	100%	Expiry on 15 May 2024
EL 8746	Redan	NSW	100%	Expiry on 15 May 2024
EL 8747	Stirling Vale	NSW	100%	Expiry on 24 May 2024
EPM 26813	Greenvale	QLD	100%	Expiry on 05 November 2023
EPM 26814	Greenvale	QLD	100%	Expiry on 05 November 2023
EPM 26815	Greenvale	QLD	100%	Expiry on 05 November 2023
EPM 26764	Mt Tewoo	QLD	100%	Expiry on 21 March 2024
ELA 5829	Brungle Creek	NSW	100%	Application submitted 2 July 2019 and awaiting grant

EPMs 26813, 26814, 26815 and 26764 were granted during the year.

(The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566).

Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities 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, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.)

CORPORATE AND FINANCIAL

Performance

During the year the Group incurred net losses of $370,374 (2018: losses $591,740) which included projects costs of $9,284 (2018: 112,176).

Financial Position

Cash at 30 June 2019 was $613,859 (2018: $1,003,067) with total current assets being $626,592 (2018: $1,038,065) made up substantially of cash.

Current liabilities were $127,954 (2018: 62,031) including accrual of Directors' fees of $60,000 (2018: nil) for September 2018 to June 2019.

Total equity decreased from $1,949,423 at 30 June 2018 to $1,681,049 at 30 June 2019 mainly as a result of operating expenses during the year.

Cash Flows

Operating activities resulted in net outflow of $188,872 (2018: outflow $465,049) as the Group is still in the exploration phase with no revenue. This outflow was funded from existing cash on hand.

STRATEGY AND PROSPECTS FOR FUTURE

The Group proposes to continue its mineral exploration program in Australia and search for new projects in the resources sector. However, no indication as to likely results in the future can be given due to the uncertainties usually associated with exploration activities and new projects. Future financial performance will be driven by success in the following:

- exploration for nickel, cobalt and zinc in NSW and QLD in licence areas;
- gold exploration near Cobar;
- exploration for copper at Koonenberry; and
- any new projects.

To carry out those above activities the Company will require funding which may be by farmout of interests or equity capital. The method of funding will be determined at the appropriate time as part of the Group's capital management in maintaining a capital structure that minimises the cost of capital and benefits all shareholders.

DIRECTORS' REPORT

The Directors present their report on Ausmon Resources Limited ("Company") and its controlled entities ("Group") for the financial year ended 30 June 2019.

DIRECTORS

The names of Directors in office at any time during or since the end of the year are:

Boris Patkin
Non-Executive Chairman

Mr Patkin holds a Bachelor of Science (Industrial Chemistry) with a number of industry qualifications. He worked for the Shell Group from 1973 – 1980 and subsequently operated his own businesses for many years in various industries, including textile, footwear, freight forwarding, property and independent living communities. He is presently an authorised representative at Morgans stockbroking division dealing in generic securities, margin lending and managed investments.

Appointed to the Board: 16 July 2014.
Special responsibilities: Chairman from 16 July 2014.
Current directorship of other listed public companies: None.
Former directorship of listed public companies in the last three years: None.
Interest in shares: 16,142,857 ordinary shares in Ausmon Resources Limited.

John Qiang Wang
Managing Director

Mr Wang holds a Bachelor of Computer Science from Shanghai University and a Master of Business Administration from the University of Technology, Sydney. He is a Justice of the Peace with more than 20 years' experience in the accounting profession in Australia. He is a Fellow Member of the Taxation Institute of Australia, a member of National Institute of Accountants and an affiliate member of the Financial Planner Association of Australia.

Appointed to the Board: 26 November 2008 on incorporation.
Special responsibilities: Managing Director from 16 July 2014 and CFO/secretary until 25 October 2017
Current directorship of other listed public companies: None.
Former directorship of listed public companies in the last three years: None.
Interest in shares: 18,327,859 ordinary shares in Ausmon Resources Limited.

Eric W Y M Sam Yue
Director – Executive

Mr Sam Yue holds a Bachelor of Science in Economics and is a Chartered Accountant with international experience in both public accounting and commerce. His financial management and corporate experience span over 25 years in senior financial executive positions in professional services, shipping, mining and oil and gas companies in Australia and New Zealand in private and ASX listed companies.

Appointed to the Board: 25 October 2017.
Special responsibilities: Chief Financial Officer and company secretary.
Current directorship of other listed public companies: None.
Former directorship of listed public companies in the last three years: None.
Interest in shares: 22,304,857 ordinary shares in Ausmon Resources Limited

DIRECTORS' REPORT (continued)

COMPANY SECRETARY

Mr Eric W Y M Sam Yue is the Company Secretary of the Company as at the end of the financial year and at the date of this report.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year consisted of carrying out exploration in minerals tenements with a focus on gold, copper, cobalt, nickel and zinc and also seeking new projects.

OPERATING RESULTS

The loss of the Group after income tax for the year was $370,374 (2018: $591,740).

FINANCIAL POSITION

Total equity of the Group at 30 June 2019 was $1,681,049 (2018: $1,949,423). Total assets decreased by $202,451 to $1,809,003 and total liabilities increased by $65,923 to $127,954 with cash and cash equivalents of $613,859 (2018: $1,003,067) and no borrowings

DIVIDENDS

No dividends have been paid or declared by the Company since the beginning of the year.

STATE OF AFFAIRS

The following significant changes in the state of affairs of the Company occurred during the financial year:

(a) Issue of 17,000,000 fully paid ordinary shares at $0.006 per share to pay directors' fees (approved by shareholders at AGM held on 25 October 2018) and supplier services;

(b) The Group was granted licences for the 4 exploration licence applications in Queensland.

