



ABN 86 125 049 550

Annual Report
For the year ended 30 June 2020

CORPORATE DIRECTORY

ABN 86 125 049 550

Directors

Seamus Cornelius (Non-Executive Chairman)

Eamon Hannon (Managing Director)

Anthony Maslin (Non-Executive Director)

Feng Xue (Non-Executive Director)

Stuart Fogarty (Non-Executive Director)

Chief Executive Officer

Eamon Hannon

Company Secretary

Sam Wright

Registered Office

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SUBIACO WA 6008

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Solicitors

Fairweather Corporate Lawyers

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Cottesloe, Western Australia 6011

Share Register

Computershare Investor Services Pty Limited

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Perth, Western Australia 6000

Telephone: +61 8 9323 2000

Auditors

Rothsay Auditing

Level 1, Lincoln Building

4 Ventnor Avenue

WEST PERTH WA 6005

Stock Exchange

Australian Securities Exchange

Level 40 Central Park

152 – 158 St Gorges Terrace

Perth, Western Australia 6000

ASX code: BUX

Website Address

www.buxtonresources.com.au



[@BuxtonResources](https://twitter.com/BuxtonResources)

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Review of Operations

Goldmember Project

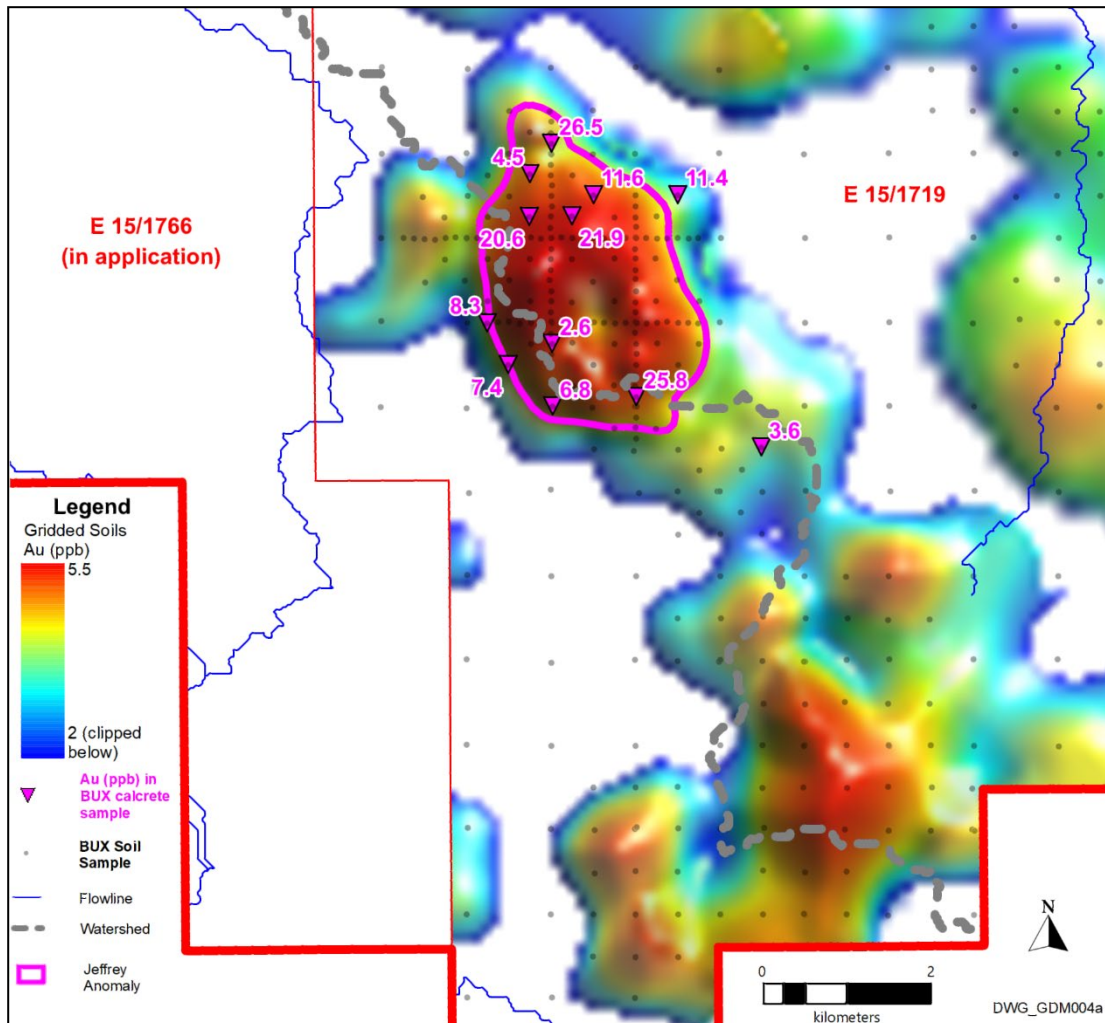


Figure 1: Jeffrey gold anomaly (outline shown) with gridded gold in infill soils and calcrete sampling results

During the year, Buxton updated the market that a newly discovered and undrill-tested 5km² gold in soil anomaly has been defined by soil sampling. The 100% BUX owned Goldmember Project is a 1,414 km² package of tenure located in the Eastern Goldfields district of Western Australia. The tenure package consists of two Exploration Licenses granted in January 2020 and six surrounding applications.

BUX has completed soil sampling on a 1km grid basis over the entirety of E15/1919 and E28/2922. This work identified several areas which were subsequently followed-up by infill sampling at 500m and 125m spacing. This work has resulted in the definition of a distinct soil gold anomaly named Jeffery which is about 4km x 2km elongated to the north-northwest (Figure 1). Thirteen calcrete samples within and around the Jeffery soil anomaly area were collected and selected for assaying as part of the infill program. Three calcrete samples within the

Review of Operations

Jeffrey soil anomaly area returned over 20 ppb Au with a maximum of 26.5 ppb Au. This result is highly encouraging as it provides evidence of a proximal bedrock source of the gold.

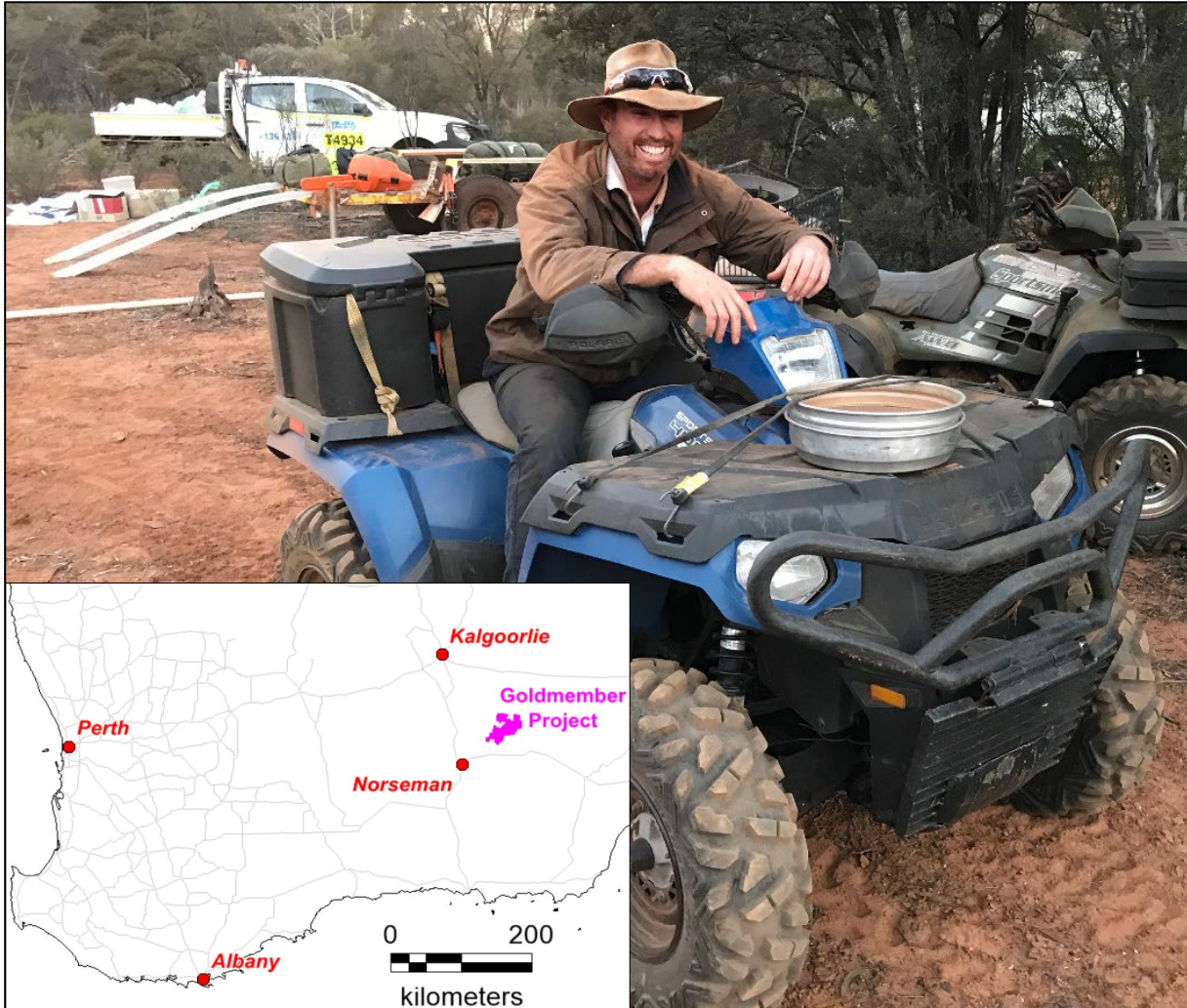


Figure 2: BUX Soil Sampling at Goldmember

Interpretation of magnetics (Figure 3) indicates that this soil anomaly lies within a demagnetized zone adjacent to a large circular feature (a relatively late Archean intrusion) and adjacent to several major structures, including the suture between the Kalgoorlie and Kurnalpi terranes, both of which host world class gold deposits. The Jeffrey anomaly also lies along a drainage divide / hinterland and away from the valley floor – a landscape setting where soil sampling is more likely to reflect bedrock gold enrichment. For more detail on the project area geology and exploration history, please refer to Appendices 1 & 2 at the end of this Announcement.

