METAL HAWK

LIMITED

Metal Hawk Limited

ABN 24 630 453 664

Financial Report for the Period Ended 30 June 2019

Metal Hawk Limited
Directors' report
30 June 2019

The directors present their report, together with the financial statements, of Metal Hawk Limited (referred to hereafter as the 'company') for the period ended 30 June 2019.

Directors

The following persons were directors of Metal Hawk Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Brett Lambert (Appointed 3 July 2019)
William Belbin
David Pennock
Scott Glasson

Principal activities

During the financial period the principal continuing activities of the company consisted of negotiating the rights to various tenements in preparation for IPO during 2020.

The company was incorporated on 6 December 2018 and hence the reporting period is from incorporation to 30 June 2019.

Dividends

There was no dividends paid during the financial period.

Review of operations

There was no significant operations conducted during the period.

Significant changes in the state of affairs

There is no matters that have significantly changed the state of the company's affairs.

Matters subsequent to the end of the financial period

Brettt Lambert was appointed to the position of Non-Executive Director on 3 July 2019. Other than this there was no matters that have arisen since period end that have changed the state of the company's affairs.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Brett Lambert
Title:	Non-Executive Chairman
Experience and expertise:	Brett is a Mining Engineer from the WA School of Mines with over 30 years' experience in the resources industry. Brett has held senior management positions with Western Mining Corporation, Herald Resources, Western Metals, Intrepid Mines, Thundelarra Exploration and Bullabulling Gold. Brett has a wide range of experience from exploration through to mine development & operations. Brett is currently the Chairman of Mincor Resources & Non- Executive Director of De Grey Mining and Australian Potash.

Name:	William Belbin
Title:	Managing Director
Experience and expertise:	Will has over 20 years' experience working in gold and base metals exploration, with extensive experience in project generation and evaluation. Will was an integral part of the Fisher East nickel sulphide discoveries as Exploration Manager for Rox Resources Limited. Previously Will has worked for Newexco on various roles. Will holds a Geology degree from UWA and a Masters of Mineral Economics from the Curtin Graduate School of Business.

Name:	David Pennock
Title:	Executive Director
Experience and expertise:	David is a qualified geologist from the WA School of Mines and has over 12 years working in the exploration & resources sector. David runs Pennock Management Consultants, working with a range of clients from large scale producers to small cap explorers. David has strong business development skills and is well connected within the resources sector.

Name:	Scott Glasson
Title:	CFO
Qualifications:	B.Com, CA (Australia)
Experience and expertise:	Scott is a Chartered Accountant with 15 years' experience in corporate & financial accounting across a range of industries including mining & resources with EY & KPMG.

Company secretary

Chris Marshall (BA, LLB) has held the role of Company Secretary since 3 July 2019.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the period ended 30 June 2019, and the number of meetings attended by each director were:

	Full board	
	Attended	Held
Brett Lambert	0	0
William Belbin	1	1
David Pennock	1	1
Scott Glasson	1	1

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Shares under option
2,750,000 options were held at reporting date, representing free attaching options granted in relation to capital raisings occurring during the period. There were no other unissued ordinary shares of Metal Hawk Limited under option at the date of this report.

Shares issued on the exercise of options
There was no options exercised during the reporting period.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial period, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

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

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 immediately after this directors' report.

Auditor
BDO continues in office in accordance with section 327 of the Corporations Act 2001.

General information

The financial statements cover Metal Hawk Limited as a company. The financial statements are presented in Australian dollars, which is Metal Hawk Limited's functional and presentation currency.

Metal Hawk Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
2/47 Ord Street West Perth Perth WA 6005	2/47 Ord Street West Perth Perth WA 6005

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22 August 2019. The directors have the power to amend and reissue the financial statements.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

____
Scott Glasson
Director

22 August 2019
Sydney

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF METAL HAWK LIMITED

As lead auditor of Metal Hawk Limited for the period ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 22 August 2019

Metal Hawk Limited
Contents
30 June 2019

Metal Hawk Limited
Statement of profit or loss and other comprehensive income
For the period ended 30 June 2019

	Note	6 December 2018 to 30 June 2019 $
Expenses		
Auditors remuneration		(4,000)
Legal expenses		(8,640)
Tenement expenses		(30,925)
Share based payments to Directors		(14,908)
Other expenses		(8,252)
Loss before income tax expense		**(66,725)**
Income tax expense		-
Loss after income tax expense for the year		**(66,725)**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Metal Hawk Limited
Statement of financial position
As at 30 June 2019

	Note	30 June 2019 $
Assets		
Current assets		
Cash and cash equivalents	3	182,727
Trade and other receivables	4	63,206
Total current assets		**245,933**
Total assets		**245,933**
Liabilities		
Current liabilities		
Accruals	5	4,000
Total current liabilities		**4,000**
Total liabilities		**4,000**
Net assets		**241,933**
Equity		
Contributed equity	6	308,658
Accumulated losses	7	(66,725)
Total equity		**241,933**

The above statement of financial position should be read in conjunction with the accompanying notes

Metal Hawk Limited
Statement of changes in equity
For the period ended 30 June 2019