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

A Review of Operations for the financial year, together with future prospects, is set out on pages 3 to 32.

During the subsequent financial year the likely developments of the Group will involve continuation of exploration in its tenements to define mineral resources and assessment of new ventures. Except as described elsewhere in this Annual Report, the likely results of the exploration activities are unknown at the date of this report.

Successful results from exploration within the exploration licences held by the Group would increase the value of the licences and attract joint venture partners to participate in their further exploration, appraisal and development.

ENVIRONMENTAL ISSUES

The Group's operations are subject to significant environmental and other regulations under the laws of the Commonwealth and State. The Group has a policy of engaging appropriately experienced contractors and consultants to advise on and ensure compliance with environmental regulations in respect of its exploration activities. There have been no reports of breaches of environmental regulations in the financial year and at the date of this report.

DIRECTORS' REPORT (continued)

AFTER BALANCE DATE EVENTS

In the opinion of the Directors, no items, transactions or events of a material or unusual nature have arisen in the interval between the end of the financial year and the date of this report which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

REMUNERATION REPORT (AUDITED)

Details of the nature and amount of remuneration for each key management personnel of Ausmon Resources Limited are set out below.

Remuneration Policy and Practices

The Group's policy for determining the nature and amount of remuneration of Board members and senior executives is as follows:

(i) Directors

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities with annual reviews based on market practices.

The maximum aggregate annual remuneration of Non-Executive Directors is subject to approval by the shareholders in general meeting. The Company had determined the maximum aggregate amount at $500,000 per year.

On 25 October 2018, the Annual General Meeting of the Company approved the issue of shares to Directors B Patkin (5 million shares at $0.006), J Wang (4 million shares at $0.006) and E Sam Yue (4 million shares at $0.006) as payment of Directors' fees of $78,000 for the period from March 2018 to August 2018 to preserve cash resources of the Company.

As the Directors continued to discharge their duties and work for the future development of the Group, it was considered appropriate for them to be remunerated. The Board resolved to remunerate Directors B Patkin, J Wang and E Sam Yue director fees for directorship functions for the period from September 2018 to June 2019. Director fees of $20,000 for each of the three Directors for the 10 months from September 2018 to June 2019 have been accrued at 30 June 2019. Fees for executive functions continue to be remunerated on time cost basis.

(ii) Key Management Personnel

The remuneration structure for senior executives, including Executive Directors, is based on a number of factors, including qualifications, particular experience and general past performance of the individual concerned, overall performance of the Group and general human resources market pricing. There is no predetermined equity compensation element within the remuneration structure nor predetermined performance condition to be satisfied. Remuneration including equity compensation is reviewed on an annual basis with advice from external remuneration advisers as may be required. There are no contracts for service between the Company and Executive Directors and other key management personnel currently in place other than executive positions held by Directors may be terminable by the Company by giving one month's notice or by payment of one month's fees in lieu of notice.

The Board determines payments to Non-Executive and Executive Directors and other key management personnel. The Board had resolved to pay fees to existing Directors for directorship and executive functions. Fees for executive functions continue to be remunerated on time cost basis. Non-executive

DIRECTORS' REPORT (continued)

Directors are remunerated at the rate of $1,000 per day when performing services that are not the normal duties of non-executive directors.

Company performance, shareholder wealth and Director and executive remuneration

The remuneration policy at this early stage of the Group has been tailored for goal congruence between shareholders, Directors and executives.

Use of remuneration consultants

No remuneration consultants were used during the year.

Voting and comments made at the Company's 2018 annual general meeting

The Company received 100% of "for" votes on its remuneration report for 2018 financial year. The Company did not receive any specific feedback at the annual general meeting on its remuneration report.

Employee Incentive Plan (EIP)

The Company has established an Ausmon Resources Limited Employee Incentive Plan under which the Directors may offer options and ordinary shares in the Company to eligible persons. The Directors may also offer non-recourse interest free loans for terms of up to 5 years under the plan for subscription of shares and under such loans the Company holds a lien over the issued shares. The options are issued free at grant. The shares may not be subscribed for less than the market value of the shares at the time an offer is made under the plan. The maximum total number of options and shares that may be offered or issued under the plan may not exceed 20% of the issued shares of the Company.

The shares issued under the plan rank pari passu with other issued ordinary shares and are not listed while there are loans outstanding on the subscription of the shares. Executives and consultants participate in the Ausmon Resources Limited Employee Incentive Plan at the invitation of the Board after a review of performance. Directors may participate in the Plan subject to approval of shareholders.

During the financial year, no EIP shares were issued.

DIRECTORS' REPORT (continued)

Key management personnel remuneration

The key management personnel of the Group during the year were the Directors B Patkin, J Q Wang, and E Sam Yue.

The following table show details of the remuneration of each Director and key management personnel for the year ended 30 June 2019:

	Short-term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share-based payments[3]		
	Cash salary and fees	Super-annuation	Long service leave		For 2018	For 2019	Total
	$	$	$	$	$	$	$
2019							
Directors							
B Patkin	20,000[2]	-	-	-	20,000	10,000	50,000
E Sam Yue	51,397[1,2]	2,983	-	-	16,000	8,000	78,380
J Q Wang	20,000[2]	-	-	-	16,000	8,000	44,000
	91,397	2,983	-	-	52,000	26,000	172,380

[1] $31,397 for management fees of which $5,220 were accounted in exploration and evaluation expenditure.

[2] $20,000 for each Director accrued at balance date and not yet paid.

[3] Equity-settled approved by shareholders at Annual General Meeting held on 25 October 2018

None of the remuneration was performance based.