Buxton will continue to advance this new and exciting gold occurrence over the coming months.

Review of Operations

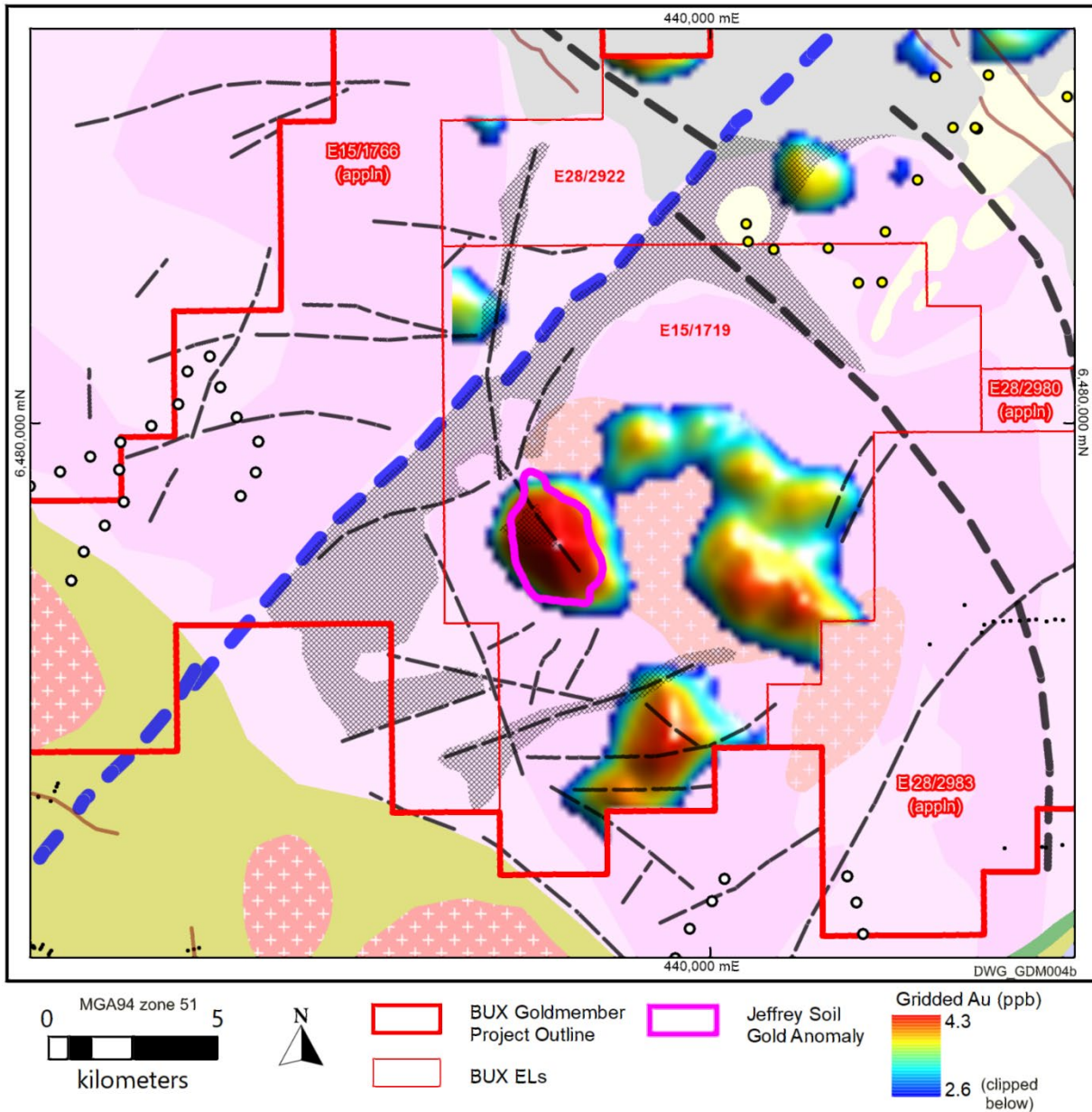


Figure 3: BUX's geological interpretation of the Goldmember Project area with historical drilling and gridded anomalous soil sampling results.

Review of Operations

West Kimberly Project (BUX/IGO JV)

As per the announcement released on 2 October 2019, Buxton has entered into three further commercial binding agreements with Independence Newsearch Pty Ltd (INPL), a wholly owned subsidiary of Independence Group NL (IGO) (ASX:IGO), with respect to Buxton's Merlin and Quick Shears assets as well as amending the broader West Kimberley Joint Venture.

Buxton will be released from any further financial contributions and will either be free carried to completion of feasibility studies for both the Merlin JVA and WKJVA or, with respect to any newly acquired properties within the WKJVA, granted a net smelter royalty (NSM) of 0.25% (where held by IGO and other parties) and 0.5% (where acquired wholly by IGO).

On 28 February 2020, Buxton received shareholder approval for the IGO Transactions.

Buxton Managing Director Eamon Hannon said, *"This is a fantastic result for Buxton shareholders. IGO has already spent more than anything Buxton could have sensibly raised for work on our ground in the West Kimberley or the Fraser Range. These binding deals mean that exploration will be accelerated still further, while also freeing Buxton from any ongoing financial or management commitments. Buxton has reduced operational expenses to a drip, has ample cash at bank, a solid share structure and has two multi-billion-dollar corner stone investors owning a combined 23% of our register. Buxton will now be actively looking for the company's next frontier, re-applying the formula which has been so successful for us in the West Kimberley since 2015."*

High level terms of the transactions are summarised in Appendices 1, 2 and 3 of the ASX announcement released on 2 October 2019.

IGO Limited's (ASX: IGO) field program for the West Kimberley JV 2020 field season commenced with on ground activities in August 2020.

Review of Operations

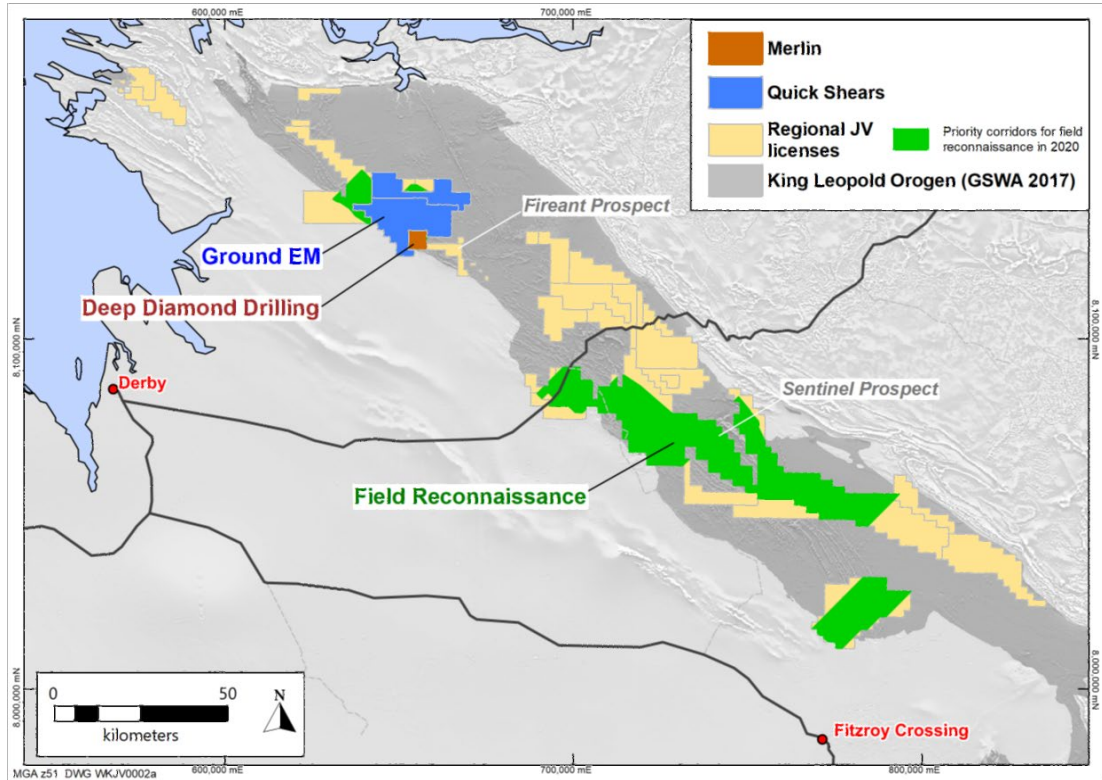


Figure 4: Regional overview highlighting IGO's planned work programs

The planned work includes two deep diamond drill holes at Merlin targeting the gravity high and central Merlin 'knot' (see Figure 5).

The regional aeromagnetic and radiometric survey over the broader West Kimberley Joint Venture package recommenced on 1 June 2020. Completion of the survey is estimated to take a further 4 to 6 weeks, followed by compilation, processing, and interpretation of the data sets.

