



**NEW STANDARD
ENERGY
LIMITED**

ACN 119 323 385

**Annual Report for the Year Ended
30 June 2020**

CORPORATE DIRECTORY

Board of Directors

Kunfang Liu	Non-Executive Chairman
Xiaofeng Liu	Managing Director
Ming Li	Non-Executive Director
Xiaoning Lin	Non-Executive Director
Peng Zhang	Non-Executive Director

Company Secretary

Ming Li

Place of Business

Unit 1, 117 Brisbane Street
Perth WA 6000
Ph: +61 (8) 9227 9280
Fax: +61 (8) 9227 9280
Web: www.newstandard.com.au

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Legal Advisors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street,
Perth Western Australia 6000

Share Registry

Computershare Investor Services Pty Ltd
Level 11
172 St Georges Terrace
Perth WA 6000

ASX Code | NSE

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CHAIRMAN'S LETTER

Dear Shareholders

The past financial year was full of unprecedented challenges. The chaos and disruptions to the global economy created by COVID-19 pandemic have never unseen before. The rising geopolitical tensions, increasing global economic uncertainty and demand destruction in energy had negatively impact on oil and gas industry. Oil price fell dramatically during the year.

Despite these challenges, your Board remains committed to focus on identifying new opportunities, meeting its obligations and reducing costs for New Standard Energy Limited (New Standard or Company).

The main activities for 2019/2020 were:

- successful completion of a capital raising to fund short term working capital;
- significant reduction of business overheads; and
- ongoing negotiation with DMIRS and considering rehabilitation of disturbance from historical exploration activities.

The main goals for 2020/2021 are:

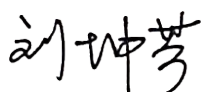
- secure a major new project to drive the Company into the future;
- successful completion of a major capital raise to drive the company forward;
- resume trading on the ASX; and
- commence rehabilitation of disturbance from historic exploration activities.

We believe successfully achieving these goals will result in a significantly improved valuation of the company.

I thank all involved for their hard work, considerable and tireless efforts to achieve these goals. We look forward to continuing to pursue opportunities to rebuild the company and rebuild shareholder value.

Thank you for supporting New Standard Energy.

Yours sincerely



Kunfang Liu
Non-Executive Chairman

FOR PERSONAL USE ONLY

DIRECTORS' REPORT

The Directors of New Standard Energy Ltd ("New Standard" or "the Company") submit herewith the consolidated financial report for New Standard and its controlled entities ("the Group") for the financial year ended 30 June 2020.

In order to comply with the provisions of the *Corporations Act 2001*, the Directors' report as follows:

REVIEW OF OPERATIONS

The Group continued to work with the Department of Mines, Industry Regulation and Safety (**DMIRS**) to consider its rehabilitation obligations that relate to historic exploration activities.

A site visit had been postponed from November 2019 to early 2020. However, due to travel restrictions as a result of COVID-19, the rescheduled site visit was not completed.

The Group has engaged an independent environmental consultant to liaise with DMIRS and to organize site visits to Carnarvon and Canning Basin by the end of November 2020. In addition, the Group has conducted an assessment with additional information it received during the year to make an estimate of its rehabilitation costs. The rehabilitation provision of \$970,690 has been retrospectively adjusted in its 2019 consolidated financial statements.

Permit EP482 was expired since DMIRS had refused New Standard's application for a renewal of Permit EP482.

The Group decided not to renew Permit EP481, which was expired in August 2020.

New Standard is seeking to secure new projects, both in the energy sector and in other sectors and accordingly has reviewed a number of new opportunities.

CORPORATE AND FINANCE

New Standard successfully completed a placement to sophisticated investors to raise AUD400,000 in December 2019. New Standard ended the financial year to 30 June 2020 with a cash position of \$292,424. The Company has no borrowings.

New Standard continues to review and reduce overheads wherever possible. Directors' fees remain suspended and no Directors' fees have been paid since February 2015.

New Standard has also continued to review other opportunities for the Company to recover and grow both in the oil and gas space and in other areas.