	Short-term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share-based payments	
	Cash salary and fees	Super-annuation	Long service leave		EIP shares	Total
	$	$	$	$	$	$
2018						
Directors						
B Patkin	50,000	-	-	-	25,000	75,000
E Sam Yue	49,604	4,712	-	-	25,000	79,316
J Q Wang	68,000	-	-	-	25,000	93,000
	167,604	4,712	-	-	75,000	247,316

DIRECTORS' REPORT (continued)

Shares held by Key Management Personnel

The number of ordinary shares in the Company during the 2019 reporting period held by each of the Group's Key Management Personnel, including their related parties, is set out below:

	Balance at start of year	Director fees paid in shares[4]	Other changes	Balance at end of year
Year ended 30 June 2019				
B Patkin[1]	11,142,857	5,000,000	-	16,142,857
J Q Wang[2]	14,327,859	4,000,000	-	18,327,859
E Sam Yue[3]	18,304,857	4,000,000	-	22,304,857
	43,775,573	13,000,000	-	56,775,573

[1] Shares are held by Snowy Plains Pty Ltd of which Director B Patkin is the sole director and owns all of the shares.

[2] 6,510,000 shares are registered in the name of John Wang & Co Pty Ltd (J Q Wang is a director and controller) and 2,800,000 shares are registered in the name of John Wang & Co Pty Ltd Atf JM Wang Family Trust of which J Q Wang is a director and beneficiary.

[3] 5,500,000 shares are registered in the name of Vesway Pty Ltd Atf ESVSY Super Fund of which Director E Sam Yue is a beneficiary and 7,804,857 are held by the spouse of Director E Sam Yue.

[4] Approved by shareholders at the Annual General Meeting held on 25 October 2018.

Loans to Directors

There are no outstanding loans to Directors and no loans have been issued during the year, other than non-recourse loans structured under the Employee Incentive Plan (EIP). At balance date, the EIP non-recourse loans to Directors approved by shareholders were as follows:

Director	Loan expiry date	2019 EIP shares	2018 EIP shares	2019 $	2018 $
B Patkin	7 February 2023	5,000,000	5,000,000	35,000	35,000
J Q Wang	7 February 2023	5,000,000	5,000,000	35,000	35,000
E Sam Yue	7 February 2023	5,000,000	5,000,000	35,000	35,000

Other transactions with Key Management Personnel

	2019 $	2018 $
Paid to Australian MBA Accountants an entity controlled by Director J Q Wang		
- Office rental	10,400	10,400
- Professional and consultancy services	8,145	5,930
	18,545	16,330

End of audited remuneration report.

DIRECTORS' REPORT (continued)

SHARE OPTIONS

There are no share options issued during the year or on issue at the date of this report.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2019, and the number of meetings attended by each Director:

	Directors' meetings	
	Number eligible to attend	**Number attended**
B Patkin	2	2
J Q Wang	2	2
E Sam Yue	2	2

During the year, Board business was also effected by execution of circulated resolutions.

Because of the small size of the Board, no separate sub-committees of the Board have operated and all matters were dealt with in the Directors' meetings or by circulated resolutions.

INDEMNIFICATION OF OFFICERS OR AUDITORS

During the financial year, the Group paid a premium in respect of a contract insuring the directors and officers of the Group against a liability incurred as such a director or officer to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify a former officer or auditor of the Group against a liability incurred as such an officer or auditor.

PROCEEDINGS

During the financial year and in the interval between the end of the financial year and the date of this report, the Group has made no application of leave under section 237 of the Corporations Act 2001.

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings in the year.

NON-AUDIT SERVICES

No non-audit services were provided by the auditor during the year ended 30 June 2019.

DIRECTORS' REPORT (continued)

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001 the auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 41 of the Annual Report and forms part of this report.

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

John Wang
Director
Dated this 24th day of September 2019

Stantons International Audit and Consulting Pty Ltd
trading as
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Chartered Accountants and Consultants

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24 September 2019

Board of Directors
Ausmon Resources Limited
World Tower
Suite 1312
87-89 Liverpool Street
Sydney NSW 2000

Dear Sirs

RE: AUSMON RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Ausmon Resources Limited.

As Audit Director for the audit of the financial statements of Ausmon Resources Limited for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours sincerely,

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED

Martin Michalik
Director

CORPORATE GOVERNANCE

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Ausmon Resources Limited and its controlled entites ('the Group') have adopted a corporate governance framework and practices to ensure they meet the interests of shareholders.

The ASX Corporate Governance Council has published the Corporate Governance Principles and Recommendations – 3rd edition ('the ASX Principles').

The Group has chosen to publish its Corporate Governance Statement on its website rather than in this Annual Report. The Corporate Governance Statement and governance policies and practices can be found in the corporate governance section of the Company's website at http://www.ausmonresources.com.au/corporate.html.

The Group's Corporate Governance Statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, were in place for the full reporting period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2019

	Note	2019 $	2018 $
Revenue			
Interest revenue		4,556	5,303
Expenses			
Employee benefits expense		(39,858)	(39,858)
Impairment of exploration and evaluation expenditure		-	(27,221)
Share-based payments	25	(78,000)	(107,000)
Projects costs		(9,284)	(112,176)
Other expenses	5	(247,788)	(310,788)
Loss before income tax expense		(370,374)	(591,740)
Income tax expense	6	-	-
Loss for the year		(370,374)	(591,740)
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(370,374)	(591,740)
Loss attributable to:			
- members of the Parent Entity		(370,374)	(591,740)
Total comprehensive income (loss) attributable to:			
- members of the Parent Entity		(370,374)	(591,740)
Loss per share			
Basic and diluted loss per share	20	(0.07 cents)	(0.15 cents)