Review of Operations

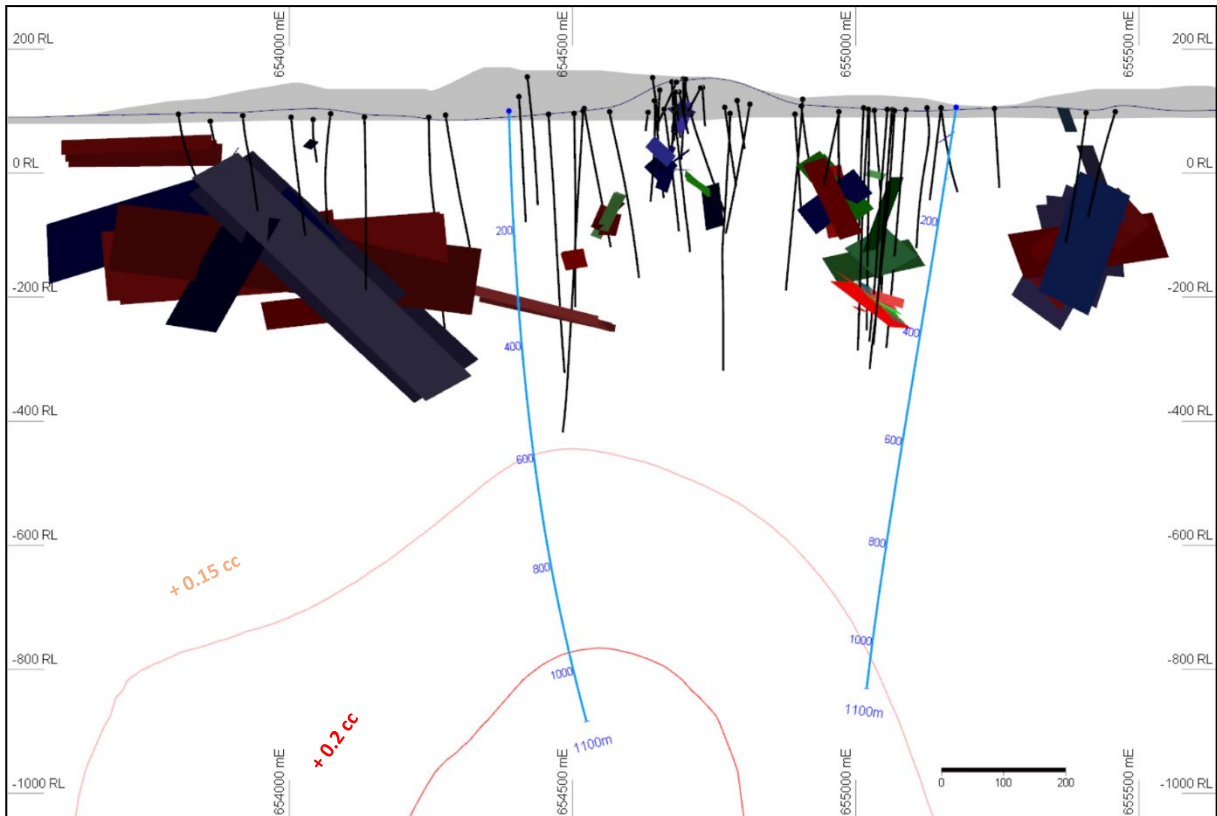


Figure 5: Section at Merlin looking WNW with historic drilling, gravity inversion (red lines) and EM plates, showing the 2 proposed drill holes (blue) each provisionally 1,100m deep.

At Quick Shears, IGO has advised Buxton that they plan to conduct additional ground EM and surface mapping to prioritise follow-up drilling. This follow-up drilling has been approved for EIS funding. A total of 13 EM targets have been identified from the current ground EM data (which includes the 2019 surveying by Buxton) (see Figure 5). Two of these targets (QS_7 and QS_10) were modelled outside the area of the existing MLEM survey. Additional targets have been identified by IGO's 2019 Spectrem airborne EM survey which have also been earmarked for testing with ground EM surveying (Figure 6).

There are several high priority targets outside the Quick Shears and Merlin prospects where IGO will conduct ground reconnaissance and assess the potential for follow-up ground EM once heritage protection agreements are in place.

Review of Operations

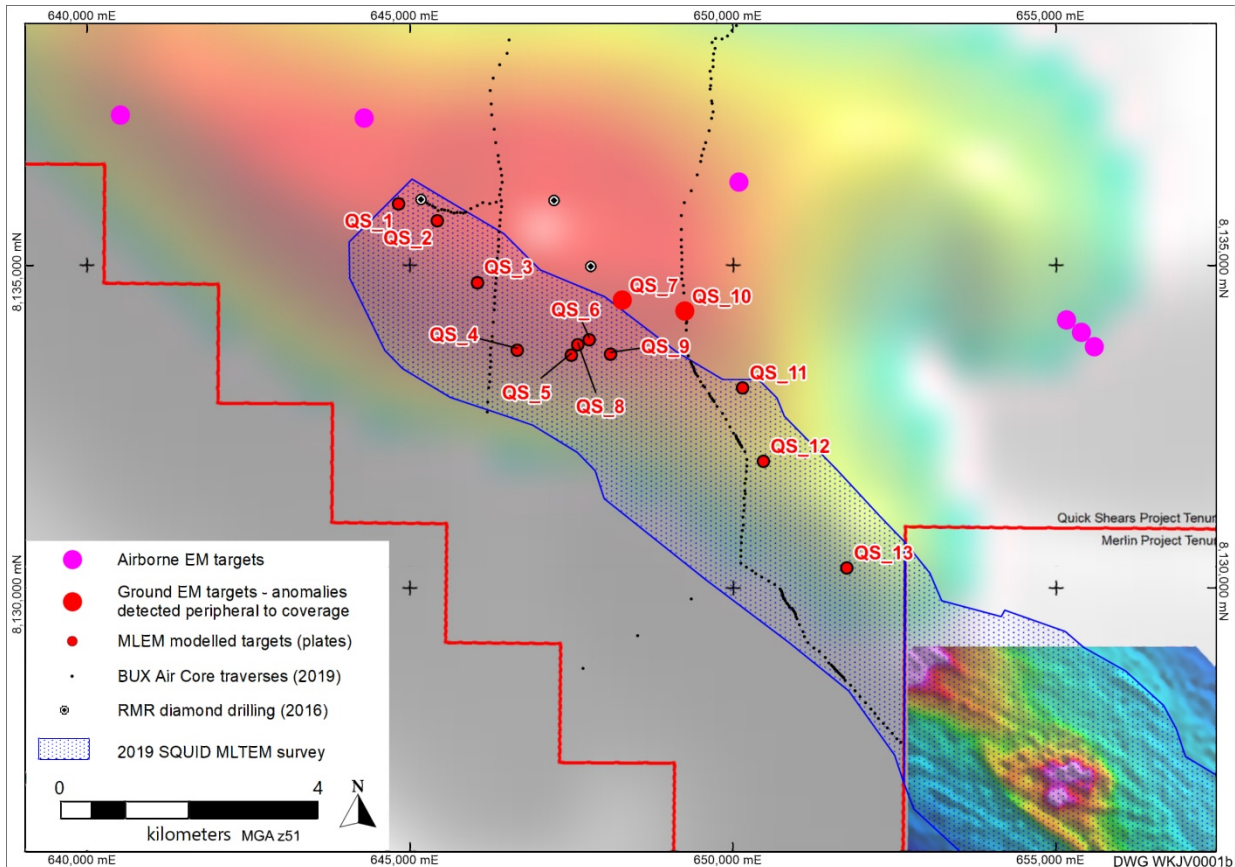


Figure 6: Summary of EM targets at Quick Shears on gravity imagery illustrating the additional Ground EM required to test newly identified airborne EM targets, and also two targets which were detected from the edge of Buxton's 2019 SQUID ground EM survey.

Arizona Projects

Buxton has been actively pursuing copper opportunities in the southwest USA. This region represents one of the major endowments of copper known in the Earth's crust and includes three of the top 10 jurisdictions for mining investment according to the 2018 Fraser Institute Annual Survey of Mining Companies (Nevada, Utah and Arizona).

Late last year, Buxton incorporated a subsidiary USA entity called Buxton Resources Arizona LLC. Buxton has also engaged contractors to commence the process of seeking the grant of new licences in 2 areas to secure subsurface mineral rights with previously identified copper resources in Arizona and New Mexico.

Buxton will update the market with further details in the event of a material development from the pursuit of copper opportunities.

Review of Operations

Fraser Range Joint Venture

Independence Group has been undertaking systematic greenfields exploration in the Fraser Range targeting Nova style (magmatic Ni-Cu-Co sulphide) discoveries within over ~15,000km² of regional tenure. Exploration spend has been in the region of ~\$20m per annum for several years.

Buxton and IGO entered into a joint venture agreement for two tenements in the Fraser Range, Widowmaker E28/2201 and Zanthus E28/1959, in 2016 whereby Buxton retained a 10% free carry to decision to mine and IGO manages all exploration (refer to BUX ASX announcement 24 August 2016).