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for the year:

DIRECTORS

Mr Kunfang Liu

Non-Executive Chairman
(Appointed 21 December 2017)

Qualifications

B.E., MEOG, MBA

Experience

Mr Liu is the chairman of Beijing Geology & Petroleum Technology Co., Ltd. He has 12 years' experience in planning and implementing the National Project of Sidetracking Horizontal Wells' Drilling and Completion Technology for Heavy Oil and High Boiled Oil; and 17 years' experience in taking charge of Science and Technology Development & Management of Petroleum Science and Technology.

Current and Former Directorships in listed entities in the last 3 years

Nil

Relevant interests in shares and options

Fully paid ordinary shares	Nil
Options over fully paid ordinary shares	Nil

Mr Xiaofeng Liu

Managing Director
(Appointed 27 November 2017, originally appointed Non-Executive Director on 16 December 2015)

Qualifications

B.Sc (Petroleum Geology Exploration)

Experience

Mr Liu is the Chief Geologist of Huizhou Energy Investment (Beijing) Co., Ltd. He has 26 years' experience in the oil field including extensive experience in seismic interpretation, reservoir description and prediction and well deployment. He was previously the Director of the Oil and Gas Centre at Beijing Orion Energy Technology & Development Co., Ltd and Technical Director of Beijing Oriental Cisco Reservoir Technology Co., Ltd.

Current and Former Directorships in listed entities in the last 3 years

Nil

Relevant interests in shares and options

Fully paid ordinary shares	Nil
Options over fully paid ordinary shares	Nil

Mr Ming Li

Non-Executive Director and Company Secretary
(Appointed 21 December 2017)

Qualifications

MCS, M.Comm

Experience

Mr Li has a Master of Commerce Degree from Sydney University, and Master of Computer Studies Degree from the University of Wollongong. He has 12 years' experience in equity investment for energy companies in Mainland China, Hong Kong and Australia, also has 10 years' experience in oil and gas buying and selling.

Current and Former Directorships in listed entities in the last 3 years

Nil

Relevant interests in shares and options

Fully paid ordinary shares	5,900,387
Options over fully paid ordinary shares	Nil

Ms Xiaoning Lin

Non-Executive Director
(Appointed 25 March 2019)

Qualifications

M.Fin.

Experience

Ms Xiaoning (Linda) Lin is the Managing Director of Goldfields Oil and Gas Pty Ltd. She is also an independent management consultant who specialises in the professional services sector, with over 15 years' experience. After qualifying in Accounting and Finance, she worked for Asia Pacific Certified Public Account Group and gained extensive knowledge and experience in the finance sector. She established her own business, Shenzhen Huai Ri Real Estate Agent and Evaluation Company, which is now the 2nd largest evaluation firm in Shenzhen. Ms Lin completed her Master in Finance in Australia and worked as a consultant, specialising in exploring for opportunities between Australia and China. She has organised a trip for the Northern Territory government to Hainan Province, helped the local business to explore the business opportunities and also promoted government-level economic cooperation.

Ms Lin was a director of Ocean Sincere and Australia Trailcraft Boats, built up the Ocean Master and Australia Trailcraft Boats brand in China, setup the production line to reduce the building cost and promote the brand internationally.

Current and Former Directorships in listed entities in the last 3 years

Nil

Relevant interests in shares and options

Fully paid ordinary shares	Nil
Options over fully paid ordinary shares	Nil

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the year were the exploration for oil and gas in the Carnarvon Basin in Western Australia and seeking new projects, both in the energy sector and in other sectors.

OPERATING RESULTS

The consolidated entity's net loss attributable to members of New Standard for the year ended 30 June 2020 after applicable income tax was \$361,832 (2019: a restated loss of \$1,474,384).

FUTURE DEVELOPMENTS

The Company is working to secure a major new project to drive the Company into the future.

Mr Peng Zhang

Non-Executive Director
(Appointed 21 December 2017)

Qualifications

M.Acct, AICPA

Experience

Mr Zhang holds an America Institute of Certified Public Accountants (AICPA) license, and holds an Accounting Master Degree from the University of Texas, Dallas in the United States. Mr Zhang has held multiple management positions and is experienced in auditing and consulting for both private and publicly listed companies in Mainland China, Hong Kong, America and Australia. He has more than 5 years finance and consulting experience including working for Ernst and Young and BDO.

Current and Former Directorships in listed entities in the last 3 years

Nil

Relevant interests in shares and options

Fully paid ordinary shares	Nil
Options over fully paid ordinary shares	Nil

DIVIDENDS

No dividend has been declared or paid during the financial year and the Directors do not recommend the payment of any dividend in respect of the current or preceding financial years.