Company	**Issued capital $**	**Accumulated losses $**	**Total equity $**
Shares issued at incorporation	30,000	-	30,000
Loss after income tax expense for the period	-	(66,725)	(66,725)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive loss for the period	**-**	**(66,725)**	**(66,725)**
Transactions with owners in their capacity as owners:			
Contributions of equity, net of transaction costs	263,750	-	-
Share-based payments	14,908	-	-
Balance at 30 June 2019	**308,658**	**(66,725)**	**241,933**

The above statement of changes in equity should be read in conjunction with the accompanying notes

Metal Hawk Limited
Statement of cash flows
For the period ended 30 June 2019

	Note	6 December 2018 to 30 June 2019 $
Cash flows from operating activities		
Payments to suppliers and employees		(51,023)
Net cash used in operating activities	9	**(51,023)**
Cash flows from investing activities		
Net cash used in investing activities		**-**
Cash flows from financing activities		
Proceeds from issue of shares		233,750
Net cash inflows from financing activities		**233,750**
Net increase in cash and cash equivalents		182,727
Cash and cash equivalents at the beginning of the financial period		-
Cash and cash equivalents at the end of the financial period		**182,727**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

Basis of preparation
In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the *Corporations Act 2001* requirements to prepare and distribute financial statements to the owners of Metal Hawk Limited. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the owners of Metal Hawk Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for for-profit oriented entities.

The company was incorporated on 6 December 2018 and hence the reporting period is from incorporation to 30 June 2019.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

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

The entity has incurred a net loss of $66,725 and experienced net cash outflows from operations of $51,023 for the period ended 30 June 2019.

The ability of the entity to continue as a going concern as a going concern is dependent upon the success of the fundraising under the prospectus or alternatively, financial support from its shareholders.

The Directors believes that the entity will continue as a going concern. As a result the financial report has been prepared on a going concern basis which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The entity is conducting a capital raise under a prospectus to raise between $5m - $6m
- The entity has not incurred any debt nor will it until it has conducted a capital raise

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

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
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 an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

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

The Company entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 1. Significant accounting policies (continued)

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Company entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined with reference to the share price on grant date, based on recent historic capital raisings.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

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.

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the 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 tax authority is included in other receivables or other payables in the statement of financial position.

Note 1. Significant accounting policies (continued)

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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations
The entity has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for reporting periods beginning on or after 1 January 2019. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the entity.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company entity for the annual reporting period ended 30 June 2019. The Company entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The entity 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. Fair value is determined with reference to the share price on grant date, based on recent historic capital raisings.

Income tax
The entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The entity recognises liabilities for anticipated tax audit issues based on the entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Exploration and evaluation costs
Exploration and evaluation costs are capitalised on the basis that the entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 3 - cash and cash equivalents

	30 June 2019 $
Cash at bank	182,727
	182,727

Note 4 – trade and other receivables

Shares issued - unpaid	60,000
GST paid	3,206
	63,206

Note 5 - accruals

Accrued expenses – Auditors remuneration	4,000
	4,000

Note 6 - issued capital

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Seed capital	6 Dec-18	3,000,000	$0.01	30,000
Share based payments[1]	8 Apr-19	3,700,000	$0.01	14,908
Issue of ordinary shares[2]	1 Jun-19	450,000	$0.075	33,750
Issue of ordinary shares[2]	28 Jun-19	2,300,000	$0.01	230,000
Balance	30 June 2019	**9,450,000**		**308,658**

[1]Value of share based payment totals $37,000 and represents shares issued to Directors as consideration for services linked to the IPO of the company. Hence the total value shall vest over the service period to expected IPO subsequent to period end. The total vesting expense for the current period was $14,908.

[2]Each shareholder participating in the capital raising on 1 June and 28 June received a free attaching option for each share purchased.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 7 – accumulated losses

	30 June 2019 $
Loss for the period from incorporation to 30 June 2019	66,725
	66,725

Note 8 - remuneration of auditors

During the financial period the following fees were paid or payable for services provided by BDO, the auditor of the company, its network firms and unrelated firms:

	30 June 2019 $
Audit services - BDO	
Audit of the financial statements	4,000
	4,000

Note 9 – reconciliation of accounting loss to cash flows from operating activities

Net loss for the period	66,725
Less non-cash expenditure – share based payments	(14,908)
Less increase in accruals	(4,000)
Add increase in trade and other receivables	3,206
Net cash used in operating activities	**51,023**

Note 10 - events after the reporting period

Brett Lambert was appointed as Non-Executive Director on 3 July 2019. Other than that no other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Metal Hawk Limited
Directors' declaration
30 June 2019

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the *Corporations Act 2001* requirements to prepare and distribute financial statements to the owners of Metal Hawk Limited;

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial period ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Scott Glasson
Director

22 August 2019
Sydney

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INDEPENDENT AUDITOR'S REPORT

To the members of Metal Hawk Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Metal Hawk Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Metal Hawk Limited, is in accordance with the Corporations Act 2001, including:

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

(ii) Complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Emphasis of matter – Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information in the Directors' report for the period ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 22 August 2019