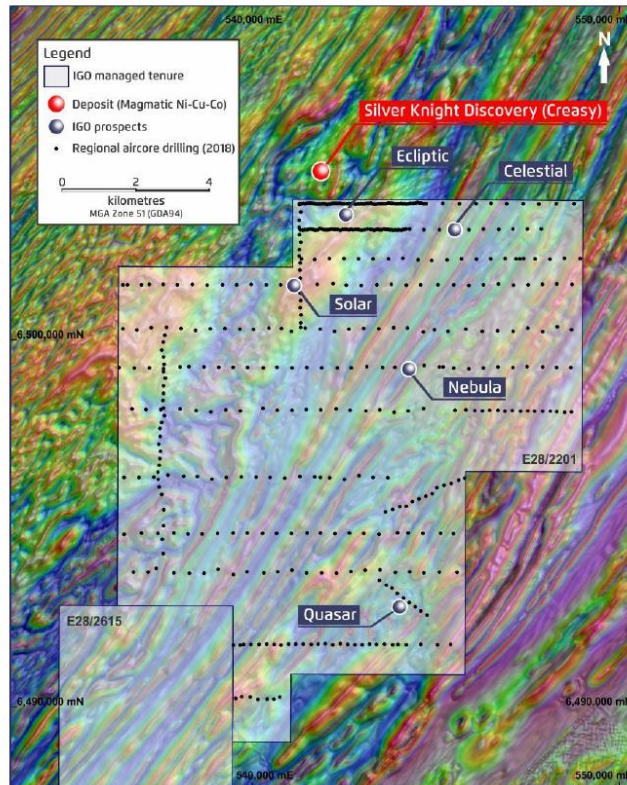


Figure 7. Drill targets at the Widowmaker (E28/2201) BUX-IGO joint venture in the Fraser Range, high priority targets include Ecliptic and Solar Prospects along strike from the Creasy Group Silver Knight Discovery (figure from IGO RIU conference presentation: <https://www.asx.com.au/asxpdf/20190221/pdf/442twqw68jgtlq.pdf>).

Buxton and IGO entered into a joint venture agreement for two tenements in the Fraser Range, Widowmaker E28/2201 and Zanthus E28/1959, in 2016 whereby Buxton retained a 10% free carry to decision to mine and IGO manages all exploration (refer to BUX ASX announcement 24 August 2016).

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr. Eamon Hannon Fellow of the Australian Institute of Geoscientists. Mr. Hannon is a full-time employees of Buxton. Mr. Hannon has sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Hannon consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Review of Operations

CORPORATE

During the year total exploration expenditure incurred by the Company amounted to \$1,299,204 (2019: \$1,529,653). In line with the Company's accounting policies, all exploration expenditure is written off as incurred. The operating loss after income tax for the year ended 30 June 2020 was \$1,145,051 (2019: \$2,608,706).

During the year, following shareholder approval, the Company sold its' exploration interests in the West Kimberley region to Independence Group (IGO) for the sum of \$1 million. An additional \$275,000 was received from the sale of plant and equipment to IGO.

At the Annual General Meeting shareholders approved the issue of 5,500,000 unlisted options to Directors, The options are exercisable at 15 cents and have an expiry date of 30 November 2022. A further 3,950,000 options were issued to staff under The Employee Incentive Plan. Details of share-based payments made during the year are contained in Note 17 Share-Based Payments.

ANNUAL GENERAL MEETING

Buxton held its Annual General Meeting of Shareholders on 22 November 2019 at Steve's Wine Cellar, 30 The Avenue, Nedlands, Western Australia and all resolutions that were put were unanimously passed via a poll.

COVID-19 PANDEMIC IMPACT

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had no significant impact on the Company entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Directors' Report

Your directors submit their report for the year ended 30 June 2020.

DIRECTORS

The names of the Company's directors in office during the year and until the date of this report are as follows:

Mr Seamus Cornelius - Non-Executive Chairman
Mr Eamon Hannon - Managing Director
Mr Anthony Maslin - Non-Executive Director
Mr Feng Xue – Non –Executive Director
Mr Stuart Fogarty - Non-Executive Director

Directors were in office for this entire period.

COMPANY SECRETARY

Mr Sam Wright

INFORMATION ON DIRECTORS

Mr Seamus Cornelius - Non-Executive Chairman

Qualifications: B.Juris, LLB, LLM

Mr Cornelius brings to the Board 21 years of corporate experience in both legal and commercial negotiations. Mr Cornelius has been living and working as a corporate lawyer in China for 17 years. He has been based in Shanghai and Beijing since 1993. From 2000 to 2010 he was an international partner with one of Australia's leading law firms and specialized in dealing with cross border investments, particularly in energy and resources. Mr Cornelius has for many years advised large international companies on their investments in China and in recent years has advised Chinese state-owned entities on their investments in natural resource projects outside of China including in Australia.

As well as Buxton Resources Limited, Mr Cornelius is also currently the Chairman of ASX listed Duketon Mining Limited (ASX: DKM), E25 Limited (ASX: E25) and Danakali Limited (ASX:DNK).

Mr Eamon Hannon - Managing Director

Qualifications: BSc (Geol)

Mr Hannon, a geologist and Fellow of the AusIMM, has a wealth of experience within the minerals industry from grass roots exploration through to project development., Having previously worked for Fortescue Metals Group (ASX: FMG) from early 2004 to late 2012 in the role of Director, Exploration and Evaluation, he lead the teams to delineate in excess of 10 billion tonnes of iron ore resources and greater than 1 billion tonnes of iron ore reserves.

During his 20 years of experience, Mr Hannon has explored for and developed gold, base metals and industrial materials over 4 continents and more than 10 countries including Tanzania, Mexico, Mongolia, New Zealand, Sweden and Australia. He was integral to the major mining development of the Svartliden gold mine in Scandinavia. In addition, Mr Hannon was the Director for the Bankable Feasibility Study of Fortescue Metals Group's Solomon mine. The Solomon mine at 60 million tonnes per annum iron ore production was the single biggest tonnage start up mine in Australia's mining history. The feasibility was signed off for construction by the Fortescue Board with full Environmental Approval in under 18 months.

During the past 3 years Mr Hannon has not served as a director of any other listed company.

Directors' Report

Mr Anthony Maslin - Non-Executive Director

Qualifications: B.Bus (Finance and Enterprise)

Mr Maslin brings to the Board 20 years of corporate experience in both management and promotion, along with an extensive understanding of financial markets.

In his 6 years as a stockbroker at Hartley Poynton Stockbrokers in Perth, Mr Maslin was instrumental in the capital raisings and promotion of several resource development companies. In the subsequent 7 years in his role as founding Managing Director of Solar Energy Systems Ltd (Now Solco Ltd (ASX Code: SOO)) he had significant experience in capital raisings and management of both people and projects. Mr Maslin has also worked as a corporate promotion consultant to a number of listed companies.

Mr Maslin is the founder and current Chairman of ASX listed company Wide Open Agriculture Limited (ASX:WOA) During the past 3 years Mr Maslin has not served as a director of any other listed company.

Mr Feng Xue - Non-Executive Director

Mr. Xue is an experienced mining executive and entrepreneur based in Shanghai. He currently serves as one of the experts on the strategic decision committee of China CEFC Energy Company Limited and as the General Manager of Projects Management & Procurement Centre of China CEFC Energy Company Limited.

During the past 3 years Mr Xue has not served as a director of any other listed company.

Mr Stuart Fogarty - Non-Executive Director

Qualifications: B.Sc (Geology) (Hons)

Mr Fogarty has over 20 years of exploration experience with BHP Billiton and Western Mining Corporation. Stuart was BHP's Senior Exploration Manager for North and South America and currently serves as the Managing Director of Duketon Mining.

Mr Fogarty has a very strong background in nickel exploration, having commenced his career at Kambalda Nickel Operations in 1994. He has had senior roles with BHP including Senior Geoscientist for nickel exploration in the Leinster and Mt Keith region, Project Manager WA Nickel Brownfields and Regional Manager Australia/Asia where he was responsible for \$100 million per annum exploration budget.

More recently, Mr Fogarty was a Non-executive Director of Windward Resources during the successful takeover of the company by Independence Group.

Mr Sam Wright - Company Secretary

Mr Wright has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, and shareholder relations with both retail and institutional investors.

He is a member of the Australian Institute of Company Directors, the Financial Services Institute of Australasia, and the Chartered Secretaries of Australia.

Mr Wright is currently Company Secretary of ASX listed companies, Buxton Resources Limited, Structural Monitoring Systems plc and Wide Open Agriculture Limited. He is currently a Non-Executive Director and Company Secretary of ASX listed company, PharmAust Limited. Mr Wright has also filled the role of Director and Company Secretary with a number of unlisted companies.

He is the Managing Director of Western Australian based corporate advisory firm Straight Lines Consultancy, specialising in the provision of corporate services to public companies.

Directors' Report

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Buxton Resources Limited were:

	Ordinary shares	Options over Ordinary Shares Unlisted
Seamus Cornelius	1,957,055	1,600,000
Eamon Hannon	485,492	3,500,000
Anthony Maslin	791,197	1,600,000
Feng Xue	-	1,600,000
Stuart Fogarty	-	1,600,000

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the acquisition of mining tenements, and the exploration and evaluation of these tenements with the objective of identifying economic mineral deposits.

DIVIDENDS

No dividends were paid or declared during the year. No recommendation for payment of dividends has been made.

Directors' Report

OPERATING AND FINANCIAL REVIEW

Finance Review

At the reporting date the Company had cash and other financial assets available of \$3,910,650 (2019: \$4,729,342). Funds are being used to actively pursue the Company's exploration projects.

During the year total exploration expenditure incurred by the Company amounted to \$1,299,204 (2019: \$1,529,653). In line with the Company's accounting policies, all exploration expenditure is written off as incurred. Under an agreement with Independence Group NL ("IGO") Buxton received \$1,000,000 from the sale of exploitation interests in the West Kimberley region. A further \$275,000 was received from the sale of plant and equipment to IGO. Other expenses for the year included share-based payments of \$217,694 (2019: \$668,006).and salaries of \$622,062 (2019: \$848,707).