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Note	2019 $	2018 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	613,859	1,003,067
Trade and other receivables	8	9,286	22,498
Financial assets	9	-	12,500
Other assets	10	3,447	-
TOTAL CURRENT ASSETS		626,592	1,038,065
NON-CURRENT ASSETS			
Financial assets	9	70,000	60,000
Exploration and evaluation expenditure	12	1,112,411	913,389
TOTAL NON-CURRENT ASSETS		1,182,411	973,389
TOTAL ASSETS		1,809,003	2,011,454
CURRENT LIABILITIES			
Trade and other payables	13	127,954	62,031
TOTAL CURRENT LIABILITIES		127,954	62,031
TOTAL LIABILITIES		127,954	62,031
NET ASSETS		1,681,049	1,949,423
EQUITY			
Issued capital	14	13,317,736	13,215,736
Reserves	15	464,770	464,770
Accumulated losses		(12,101,457)	(11,731,083)
TOTAL EQUITY		1,681,049	1,949,423

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2019

	Issued capital $	Option reserve $	Accumulated losses $	Total $
Balance at 01 July 2017	11,377,032	357,770	(11,139,343)	595,459
Total comprehensive loss for the year	-	-	(591,740)	(591,740)
Transactions with owners in their capacity as owners:				
Issue of share capital	1,898,000	-	-	1,898,000
Transaction costs	(59,296)	-	-	(59,296)
Employee incentive plan	-	107,000	-	107,000
Balance at 30 June 2018	13,215,736	464,770	(11,731,083)	1,949,423
Balance at 01 July 2018	13,215,736	464,770	(11,731,083)	1,949,423
Total comprehensive loss for the year	-	-	(370,374)	(370,374)
Transactions with owners in their capacity as owners:				
Issue of share capital	102,000	-	-	102,000
Balance at 30 June 2019	13,317,736	464,770	(12,101,457)	1,681,049

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2019

	Note	2019	2018
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(193,428)	(470,352)
Interest received		4,556	5,303
Net cash (used in) operating activities	18(b)	(188,872)	(465,049)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure		(162,261)	(26,952)
Purchase of equipment		(40,575)	-
Acquisition of tenements		-	(40,000)
Payments for security deposits		(10,000)	(30,000)
Proceeds from refund of security deposits		12,500	10,000
Net cash (used in) investing activities		(200,336)	(86,952)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	805,000
Proceeds from sale of treasury shares		-	243,000
Capital raising costs		-	(59,296)
Net cash inflow from financing activities		-	988,704
Net increase in cash and cash equivalents		(389,208)	436,703
Cash and cash equivalents at beginning of year		1,003,067	566,364
Cash and cash equivalents at end of year	18(a)	613,859	1,003,067

These financial statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Year Ended 30 June 2019

Note 1 – Nature of operations

Ausmon Resources Limited and its subsidiaries' ('the Group') principal activities consisted of carrying out exploration in minerals tenements with a focus on gold, copper, cobalt, nickel and zinc.

Note 2 – General information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Ausmon Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Ausmon Resources Limited is the Group's ultimate Parent Company. Ausmon Resources Limited is a public company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is World Tower, Suite 1312, 87-89 Liverpool Street, Sydney NSW 2000.

The consolidated financial statements for the year ended 30 June 2019 were approved and authorised for issue by the board of Directors on 24 September 2019.

Note 3 – New and revised standards that are effective for these financial statements

A number of new and revised standards, including AASB 15: Revenue from Contracts with Customers and AASB 9: Financial Instruments, became effective for the first time to annual periods beginning on or after 1 July 2018. None has had any impact on the Group.

New accounting standards and interpretations

Certain new accounting standards and interpretation have been issued but were not mandatory for annual reporting periods ending 30 June 2019 and have not been adopted early by the Group as follows:

- AASB 16 Leases becomes mandatory for the Group's 2020 financial statements. This standard will result in a portion of the Group's operating leases to be accounted for on balance sheet as a "right to use asset" and "lease liability" upon adoption of the standard on 1 July 2019. This standard will also result in reclassification of operating lease expense into depreciation and finance expenses, and a reclassification of certain cash flows from operating into financing activities. At 30 June 2019 the Group has no leases falling under AASB 16 Leases.

Note 4 – Summary of accounting policies

(a) Overall considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

(b) Basis of consolidation

The Group financial statements consolidated those of the Parent Company and its subsidiaries as of 30 June 2019. The Parent Company controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The subsidiaries in the Group have a reporting date of 30 June.

Details of the subsidiaries (controlled entities) are contained in Note 22 to the financial statements.

All inter-company balances and transactions between entities in the Group, including unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the Parent Company.

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the Group, are shown separately within the equity section of the consolidated statement of financial position and in the consolidated statement of profit or loss and other comprehensive income.

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method. The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially as the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss after the fair value of the acquired assets and liabilities have been reassessed.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets liabilities and contingent liabilities recognised.

(c) Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to pay its debts as and when they become due and payable. At balance date the Group has current assets of $626,592 including total cash of $613,859, current liabilities of $127,954 and has incurred a net loss of $370,374 in the year. In addition, the Group has an unfulfilled expenditure requirement under its exploration licences of $96,000 for the next 12 months.

The Directors have reviewed the cash flow forecast for the next twelve months including consideration of the unfulfilled expenditure requirement and other committed expenses and have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. If for any reason, the Group is unable to continue as a going

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

concern, then this could have an impact on the Group's ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

(d) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated 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 enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(e) Revenue

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

Interest revenue is recognised as interest accrues using the effective interest method.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. 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.

(g) Receivables

Receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and allowance for doubtful accounts.