The operating loss after income tax for the year ended 30 June 2020 was \$1,145,051 (2019: \$2,608,706).

Operating Results for the Year

Summarised operating results are as follows:

	2020	
	Revenues	Results
	\$	\$
Revenues and loss from ordinary activities before income tax expense	1,600,922	(1,139,600)

Shareholder Returns

	2019	2018
Basic loss per share (cents)	(0.84)	(2.06)

Directors' Report

Risk Management

The Board is responsible for ensuring that risks and opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholder's needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Annual Report, no significant changes in the state of affairs of the Company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing and whilst it has had no financial impact for the Company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above no matters or circumstances have arisen which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to significant environmental regulation in respect to its exploration activities.

The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

The directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Company for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises.

Directors' Report

REMUNERATION REPORT (Audited)

This report, which forms part of the directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of Buxton Resources Limited for the financial year ended 30 June 2020. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Key Management Personnel

The directors and other key management personnel of the Company during or since the end of the financial year were:

Directors

Seamus Cornelius – Non-Executive Chairman

Eamon Hannon - Managing Director

Anthony Maslin – Non-Executive director

Feng Xue – Non-Executive Director

Stuart Fogarty – Non-Executive director

The named persons held their current positions for the whole of the financial year and since the financial year.

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Buxton Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The board of Buxton Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company.

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

The relevant directors and executive receive a superannuation guarantee contribution required by the government, which is currently 9.50%, and do not receive any other retirement benefits.

Directors' Report

REMUNERATION REPORT (Audited) (continued)

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$300,000). Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

Performance based remuneration

The Company currently has no performance-based remuneration component built into director and executive remuneration packages.

Company performance, shareholder wealth and directors' and executives' remuneration

No relationship exists between shareholder wealth, director and executive remuneration and Company performance.

Details of remuneration

Details of the remuneration of the directors, the key management personnel (as defined in AASB 124 *Related Party Disclosures*) and specified executives of Buxton Resources Limited are set out in the following table.

The key management personnel of Buxton Resources Limited include the directors as per page 18 above.

Given the size and nature of operations of Buxton Resources Limited, there are no other employees who are required to have their remuneration disclosed in accordance with the *Corporations Act 2001*.

Directors' Report

Remuneration of Key management personnel

Key Management Personnel remuneration for the years ended 30 June 2020 and 30 June 2019:

	Short-term		Post-employment	Share based payments	Total	Value of options as proportion of remuneration %
	Salary & Fees \$	Bonus \$	Superannuation \$	Share options \$		
Directors						
Seamus Cornelius						
2020	40,000	-	950	23,036	63,986	36.00
2019	40,000	-	-	78,401	118,401	66.22
Eamon Hannon						
2020	180,000	-	17,100	34,555	231,655	14.92
2019	180,000	37,736	17,100	261,334	496,170	52.67
Anthony Maslin						
2020	25,000	-	2,375	23,036	50,411	45.70
2019	25,000	-	2,375	78,401	105,776	74.11
Feng Xue ⁽¹⁾						
2020	-	-	-	23,036	23,036	100.00
2019	-	-	-	78,401	78,401	100.00
Stuart Fogarty						
2020	25,000	-	2,375	23,036	50,411	45.70
2019	25,000	-	2,375	78,401	105,776	74.11
Directors total						
2020	270,000	-	22,800	126,699	419,499	30.20
2019	270,000	37,736	21,850	574,938	904,524	63.56

Service agreements

The Company has an Executive Service Agreement with Mr Eamon Hannon.

Under the Agreement, Mr Hannon is engaged by the Company to provide services to the Company in the capacity of Chief Executive Officer for a period of 12 months upon which time the Board will conduct a performance review. Mr Hannon is paid a base salary of \$180,000, plus statutory superannuation.

At any time either party may terminate the agreement without cause on 45 days written notice. There is no termination period over and above the Company's statutory obligations.

On 12 December 2018 the Directors resolved to pay a discretionary bonus to Eammon Hannon of \$37,736.

Directors' Report

Share-based compensation

On 22 November 2019 shareholders approved the issue of 5,500,000 options to key management personnel as part of their compensation during the year. The options have an exercise price of 15 cents and an expiry date of 30 November 2022. Fair value at grant date was \$126,699.

No options were exercised during the year by key management personnel.

A total of 9,200,000 options previously granted to key management personnel as part of their compensation lapsed unexercised on 30 November 2019. The fair value of those options was \$546,226

Options granted, exercised or lapsed during the year in relation to key management personnel as part of their remuneration:

	Value of options granted at the grant date \$	Value of options exercised at the exercised date \$	Value of options lapsed at the date of lapse \$
Directors			
Seamus Cornelius	23,036	-	(119,421)
Eamon Hannon	34,555	-	(188,003)
Anthony Maslin	23,036	-	(119,421)
Feng Xue	23,036	-	(66,190)
Stuart Fogarty	23,036	-	-

Options granted carry no dividend or voting rights.

Key Management Personnel Equity Holdings

2020	Balance at start of the year	Received during the year on the conversion of performance rights	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Ordinary shares					
Directors					
Seamus Cornelius	1,582,055	-	-	375,000	1,957,055
Eamon Hannan	350,000	-	-	135,492	485,492
Anthony Maslin	791,197	-	-	-	791,197
Feng Xue	-	-	-	-	-
Stuart Fogarty ⁽¹⁾	-	-	-	-	-
2019					
Ordinary shares					
Directors					
Seamus Cornelius	1,432,055	-	-	150,000	1,582,055
Eamon Hannan	350,000	-	-	-	350,000
Anthony Maslin	791,197	-	-	-	791,197
Feng Xue	-	-	-	-	-
Stuart Fogarty	-	-	-	-	-

Directors' Report

Key Management Personnel Equity Holdings (continued)

2020	Balance at start of the year	Granted	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
<i>Unlisted options</i>							
Directors							
Seamus Cornelius	2,600,000	1,000,000	-	(2,000,000)	1,600,000	1,600,000	-
Eamon Hannan	5,200,000	1,500,000	-	(3,200,000)	3,500,000	3,500,000	-
Anthony Maslin	2,600,000	1,000,000	-	(2,000,000)	1,600,000	1,600,000	-
Feng Xue	1,400,000	1,000,000	-	(800,000)	1,600,000	1,600,000	-
Stuart Fogarty	600,000	1,000,000	-	-	1,600,000	1,600,000	-
2019	Balance at start of the year	Granted	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
<i>Unlisted options</i>							
Directors							
Seamus Cornelius	2,600,000	600,000	-	(600,000)	2,600,000	2,600,000	-
Eamon Hannan	4,200,000	2,000,000	-	(1,000,000)	5,200,000	5,200,000	-
Anthony Maslin	2,600,000	600,000	-	(600,000)	2,600,000	2,600,000	-
Feng Xue	1,400,000	600,000	-	(600,000)	1,400,000	1,400,000	-
Stuart Fogarty	600,000	600,000	-	(600,000)	600,000	600,000	-

END OF REMUNERATION REPORT (Audited)

DIRECTORS' MEETINGS

The number of meetings of the company's Board of Directors held during the year ended 30 June 2020, and the number of meetings attended by each director were:

	Attended	Held
Seamus Cornelius	3	3
Eamon Hannan	3	3
Anthony Maslin	3	3
Feng Xue	-	3
Stuart Fogarty	3	3

Directors' Report

SHARES UNDER OPTION

At the date of this report there are 15,000,000 unlisted options over unissued ordinary shares.

Unlisted options	Number of options
Balance at the beginning of the year	18,500,000
Issued during the year	9,450,000
Lapsed during the year	(12,950,000)
Total number of options outstanding at the date of this report	15,000,000

This balance is comprised of the following:

Expiry date	Exercise price (cents)	Number of options
30 June 2021	19.0	5,350,000
30 November 2021	15.0	200,000
30 November 2023	15.0	9,450,000
Total number of options outstanding at the date of this report		15,000,000

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

INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums insuring all the directors of Buxton Resources Limited against costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or

(b) a contravention of sections 182 or 183 of the *Corporations Act 2001*,

as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid is \$15,874.

NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Rothsay Auditing, or associated entities during the year.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

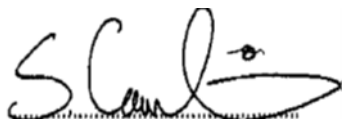
No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Directors' Report

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 23.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'SC', with a stylized flourish extending to the right.

Seamus Cornelius
Non-Executive Chairman

Perth, 30 September 2020



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Phone (08) 9486 7094 www.rothsayresources.com.au

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

As lead auditor of the audit of Buxton Resources Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Rothsay Auditing

Daniel Dalla
Partner
30 September 2020

Annual Report Disclosure on Corporate Governance

Buxton Resources has established and continues to refine and improve procedures to ensure a culture of good corporate governance exists and is respected across the Company.

The Company has a written policy designed to ensure compliance with ASX Listing Rules and all other regulatory requirements for disclosures. Additionally the Company has adopted a policy designed to ensure procedures to implement the policy are suitable and effective.

The Board wishes to acknowledge that nothing has come to its attention that would lead it to conclude that its current practices and procedures are not appropriate for an organisation of the size and maturity of the Company. The Corporate Governance Policy and the Company's corporate governance practices is set out on the Company's web site at www.buxtonresources.com.au.

Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2020

	Note	The Company	
		2020 \$	2019 \$
REVENUE	4	1,600,922	725,906
EXPENDITURE			
Depreciation expense		(16,252)	(25,448)
Employee benefits expense		(622,062)	(848,707)
Exploration expenses		(1,299,204)	(1,529,653)
Impairment of exploration assets		(93,376)	-
Corporate expenses		(296,957)	(195,657)
Share based payment expense	17	(217,694)	(668,006)
Administration costs		(245,665)	(127,242)
Loss from operating activities		(1,190,288)	(2,668,807)
Financial income	4	50,688	60,101
Financial expenses		-	-
Net financing income		50,688	60,101
LOSS BEFORE INCOME TAX		(1,139,600)	(2,608,706)
INCOME EXPENSE	6	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF BUXTON RESOURCES LIMITED		(1,139,600)	(2,608,706)
Loss per share for loss attributable to the ordinary equity holders of the Company (cents per share)			
Basic loss per share	24	(0.84)	(2.06)
Diluted loss per share	24	(0.84)	(2.06)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position

AS AT 30 JUNE 2020

	Note	The Company	
		2020	2019
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	3,782,650	4,601,342
Trade and other receivables	8	49,177	73,131
Other financial assets	9	128,000	128,000
Other current assets	10	14,110	20,564
TOTAL CURRENT ASSETS		3,973,937	4,823,037
NON-CURRENT ASSETS			
Exploration Asset	11	798,536	855,195
Plant and equipment	12	8,035	101,188
TOTAL NON-CURRENT ASSETS		806,571	956,383
TOTAL ASSETS		4,780,508	5,779,420
CURRENT LIABILITIES			
Trade and other payables	13	47,432	124,438
TOTAL CURRENT LIABILITIES		47,432	124,438
TOTAL LIABILITIES		47,432	124,438
NET ASSETS		4,733,076	5,654,982
EQUITY			
Issued capital	14	24,234,892	24,234,892
Reserve	15	885,700	1,460,375
Accumulated losses	16	(20,387,516)	(20,040,285)
TOTAL EQUITY		4,733,076	5,654,982

The above Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

YEAR ENDED 30 JUNE 2020

The Company	Note	Issued Capital \$	Accumulated Losses \$	Share-based payment Reserve \$	Total \$
BALANCE AT 1 JULY 2018		19,518,256	(17,948,382)	1,309,172	2,879,046
Loss for the year	16	-	(2,608,706)	-	(2,608,706)
TOTAL COMPREHENSIVE LOSS		-	(2,608,706)	-	(2,608,706)
Shares issued for project acquisition		193,333	-	-	193,333
Share issued for cash		4,081,663	-	-	4,081,663
Shares issued to settle obligation		400,000	-	-	400,000
Shares issued on exercise of options		62,500	21,352	(21,352)	62,500
Issue of options		-	-	668,006	668,006
Expiry of options		-	495,451	(495,451)	-
Share issue costs		(20,860)	-	-	(20,860)
BALANCE AT 30 JUNE 2019		24,234,892	(20,040,285)	1,460,375	5,654,982
BALANCE AT 1 JULY 2019		24,234,892	(20,040,285)	1,460,375	5,654,982
Loss for the year	16	-	(1,139,600)	-	(1,139,600)
TOTAL COMPREHENSIVE LOSS		-	(1,139,600)	-	(1,139,600)
Issue of options		-	-	217,694	217,694
Expiry of options		-	792,369	(792,369)	-
BALANCE AT 30 JUNE 2020		24,234,892	(20,387,516)	885,700	4,733,076

The above Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Statement of Cash Flows

YEAR ENDED 30 JUNE 2019

	Note	The Company	
		2020	2019
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		368,318	697,243
Payments to suppliers and employees		(1,199,465)	(1,133,013)
Expenditure on mining interests		(1,331,131)	(1,573,230)
Government grants received		62,500	-
Interest received		43,985	58,410
NET CASH USED IN OPERATING ACTIVITIES	23	(2,055,793)	(1,950,590)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(1,182)	(49,819)
Proceeds from sale of plant and equipment		275,000	-
Payment for exploration interest		(36,717)	(5,000)
Proceeds from sale of exploration interests		1,000,000	-
NET CASH FROM INVESTING ACTIVITIES		1,237,101	(54,819)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	4,481,663
Proceeds from conversion of options		-	62,500
Payment of share issue costs		-	(20,860)
NET CASH FROM FINANCING ACTIVITIES		-	4,523,303
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(818,692)	2,517,894
Cash and cash equivalents at the beginning of the financial year		4,601,342	2,083,448
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	3,782,650	4,601,342

The above Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements are for Buxton Resources Limited as an individual entity. The financial statements are presented in the Australian currency. Buxton Resources Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 30 September 2020. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and the *Corporations Act 2001*.

Compliance with IFRS

The financial statements of Buxton Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

(c) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Grant funding

Cash Boost, Jobkeeper and Exploration Incentive Scheme grants are recognised where there is reasonable assurance that the entity will comply with the conditions attached to the grants and that the grants will be received.

Other income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

(d) Income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Notes to the Financial Statements

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases (note 21). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(f) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(h) Investments and other financial assets

Classification

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated available-for-sale if they do not have fixed

Notes to the Financial Statements

maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial assets - reclassification

The Company may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Company may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Company has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the statement of profit or loss and other comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Company's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial investments is determined are disclosed in note 2.

Impairment of assets

The Company assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of profit or loss and other comprehensive income.

If there is evidence of impairment for any of the Company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of comprehensive income.

(i) Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The

Notes to the Financial Statements

carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the reducing balance method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates vary between 20% and 50% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement profit or loss and other of comprehensive income. When revalued assets are sold, it is Company policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(j) Exploration and evaluation costs

Exploration and evaluation costs, excluding the costs of acquiring tenements, are expensed as incurred. Acquisition costs will be assessed on a case by case basis and, if appropriate, they will be capitalised. These acquisition costs are carried forward only if the rights to tenure of the area of interest are current and either:

- They are expected to be recouped through successful development and exploitation of the area of interest or;
- The activities in the area of interest at the reporting date have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest, are continuing.

Accumulated acquisition costs in relation to an abandoned area are written off in full to the statement of Profit or Loss and Other Comprehensive Income in the year in which the decision to abandon the area is made.

The carrying values of acquisition costs are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(l) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(m) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Notes to the Financial Statements

(o) Application of new and revised International Financial Reporting Standards (AASBs)

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

AASB 16 Leases

AASB 16 replaces AASB 117 Leases and sets out the principles for the recognition, measurement, presentation and disclosure of leases. AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

A lessee measures right-of-use assets similarly to other financial assets (such as property, plant and equipment) and lease liabilities similar to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows.

AASB 16 substantially carries forward the lessor accounting requirements in AASB 117 Leases. Accordingly, a lessor continues to classify its leases as operating leases or finance leases.

The Company only has short term leases which, under the standard, can continue to be recognised on a straight line/systematic basis over the lease term.

New Standards and Interpretations on issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the year ended 30 June 2020. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(p) Critical accounting judgements, estimates and assumptions

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based upon historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share-based payment transactions:

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate valuation model and is based on the assumptions detailed in Note 9.

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. The consideration extends to the nature of activities and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Exploration and evaluation costs carried forward

The recoverability of the carrying amount of exploration and evaluation costs carried forward has been reviewed by the directors. In conducting the review, the directors have elected for exploration assets relating to the acquisition of licenses to be carried at cost. All other exploration and evaluation costs are expensed during the period in which they are incurred.

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all board members to be involved in this process. The Chief Executive Officer, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the board on risk management.

(a) Market risk

(i) Foreign exchange risk

Notes to the Financial Statements

As all operations are currently within Australia the Company is not exposed to foreign exchange risk.

(ii) Price risk

Given the current level of operations the Company is not exposed to price risk.

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The balance of cash and cash equivalents for the Company subject to interest rate risk is \$3,782,650 (2019: \$4,601,342). The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Company was 1.07% (2019:1.80%).

Sensitivity analysis

At 30 June 2020, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been \$41,920 lower/higher (2019: \$33,424 +/- 100 basis points) as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

As the Company does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Company. Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Company's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Company at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

Notes to the Financial Statements

3. SEGMENT INFORMATION

AASB 8: *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Company's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Company's operations and allocation of working capital.

Due to the size and nature of the Company, the Board as a whole has been determined as the chief operating decision maker.

The Company operates in one business segment and one geographical segment, namely mineral exploration industry in Australia only. AASB 8: *Operating Segments* states that similar operating segments can be aggregated to form one reportable segment. Also, based on the quantitative thresholds included in AASB 8, there is only one reportable segment, namely mineral exploration industry. However, none of the other operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Company has therefore decided to aggregate all their segments into one reportable operating segment.

The revenues and results of this segment are those of the Company as a whole and are set out in the statement of profit or loss and other comprehensive income. The segment assets and liabilities of this segment are those of the Company and are set out in the statement of financial position.

Segment performance is evaluated based on the operating profit and loss and cash flows and is measured in accordance with the Company's accounting policies.