(h) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest, and carried forward in the statement of financial position where:

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

(ii) one of the following conditions is met:

> (i) such costs are expected to be recouped through successful development and exploitation of the area of interest or by its sale; or
>
> (ii) exploration and/or evaluation activities in the area of interest have not at balance date yet reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas are continuing.

Indirect costs relating to exploration and evaluation in areas of interest are capitalised in the period they are incurred. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated expenditure on areas which have been abandoned, or are considered to be of no value, is written off in the year in which such a decision is made.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

(i) Critical accounting estimates and judgments

The Directors evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates

(i) Impairment

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are dependent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at each reporting date and whenever there is an indication that the asset may be impaired. Recoverable amount 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 which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior year. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value. Impairment of goodwill is not reversed.

When the Group does not intend to renew a licence expiring subsequent to balance date or is not planning substantive exploration expenditure within the licence having regards to its perceived prospectivity, it impairs the deferred exploration expenditure at balance date.

The Directors have reviewed the carrying value of exploration and evaluation expenditure at the year end and, based on the above policies, have not impaired the capitalised expenditure during the year.

(ii) Restoration, rehabilitation and environmental protection expenditure

Where applicable, a provision for material restoration obligations is recognised for exploration licences. The amount recognised includes costs of reclamation and site rehabilitation after taking into account restoration works which are carried out during exploration. The provision for

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

restoration costs are determined from an estimate of future costs and are capitalised as exploration expenditure.

If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Management has reassessed and no provision for restoration is required as any disturbance during the field exploration work has been recognised as part of exploration and evaluation expenditure.

(iii) Share-based payments

The fair value of shares issued under the Employee Incentive Plan (EIP) is measured at grant date and is determined using the Black-Scholes option pricing model that takes into account the term of the EIP shares, the exercise price, the share price at grant date and the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the EIP shares.

Fees for services rendered by Directors and suppliers may also be settled by the issue of shares in the Company. The fair value of the services received is measured by reference to the fair value of the equity instruments granted.

(j) Foreign currency transactions and balances

Functional and presentation currency

The Group's financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions during the year are translated into functional currency using the rates of exchange prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the income statement.

(k) Accounts payable

Accounts payable represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.

(l) Equity-settled compensation

The Company operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(m) Financial assets

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss (FVTPL)
- held-to-maturity (HTM) investments
- available-for-sale (AFS) financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognised in profit or loss or in other comprehensive income.

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables. Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value hierarchy

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

Level 1 - Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Measurements based on unobservable inputs for the asset or liability.

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

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

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

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

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

(o) Earnings per share

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

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

When the Group has an operating loss after income tax and the conversion of ordinary share capital in respect of potential ordinary shares does not lead to a diluted earnings per share that shows an inferior view of the earnings performance of the Group, than is shown by basic loss per share, the diluted loss per share is reported as the same as basic earnings per share.

(p) Segment reporting

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information may be provided using different measures to those used in preparing the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the financial statements have been included, where applicable.

(q) Parent Entity financial information

The financial information for the Parent Entity, Ausmon Resources Limited, disclosed in Note 23 has been prepared on the same basis as the consolidated financial statements.

(r) Comparative information

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

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Note 5 – Other expenses

	2019	2018
	$	$
Audit fees	21,000	25,000
Directors' and management fees	89,160	162,316
Consulting and professional fees	54,584	57,854
Listing expenses	30,434	28,835
Operating leases	10,400	10,400
Registry expenses	12,692	14,557
Insurance	16,274	592
Other	13,244	11,234
	247,788	310,788

Note 6 - Income tax

The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2019	2018
Loss before income tax expense	(370,374)	(591,740)
Prima facie tax benefit on the loss from ordinary activities calculated at 27.5%	(101,853)	(162,729)
Tax effect of:		
Non-temporary differences	-	31,497
Equity capital raising costs debited to equity	(8,105)	(8,105)
Temporary differences and tax losses not recognised	109,958	139,337
Income tax expense	-	-

Tax losses

	2019	2018
Unused tax losses for which no tax loss has been recognised as a deferred tax asset adjusted for non-temporary differences at 27.5%	3,312,980	3,166,992

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

The taxation benefits will only be obtained if:

(i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;

(ii) the Group continues to comply with the conditions for deductibility imposed by law; and

(iii) no changes in tax legislation adversely affect the Group in realising the benefits from the deductions for the loss.

The Group tax consolidated in Australia from December 2009. There are presently no tax sharing of funding agreements in place. The Parent Entity and each of the tax subsidiaries are in tax loss for the year and have substantial tax losses carried forward.

The Directors are of the view that there is insufficient probability that the Parent Entity and its subsidiaries will derive sufficient income in the foreseeable future to justify booking the tax losses and temporary differences as deferred tax assets and deferred tax liabilities.

	2019	2018
	$	$
Note 7 – Cash and cash equivalents		
Cash at bank and in hand	613,859	1,003,067
Note 8 – Trade and other receivables		
Current		
Other receivables	9,286	22,498

(a) Allowance for impairment loss

The Group does not have trade receivables. Other receivables are non-interest bearing and are generally on 30 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. No impairment has been recognised by the Group in the current period. No receivables are past due.

(b) Fair value and credit risk

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group’s policy to transfer (on-sell) receivables to special purpose entities.