	The Company	
	2020	2019
	\$	\$
Exploration segment		
Segment revenue	1,538,422	718,906
Reconciliation of segment revenue to total revenue before tax:		
Other revenue	62,500	7,000
Interest revenue	50,688	60,101
Total revenue	1,651,610	786,007
Segment results	(397,126)	(1,190,534)
Reconciliation of segment result to net loss before tax:		
Share based payments	(217,694)	(668,006)
Other corporate and administration expenses	(524,780)	(750,166)
Net loss before tax	(1,139,600)	(2,608,706)
Segment operating assets	808,051	918,504
Reconciliation of segment operating assets to total assets:		
Other corporate and administration assets	3,972,457	4,860,916
Total assets	4,780,508	5,779,420

4. REVENUE

From continuing operations

Interest	50,688	60,101
Sale of exploration interest	1,000,000	-
Sale of plant and equipment	196,917	-
Reimbursement of costs	224,960	568,906
Refunds	116,545	-
Exploration grant		150,000
Government cashflow boost	62,500	-
Other revenue	-	7,000
	1,600,922	725,906

Notes to the Financial Statements

The Company

2020 2019
\$ \$

5. EXPENSES

Loss before income tax includes the following specific expenses:

Minimum lease payments relating to operating leases	28,754	23,950
Defined contribution superannuation expense	51,186	46,450

6. INCOME TAX

(a) The prima facie income tax expenses on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

Accounting loss before tax from continuing operations	(1,139,600)	(2,608,706)
Tax at the applicable tax rate of 27.5% (2019: 27.5%)	(313,390)	(717,394)
Impact from reduction in tax rate on unrecognised tax losses	117,156	117,156
Effect of expenses which are not deductible in determining taxable profit	67,259	184,055
Effect of temporary differences that would be recognised directly in equity	-	5,736
Movements in unrecognised temporary differences	63,741	(75,037)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	65,234	485,484
Income tax expense	-	-

(b) Unrecognised temporary differences

Deferred Tax Assets at 27.5% (2019: 27.5%)

On Income Tax Account

Capital raising costs	25,623	53,996
Legal costs - capital	2,491	12,077
Accruals	5,880	6,600
Carry forward tax losses	3,309,967	4,159,192
	3,343,961	4,231,865

Deferred Tax Liabilities at 27.5% (2019: 27.5%)

Prepayments	3,352	5,127
Unearned income	2,739	895
	6,091	6,022

7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank and in hand	3,782,650	4,601,342
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	3,782,650	4,601,342

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

Notes to the Financial Statements

	The Company	
	2020	2019
	\$	\$
8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES		
Sundry Debtor	12,851	39,010
Government cashflow boost	12,500	-
Accrued Interest	9,958	3,255
GST Receivable	13,868	30,866
	49,177	73,131
9. OTHER FINANCIAL ASSETS		
Held-to-maturity investments	128,000	128,000
	128,000	128,000
Held-to –maturity investments comprise bank term deposits with a maturity of over 3 months		
10. OTHER CURRENT ASSETS		
Deposits	1,920	1,920
Prepayments	12,190	18,644
	14,110	20,564
11. NON-CURRENT ASSETS – EXPLORATION ASSETS		
Tenement acquisition costs carried forward in respect of mining areas of interest		
Opening net book amount	855,195	656,862
Acquisition - issue of shares	-	193,333
Acquisition - cash	36,717	5,000
Impairment	(93,376)	-
Closing net book amount	798,536	855,195
The ultimate recoupment of costs carried forward for tenement acquisition is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not being charged pending the commencement of production.		
12. NON-CURRENT ASSETS - PLANT AND EQUIPMENT		
Plant and equipment		
Cost	80,723	135,307
Accumulated depreciation	(72,688)	(92,601)
Net book amount	8,035	42,706
Motor vehicles		
Cost	-	1126,091
Accumulated depreciation	-	(67,609)
Net book amount	-	58,482
	8,035	101,188
Plant and equipment		
Opening net book amount	42,707	12,816
Additions	1,182	39,992
Disposals	(26,287)	-
Depreciation charge	(9,567)	(10,102)
Closing net book amount	8,035	42,706

Notes to the Financial Statements

	The Company	
	2020	2019
	\$	\$
Motor vehicles		
Opening net book amount	58,482	64,001
Additions	-	9,827
Disposals	(51,797)	-
Depreciation charge	(6,685)	(15,346)
Closing net book amount	-	58,482
	8,035	101,188

13. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

Trade payables	14,686	47,422
Other payables and accruals	32,746	77,016
	47,432	124,438

14. ISSUED CAPITAL

(a) Share capital

	Notes	2020		2019	
		Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	14(b), 14(d)	136,055,432	24,234,892	136,055,432	24,234,892
Total issued capital		136,055,432	24,234,892	136,055,432	24,234,892

(b) Movements in ordinary share capital

Beginning of the financial year	136,055,432	24,234,892	110,850,822	19,518,256
Issued for project acquisition	-	-	1,333,333	193,333
Issued for cash	-	-	20,408,315	4,081,663
Issued on conversion of options	-	-	500,000	62,500
Issued to drilling contractor	-	--	2,962,962	400,000
Share issue costs				(20,860)
End of the financial year	136,055,432	24,234,892	136,055,432	24,234,892

(c) Movements in options on issue

Unlisted	Number of options	
	2020	2019
Beginning of the year	18,500,000	19,870,000
Issued during the year	9,450,000	5,550,000
Exercised during the year	-	(500,000)
Expired during the year	(12,950,000)	(6,420,000)
End of the year	15,000,000	18,500,000

(d) Ordinary shares

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

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

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

Notes to the Financial Statements

14. ISSUED CAPITAL

(e) Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads.

The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2020 and 30 June 2019 is as follows:

	The Company	
	2020	2019
	\$	\$
Cash and cash equivalents	3,782,650	4,601,342
Trade and other receivables	35,309	73,131
Other financial assets	128,000	128,000
Trade and other payables	(47,432)	(124,438)
Working capital position	<u>3,898,527</u>	<u>4,678,035</u>

15. RESERVES

Share-based payment reserve

Balance at beginning of year	1,460,375	1,309,172
Exercise of options during the year	-	(21,352)
Expiry of options during the year	(792,369)	(495,451)
Issue of options during the year	217,694	668,006
Balance at end of year	<u>885,700</u>	<u>1,460,375</u>

Option reserve

The share-based payment reserve is used to record the value of options issued by the Company.

16. ACCUMULATED LOSSES

	The Company	
	2020	2019
	\$	\$
Accumulated losses		
Balance at beginning of year	(20,040,285)	(17,948,382)
Exercise of options during the year	-	21,352
Expiry of options during the year	792,369	495,451
Net loss for the year	(1,139,600)	(2,608,706)
Balance at end of year	<u>(20,387,516)</u>	<u>(20,040,285)</u>

17. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

Notes to the Financial Statements

17. SHARE-BASED PAYMENTS

Options

At the Annual General Meeting held on 22 November 2019 shareholders approved the issue of 5,500,000 unlisted options to Directors. The options are exercisable at 15 cents and have an expiry date of 30 November 2022. A further 3,950,000 options were issued to staff under The Employee Incentive Plan.

The total expense recognised in the year for share-based payments is \$217,694 (2019: \$668,006).

None of the options that were issued were converted to shares during the year.

A total of 12,950,000 options lapsed during the year.

Details of options issued during the year are as follows:

	Number of options granted during the year	Value of options granted during the year
	Number	\$
Directors		
Seamus Cornelius	1,000,000	23,036
Eamon Hannon	1,500,000	34,555
Anthony Maslin	1,000,000	23,036
Feng Xue	1,000,000	23,036
Stuart Fogarty	1,000,000	23,036

A further 3,950,000 options were issued to employees under the Company Employee Incentive Plan under the same terms and conditions.

All options vested on issue.

The inputs to the options valuation were:

Dividend yield (%)	n/a
Expected volatility (%)	81.54
Risk-free interest rate (%)	0.73
Expected life of rights (years)	3.02
Grant date share price (cents)	6.80

The value of the options was calculated using the Black-Scholes model.

The expected life of the options is based on time to expiry and is not necessarily indicative of exercise patterns that may occur. No other features of options granted were incorporated into the measurement of fair value.

Movement of options on issue during the year was as follows:

	2020	2019
	\$	\$
Options		
Balance at beginning of year	18,500,000	19,870,000
Grant of options during the year	9,450,000	5,550,000
Exercise of options during the year	-	(500,000)
Expiry of options during the year	(12,950,000)	(6,420,000)
Balance at end of year	15,000,000	18,500,000
Vested at end of year	15,000,000	18,500,000

Notes to the Financial Statements

18. DIRECTORS AND EXECUTIVES DISCLOSURES

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

	The Company	
	2020	2019
Short-term benefits	270,000	307,736
Post-employment benefits	22,800	21,850
Share based payments	126,699	574,939
	419,499	904,525

Detailed remuneration disclosures are provided in the remuneration report on page 18.

19. REMUNERATION OF AUDITORS

	The Company	
	2020	2019
	\$	\$
During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:		
Audit services		
Rothsay Auditing - audit and review of financial reports	34,000	31,000
Total remuneration for audit services	34,000	31,000

20. CONTINGENCIES

Contingent liabilities

There are no material contingent liabilities or contingent assets of the Company at balance date.

21. COMMITMENTS

(a) Exploration commitments

The Company has certain commitments to meet minimum expenditure requirements on the mining exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	2020	2019
	\$	\$
within one year	1,412,720	543,500
later than one year but not later than five years	5,650,880	2,174,000
	7,063,600	2,717,500

(b) Lease commitments: Company as lessee

	2020	2019
	\$	\$
within one year	2,182	1,977
later than one year but not later than five years	-	-
	2,182	1,977

Notes to the Financial Statements

22. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing and whilst it has had no financial impact for the Company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above no matters or circumstances have arisen which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

	The Company	
	2020	2019
	\$	\$
23. NOTE TO STATEMENT OF CASH FLOWS		
Reconciliation of net loss after income tax to net cash outflow from operating activities		
Net loss for the year	(1,139,600)	(2,608,706)
Gain on sale of equipment	(196,917)	-
Gain on sale of exploitation interests	(1,000,000)	-
Non-Cash Items		
Depreciation of non-current assets	16,252	25,448
Share-based payments	217,694	668,006
Impairment of exploration assets	93,376	-
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	23,954	(24,545)
(Increase)/decrease in prepayments	6,454	(12,726)
Increase/(decrease) in trade and other payables	(77,008)	1,933
Net cash outflow from operating activities	<u>(2,055,795)</u>	<u>(1,950,590)</u>

24. LOSS PER SHARE

(a) Reconciliation of earnings used in calculating loss per share

Loss attributable to the owners of the Company used in calculating basic and diluted loss per share

(1,139,600)	(2,608,706)
-------------	-------------

	Number of shares	
	2020	2019
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used in calculating basic loss per share	136,055,432	126,338,548
Options over ordinary shares	16,411,475	20,843,836
Weighted average number of shares used in calculating diluted loss per share	<u>152,466,907</u>	<u>147,182,384</u>
Basic loss per share (cents per share)	(0.84)	(2.06)
Diluted loss per share (cents per share)	(0.84)	(2.06)

For 2020 and 2019 none of the options over ordinary shares are considered dilutive as the share price is lower than the exercise price of all options on issue, therefore the diluted loss per share is equal to that of the basic loss per share.

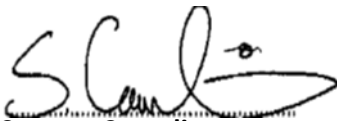
Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 10 to 42 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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



Seamus Cornelius

Non-Executive Chairman

Perth, 30 September 2020



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BUXTON RESOURCES LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Buxton Resources Limited (“the Company”) which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors’ declaration of the Company.

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

- (i) giving a true and fair view of the Company’s financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

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

Key Audit Matters

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





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

BUXTON RESOURCES LIMITED (continued)

<i>Key Audit Matter - Cash and Cash Equivalents</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Company's cash and cash equivalents make up 95% of current assets by value and are considered to be the key driver of the Company's operations.</p> <p>We do not consider cash and cash equivalents to be at a high risk of significant misstatement or to be subject to a significant level of judgement.</p> <p>However due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures over the existence of the Company's cash and cash equivalents included but were not limited to:</p> <ul style="list-style-type: none">• Documenting and assessing the processes and controls in place to record cash transactions;• Testing a sample of cash payments to determine they were bona fide payments, were properly authorised and recorded in the general ledger; and• Agreeing balances to independent confirmations. <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>
<i>Key Audit Matter - Exploration and evaluation expenditure</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Company has expensed a significant amount of exploration and evaluation expenditure during the year.</p> <p>We do not consider exploration and evaluation expenditure to be at a high risk of significant misstatement, or to be subject to a significant level of judgement.</p> <p>However due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures in assessing exploration and evaluation expenditure included but were not limited to the following:</p> <ul style="list-style-type: none">• We assessed exploration and evaluation expenditure with reference to AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>.• We tested a sample of exploration and evaluation expenditure to supporting documentation to ensure they were bona fide payments; and• We documented and assessed the processes and controls in place to record exploration and evaluation transactions. <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BUXTON RESOURCES LIMITED (continued)**

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

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

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

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

Directors' Responsibility 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 the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/Home.aspx.

We communicate with the directors regarding, amongst 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BUXTON RESOURCES LIMITED (continued)

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe those 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 communications.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2020.

In our opinion the remuneration report of Buxton Resources Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Rothsay Auditing

Dated 30 September 2020

Daniel Dalla
Partner

ASX Additional Information

Additional information required by Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. Unless otherwise stated, the information is current as at 25 September 2020.

(a) Distribution of equity securities

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

Range	Total holders	Units	% Units
1 - 1,000	68	9,553	0.01
1,001 - 5,000	184	648,556	0.48
5,001 - 10,000	237	2,002,721	1.47
10,001 - 100,000	585	23,951,558	17.60
100,001 Over	210	109,443,044	80.44
Rounding			0.00
Total	1,284	136,055,432	100.00

Unmarketable Parcels

Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.1200 per unit	180	315,654

(b) Substantial shareholders

At the date of this report the following shareholders had lodged substantial shareholder notices with the Company, in accordance with section 671B of the *Corporations Act 2001* are:

1. Independence Group NL is a substantial shareholder holding a relevant interest in 20,408,315 shares representing 15% of the voting power.
2. National Business Holding (VU) Ltd is a substantial shareholder holding a relevant interest in 10,841,659 shares representing 7.97% of the voting power.

(c) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

ASX Additional Information

(d) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% Units
1	ZERO NOMINEES PTY LTD	20,408,315	15.00
2	NATIONAL BUSINESS HOLDING (VU) LTD	10,841,659	7.97
3	A & R DEARLOVE PTY LTD <ANT & RENAES SUPER FUND A/C>	3,649,000	2.68
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,253,020	2.39
5	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,458,054	1.81
6	MR PETER JOHNSON	1,720,000	1.26
7	MR ANTHONY MICHAEL DEARLOVE + MS RENAE CLARE EVA	1,719,966	1.26
8	MR SEAMUS CORNELIUS	1,503,930	1.11
9	GREENSEA INVESTMENTS PTY LTD	1,500,000	1.10
10	SFN HOLDINGS PTY LTD	1,481,481	1.09
11	MS JULIE ANNE GOOD	1,405,049	1.03
12	MS CASEY LANCEE	1,400,000	1.03
13	NEW WORLD COBALT LIMITED	1,333,333	0.98
14	MR BRADLEY STUART FALCONER	1,010,000	0.74
15	CITICORP NOMINEES PTY LIMITED	1,009,864	0.74
16	MR BRADLEY PETER BRYANT + MRS JOSEPHINE ALEXANDA BRYANT <B & J BRYANT A/C>	1,005,435	0.74
17	MR RICHARD HENRY GARDINER	1,001,000	0.74
18	MR RICHARD CHALLINOR HAYES	1,000,000	0.73
19	HENRY BERRY CORPORATION LIMITED	971,000	0.71
20	SMIT AND SCHOEMAN PTY LTD <SMIT SCHOEMAN SUPERFUND A/C>	960,030	0.71
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		59,631,136	43.83
Total Remaining Holders Balance		76,424,296	56.17

ASX Additional Information

(e) Schedule of interests in mining tenements

E28/1959	Fraser Range-IGO JV	10
E28/2201	Fraser Range-IGO JV	10
E15/1719	Goldmember	100
E15/1766	Goldmember	100
E15/1767	Goldmember	100
E28/2922	Goldmember	100
E28/2979	Goldmember	100
E28/2980	Goldmember	100
E28/2983	Goldmember	100
E04/1533	Merlin-IGO JV	49
E04/2026	Merlin-IGO JV	49
E04/2142	Merlin-IGO JV	49
E04/2451	West Kimberley - Baracus JV	0 (earning 16%)
E04/2462	West Kimberley - Baracus JV	0 (earning 16%)
E04/2060	West Kimberley Regional-IGO JV	100
E04/2407	West Kimberley Regional-IGO JV	100
E04/2408	West Kimberley Regional-IGO JV	100
E04/2411	West Kimberley Regional-IGO JV	100
E04/2466	West Kimberley Regional-IGO JV	100
E04/2467	West Kimberley Regional-IGO JV	100
E04/2468	West Kimberley Regional-IGO JV	100
E04/2469	West Kimberley Regional-IGO JV	100
E04/2480	West Kimberley Regional-IGO JV	100
E04/2527	West Kimberley Regional-IGO JV	100
E04/2530	West Kimberley Regional-IGO JV	100
E04/2536	West Kimberley Regional-IGO JV	100
E04/2549	West Kimberley Regional-IGO JV	100
E04/2550	West Kimberley Regional-IGO JV	100
E04/2578	West Kimberley Regional-IGO JV	100
E04/2579	West Kimberley Regional-IGO JV	100
E04/2580	West Kimberley Regional-IGO JV	100
E04/2581	West Kimberley Regional-IGO JV	100
E04/2583	West Kimberley Regional-IGO JV	100

ASX Additional Information

E04/2584	West Kimberley Regional-IGO JV	100
E04/2585	West Kimberley Regional-IGO JV	100
E04/2609	West Kimberley Regional-IGO JV	100
E04/2610	West Kimberley Regional-IGO JV	100
E04/2611	West Kimberley Regional-IGO JV	100
E04/2612	West Kimberley Regional-IGO JV	100
E04/2613	West Kimberley Regional-IGO JV	100
E04/2614	West Kimberley Regional-IGO JV	100
E04/2615	West Kimberley Regional-IGO JV	100
E04/2617	West Kimberley Regional-IGO JV	100
E04/2629	West Kimberley Regional-IGO JV	100
E04/2630	West Kimberley Regional-IGO JV	100
E04/2631	West Kimberley Regional-IGO JV	100
E04/2636	West Kimberley Regional-IGO JV	100
E04/2648	West Kimberley Regional-IGO JV	100
E04/2649	West Kimberley Regional-IGO JV	100
E04/2650	West Kimberley Regional-IGO JV	100
E04/2651	West Kimberley Regional-IGO JV	100
E04/1972	West Kimberley-IGO- NWC-TT JV	16
E04/2314	West Kimberley-IGO- NWC-TT JV	16
E04/2423	West Kimberley-IGO- NWC-TT JV	20
E28/2620	Woodline	100
E09/1985	Yalbra	100
E28/1959	Fraser Range-IGO JV	10
E28/2201	Fraser Range-IGO JV	10
SM-01 to SM54 inclusive	Yavapai Co, Arizona (federal lode mining claims)	100