(c) Foreign exchange and interest rate risk

Detail regarding foreign exchange and interest rate risk exposure is disclosed in Note 21.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

	2019 $	2018 $
Note 9 – Financial assets		
Current		
Security deposits	-	12,500
Non-current		
Security deposits	70,000	60,000
Note 10 – Other assets		
Current		
Prepayments	3,447	-
Note 11 – Property, plant and equipment		
Field equipment	-	-
Movements in the carrying amounts during the year		
At beginning of year	-	-
Addition	40,575	-
Charged to exploration and evaluation expenditure	(40,575)	-
At end of year	-	-
Note 12 – Exploration and evaluation expenditure		
(a) Exploration areas of interest at cost	1,112,411	913,389
Movements during the year		
Exploration areas :		
Balance at beginning of year	913,389	-
Acquisition costs	-	890,000
Additions at cost	199,022	50,610
Impairment	-	(27,221)
Balance at end of year	1,112,411	913,389

Ultimate recoupment of the carrying value of the exploration areas is dependent on successful development and commercial exploitation, or alternatively sale of the respective areas of interest. The areas of interest are exploration licences held or being earned by the Group are detailed in the Licences Status on page 31.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

	2019 $	2018 $
Note 13 – Trade and other payables		
Trade and other payables	127,954	62,031

No trade and other payables were past due dates.

Note 14 – Issued capital

549,639,343 (2018: 518,353,627) fully paid ordinary shares	13,317,736	13,215,736

	2019 Number	2019 $	2018 Number	2018 $
(a) Fully Paid Ordinary shares				
Balance at beginning of year	518,353,627	13,215,736	346,639,343	11,377,032
Shares issued during the year:				
- For payment of Directors' fees[1]	13,000,000	78,000	-	-
- For payment of supplier services	4,000,000	24,000	-	-
- Shares issued on acquisition of New Base Metals Pty Ltd ("NBM")[2]	14,285,716	-	35,714,284	850,000
- Share issues under EIP	-	-	21,000,000	-
- EIP shares relinquished	-	-	(48,600,000)	-
- Sale of EIP Shares relinquished	-	-	48,600,000	243,000
- Share issues for cash	-	-	115,000,000	805,000
Transaction costs	-	-	-	(59,296)
Balance at end of year	549,639,343	13,317,736	518,353,627	13,215,736

[1] The shares were for issued for payment of Directors' fees amounting to $78,000 approved by shareholders at the Annual General Meeting held on 25 October 2018.

[2] The balance of deferred shares issued for the acquisition of NBM were as follows:
- 10,714,288 Consideration Shares issued on 06 November 2018 on the grant of exploration licences EPM 26813, EPM 26814 and EPM 26815;
- 3,571,428 Consideration Shares issued on 22 March 2019 on the grant of exploration licences EPM26764; and
- all shares have now been issued.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting of the Company in person or by proxy, is entitled to one vote, and upon a poll each ordinary share is entitled to one vote.

Ordinary shares have no par value.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

(b) Capital management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain reasonable returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures reasonable cost of capital to the Group.

Management adjusts the capital structure to the extent possible to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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

Note 15 – Reserves

Option reserve

The option reserve records items recognised as expenses on shares granted under the Employee Incentive Plan.

	2019	2018
	$	$
Option reserve	464,770	464,770

Movement on shares granted under the Employee Incentive Plan:

	Number	Number
Balance at beginning of year	21,100,000	48,700,000
EIP shares issued	-	21,000,000
EIP shares relinquished	-	(48,600,000)
Balance at end of year	21,100,000	21,100,000

Loans owing on the EIP shares at balance date were $149,000 (2018: $149,000). EIP shares issued and related loans to Directors are disclosed in the Remuneration Report on page 38.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Note 16 – Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year the following related party transactions occurred in addition to the transactions disclosed elsewhere in these financial statements:

	2019	2018
	$	$

Transactions with Key Management Personnel (KMP)

Key management of the Group are the members of Ausmon Resources Limited's Board of Directors. KMP remuneration includes the following expenses:

	2019	2018
Short-term employee benefits	91,397	167,604
Post-employment benefits	2,983	4,712
Long-term benefits	-	-
Termination benefits	-	-
Share-based payments	78,000	75,000
	172,380	247,316

In addition, KMP short-term employee benefits of $5,220 were accounted in exploration and evaluation expenditure.

Detailed remuneration disclosures are provided in the remuneration report on pages 35 to 39.

Other transactions with Key Management Personnel

	2019	2018
Paid to Australian MBA Accountants, an entity controlled by Director J Q Wang		
- Office rentals	10,400	10,400
- Professional and consultancy services	8,145	5,930
	18,545	16,330

Note 17 – Remuneration of auditors

	2019	2018
Remuneration of the current auditor for:		
- auditing or reviewing the financial reports	21,000	21,000
Remuneration of the previous auditor for:		
- auditing or reviewing the financial reports (Grant Thornton)	-	4,000
	21,000	25,000

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Note 18 – Notes to the Cash Flow Statement

	2019	2018
	$	$
(a) Reconciliation of cash		
Cash at bank and on hand	613,859	1,003,067
(b) Reconciliation of loss from ordinary activities after income tax to net cash used in operating activities		
Loss after income tax	(370,374)	(591,740)
Add non-cash items in operating costs:		
Supplier service fees paid by way of shares	24,000	-
Exploration and evaluation expenditure written off	-	27,221
Share-based payments	78,000	107,000
Changes in assets and liabilities relating to operations:		
Increase in trade and other payables	67,973	6,779
Decrease/(Increase) in receivables	14,976	(14,897)
(Increase)/Decrease in prepayments	(3,447)	588
Net cash used in operating activities	(188,872)	(465,049)

(c) Non-cash investing and financing activities

The Company issued fully paid ordinary shares in payment for:

	2019	2018
- The acquisition of New Base Metals Pty Ltd	-	850,000
- Directors' fees (approved at AGM on 25 October 2018)	78,000	-
- Supplier fees	24,000	-
	102,000	850,000

Note 19 – Segment information

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. The Group operates in one business segment being mineral exploration. All segment assets, segment liabilities and segment results relate to the one business segment and therefore no segment analysis has been prepared. This position has not changed from the prior year.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Note 20 – Loss per share

	2019 $	2018 $
Operating loss after income tax used in the calculation of basic and diluted loss per share	(370,374)	(591,740)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share	538,128,188	386,306,270

Note 21 – Financial risk management

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable, and loans to and from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2019 $	2018 $
Financial Assets			
Cash and cash equivalents	7	613,859	1,003,067
Trade and other receivables	8	9,286	22,498
Financial assets	9	70,000	72,500
Total Financial Assets		693,145	1,098,065
Financial Liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	13	127,954	62,031
Total Financial Liabilities		127,954	62,031

(a) Financial risk management policies

The Board of Directors is responsible for, amongst other issues, monitoring and managing financial risk exposures of the Group. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, financing risk and interest rate risk. Management, in conjunction with the Board, reviews and agrees policies for managing each of these risks.

The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. This also includes the review of the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and commodity and equity price risk.

(i) Interest rate risk--

The Group has cash at bank and its income and operating cash flows are exposed to changes in market interest rates.

At balance date the Group had the following financial assets exposed to variable interest rate risk:

	2019	2018
	$	$
Financial assets		
Cash and cash equivalents	613,859	1,003,067
Security deposits	70,000	72,500
	683,859	1,075,567

(ii) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 8.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

(iii) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group does not have a material exposure to liquidity risk.

(iv) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

As the Group does not derive revenue from sale of products, the effect on profit and equity as a result of changes in the price risk is not considered material. The fair value of the mining projects will be impacted by commodity price changes (predominantly gold, silver and copper) and could impact future revenues once operational. However, management monitors current and projected commodity prices.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

(b) Net fair values

The net fair value of financial assets and liabilities at balance date approximates their carrying value.

(c) Financial instruments

Interest rate risk

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

		Fixed interest rate maturing		Non-interest bearing		
	Variable[1] interest rate	Within 1 year	1 to 5 years	Within 1 year	1 to 5 years	Total
2019	**$**	**$**	**$**	**$**	**$**	**$**
Financial assets						
Cash and cash equivalents	613,852	-	-	7	-	613,859
Trade and other receivables	-	-	-	9,286	-	9,286
Security deposits	70,000	-	-	-	-	70,000
	683,852	-	-	9,293	-	693,145
Financial liabilities						
Trade and other payables	-	-	-	127,954	-	127,954

[1] Average interest rate for the year was 0.12% (2018: 0.16%)

2018						
Financial assets						
Cash and cash equivalents	1,003,060	-	-	7	-	1,003,067
Trade and other receivables	-	-	-	22,498	-	22,498
Security deposits	72,500	-	-	-	-	72,500
	1,075,560	-	-	22,505	-	1,098,065
Financial liabilities						
Trade and other payables	-	-	-	62,031	-	62,031

(d) Sensitivity analysis

The Group has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current period results which could result from a change in these risks.

	2019	2018
	$	**$**
Interest rate sensitivity analysis		
Decrease/ (increase) in loss		
- increase in interest rate by 2%,	13,677	21,511
- decrease in interest rate by 2%	(13,677)	(21,511)

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Note 22– Controlled entities

Controlled entities	Country of incorporation	Ownership interest	
		2019	2018
Great Western Minerals Pty Ltd	Australia	100%	100%
New Base Metals Pty Ltd	Australia	100%	100%

Note 23 – Parent Entity information

Summary financial information

The individual financial statements for the Parent Entity show the following aggregate amounts:

	2019	2018
	$	$
Assets		
Current assets	622,243	1,034,084
Non-current assets	1,170,824	956,829
Total assets	1,793,067	1,990,913
Liabilities		
Current liabilities	110,652	43,678
Total liabilities	110,652	43,678
Equity		
Issued capital	13,317,736	13,215,736
Reserves	464,770	464,770
Accumulated losses	(12,100,091)	(11,733,271)
	1,682,415	1,947,235
Financial performance		
Loss for the year	(366,820)	(593,925)
Total comprehensive loss	(366,820)	(593,925)

The Parent Entity has not entered into any financial guarantee which is outstanding and has no commitments for the acquisition of property, plant and equipment as at 30 June 2019 and 30 June 2018.

Notes to the Financial Statements for the Year Ended 30 June 2019 (continued)

Note 24 – Commitments

Exploration expenditure commitments

The expenditure commitments to maintain rights to tenure in exploration licences as at 30 June 2019 have not been provided for in the financial statements and are due:

	2019	2018
	$	$
Within twelve months	96,000	205,000
Twelve months or longer and not longer than five years	1,862,000	517,000
Longer than five years	-	255,000
	1,958,000	977,000

Note 25 – Share-based payments

2019 - Shareholders at the Annual General Meeting held on 25 October 2018 approved the settlement of $78,000 in directors' fees by the issue of 13,000,000 shares at a deemed issue price of $0.006 per share which was equal to the volume weighted average market price of a share over the last 5 trading days on which sales were recorded to 17 September 2018, the business day before the agreement by the Company with the Directors.

2018 - The model inputs for assessing the fair value of EIP shares issued during the year, applying the Black-Scholes Option Pricing model, were as follows:

Description	Number issued	Issue and grant date	Share price at grant date	Exercise price	Life assump-tion	Risk free rate	Expec-ted price volatility	Value of each EIP share	Share-based payments
EIP shares	5,000,000	02/01/18	$0.006	$0.007	5 years	2.34%	127%	$0.005	$25,000
	1,000,000	19/01/18	$0.008	$0.008	5 years	2.44%	130%	$0.007	$7,000
	15,000,000	09/02/18	$0.006	$0.007	5 years	2.39%	132%	$0.005	$75,000
									$107,000

Note 26 – Contingent liabilities

The Group has no contingent liabilities at 30 June 2019 or 30 June 2018.

Note 27 – Events after balance sheet date

In the opinion of the Directors, no items, transactions or events of a material or unusual nature have arisen in the interval between the end of the financial year and the date of this report which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

The financial report was authorised for issue on 24 September 2019 by the Board of Directors.

DIRECTORS' DECLARATION

Directors' Declaration
for the year ended 30 June 2019

1 In the opinion of the directors of Ausmon Resources Limited:

(a) the consolidated financial statements and notes of Ausmon Resources Limited are in accordance with the Corporations Act 2001, including

(i) giving a true and fair view of its financial position as at 30 June 2019 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) as noted in Note 4(c) there are reasonable grounds to believe that Ausmon Resources Limited will be able to pay its debts as and when they become due and payable.

2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2019.

3 Note 2 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Dated this 24th day of September 2019

John Wang
Director

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AUSMON RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

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

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

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

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

Material Uncertainty Related to Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matters:

As referred to in Note 4(c) to the financial statements, the financial statements have been prepared on a going concern basis. As at 30 June 2019, the Group had working capital of $498,638 and had incurred a loss for the year of $370,374. The ability of the Group to continue as a going concern is subject to the successful recapitalisation of the Group. In the event that the Board is not successful in recapitalising the Group and in raising further funds, the Group may not be able to pay its debts as and when they become due and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report.

Basis for Opinion

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

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

Key Audit Matters

We have defined the matters described below to be key audit matters to be communicated in our report. 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 year. 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.

Key Audit Matters	How the matter was addressed in the audit
Exploration and Evaluation Assets	
At 30 June 2019 the Group had $1,112,411 of capitalised Exploration and Evaluation expenditure. This area is a key audit matter due to the inherent subjectivity that is involved in the Group making judgements in relation to Exploration and Evaluation of Mineral Resources (AASB 6) and its significance as a total percentage of net assets (66%).	Inter alia, our audit procedures included the following: i. Obtaining supporting documentation for the group's exploration licences and ensuring that they have been accounted for in accordance with AASB 6; ii. Completed substantive testing on exploration expenditure; iii. Requested the Group complete an impairment review in line with AASB 6 and Impairment of Assets (AASB 136) and satisfied ourselves that no impairment was necessary; and iv. Reviewed the disclosures included in the annual report.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We 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 Group'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 Group to cease to continue as a going concern.

We 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 obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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 consolidated financial report of the current year and are therefore 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 in pages 35 to 38 of the directors' report for the year ended 30 June 2019.

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

Responsibilities

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
24 September 2019

ADDITIONAL INFORMATION

Additional information included in accordance with Listing Rules of the ASX Limited.

1. SHAREHOLDINGS

(a) Distribution of Shareholders as at 2 September 2019

Size of Holding	Holders	Ordinary Shares Held	%
1-1,000	21	4,553	0.001
1,001-5,000	15	49,739	0.009
5,001- 10,000	90	889,147	0.162
10,001-100,000	157	8,077,841	1.470
100,001 – and over	285	540,618,063	98.358
	568	**549,639,343**	**100.000**

360 shareholders held less than a marketable parcel.

(b) Top Twenty Shareholders as at 2 September 2019

Shareholder	Number of Ordinary Shares	% Held of Issued Ordinary Capital
LAGOM CAPITAL INVESTMENTS PTY LTD	46,428,572	8.447%
FAST LANE AUSTRALIA PTY LTD	25,000,000	4.548%
MR BAIRONG FENG	23,142,857	4.211%
MRS MAN SUN NG	22,600,000	4.112%
MR ERIC SAM YUE	22,304,857	4.058%
OCTAN ENERGY PTY LTD	20,550,000	3.739%
LAMDIAN PTY LTD <SAMYUE SUPERFUND A/C>	20,333,312	3.699%
MR LIUBAO QIAN	20,000,000	3.639%
MR JOHN WANG	18,327,859	3.335%
MR BORIS PATKIN	16,142,857	2.937%
WUJIANG INVESTMENT PTY LTD	15,432,720	2.808%
YAU MAN FAMILY PTY LTD <YAU MAN FAMILY A/C>	13,788,989	2.509%
AUSTRALASIA ACCESS PTY LTD	12,000,000	2.183%
MS JIN QIN WANG	11,565,654	2.104%
ANTON WASYL MAKARYN&MELANIE FRANCES MAKARYN	11,250,000	2.047%
MS CAROL MCCOLL	10,000,000	1.819%
MR GEORGE ALEXANDER BONNEY	7,000,000	1.274%
C K CAMDEN PTY LTD	6,325,000	1.151%
MS XIA ZHANG	6,307,481	1.148%
MR YONGJIAN WANG	6,000,000	1.092%
Twenty largest shareholders	329,500,158	60.858%
Others	220,139,185	39.142%
	549,639,343	**100%**

AUDIT REPORT

2. VOTING RIGHTS

(a) At meetings of members each member entitled to vote may vote in person or by proxy or attorney or, in the case of a member which is a body corporate, by representative duly authorized.
(b) On a show of hands every member entitled to vote and be present in person or by proxy or attorney or representative duly authorised shall have one (1) vote.
(c) On a poll every member entitled to vote and be present in person or by proxy or attorney or representative duly authorised shall have one (1) vote for each fully paid share of which he is a holder.

3. AUDIT COMMITTEE

As at the date of this report the Company does not have an Audit Committee.

4. SUBSTANTIAL SHAREHOLDERS

The securities held by substantial shareholders are as follows:

Name	Number of Shares
LAGOM CAPITAL INVESTMENTS PTY LTD	46,428,572