FINANCIAL SUMMARY

The Group reported a loss after tax of \$361,832 for the year ended 30 June 2020 (2019: a restated loss \$1,474,384). A total of \$44,424 (2019: \$50,404) exploration and evaluation costs were invested in the year ended 30 June 2020 relating to New Standard's Australian assets.

The Group had a net liability of \$884,922 as at 30 June 2020 (2019: a restated net liability of \$919,541). Cash and cash equivalents have increased by \$81,801 from \$210,623 at 30 June 2019 to \$292,424 as at 30 June 2020.

Year ended 30 June from continuing operations	2020 \$	2019 (Restated) \$
Revenue and other income	242	364
Depreciation	(6,990)	–
Operating loss before tax from continuing operations	(361,832)	(1,474,384)
Operating loss after tax from continuing operations	(361,832)	(1,474,384)
Net liabilities	(884,922)	(919,541)

SHARES UNDER OPTION

There were no unissued ordinary shares in the Company under option at the date of this report.

No options were granted during the year ended 30 June 2020.

ENVIRONMENTAL REGULATIONS

The New Standard group is subject to environmental regulations under relevant Australian legislation in relation to its oil and gas exploration activities, particularly with the Western Australian Department of Mines, Industry Regulation and Safety and the Western Australian Department of Environment and Conservation. The Directors actively monitor compliance with the regulations and as the date of this report, the Directors are not aware of any material breaches in respect of the regulations.

EVENTS SUBSEQUENT TO YEAR END

As announced on 18 August 2020, New Standard decided not to apply for a renewal of Permit EP481. Accordingly, Permit EP481 was expired.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not had significant impact on the consolidated 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.

There were no matters or circumstances arising since the end of the reporting period that have significantly affected or may significantly affect the operations of the Group and the results of those operations or the state of the affairs of the Group in the financial period subsequent to 30 June 2020.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each Director whilst in office.

Directors	Board meetings		Circular resolution passed	Total
	Held while director	Attended		
Mr Kunfang Liu	1	1	4	5
Mr Xiaofeng Liu	1	1	4	5
Mr Ming Li	1	-	4	4
Mr Peng Zhang	1	1	4	5
Ms Xiaoning Lin	1	1	4	5

There were no formal Audit or Remuneration committees during the year. The Board attended to these committee responsibilities when required.

Whilst there is currently no formal nomination committee established, when required a sub-committee of the Board is delegated the responsibility for identifying suitable candidates for Board appointments. The sub-committee will engage independent external recruitment consultants as required.

INDEMNIFICATION OF OFFICERS AND AUDITORS

During and since the financial year the Company has indemnified and entered into Deeds of Indemnity and Access with each of the current Directors to indemnify the Director or any related body corporate against a liability incurred as a Director. The Deeds provide for the Company to pay all damages and costs which may be awarded against the Directors.

During the financial year no premium was paid to insure Directors against claims while acting as a Director.

No indemnity has been granted to the Auditor of the Company.

NON-AUDIT SERVICES

During the year no fees were paid or payable to the auditor or its related entities for any non-audit services.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration under s.307C of the *Corporations Act 2001* in relation to the audit of the full year is included on page 17.

REMUNERATION REPORT (AUDITED)

This remuneration report sets out the remuneration arrangements for New Standard Energy Limited (**New Standard**) for the year ended 30 June 2020. This Remuneration Report forms part of the Directors' Report and has been audited in accordance with the *Corporations Act 2001*.

REMUNERATION POLICY

New Standard is committed to the close alignment of executive remuneration to shareholder return. To this end, the Company's remuneration system is designed to attract, motivate and retain people by identifying and rewarding high performers and recognising their contribution to the continued growth and success of the Company.

Key objectives of the Company's remuneration policy are to ensure that remuneration practices:

- facilitate the achievement of the Company's objectives;
- provide strong linkage between executive incentive rewards and creation of value for shareholders;
- attract, retain and motivate employees of the required capabilities;
- are simple to understand and implement, openly communicated and are equitable across the Company; and
- comply with applicable legal requirements and appropriate standards of governance.

Shareholders approve the maximum aggregate remuneration for non-executive directors. The board determines actual payments to directors and reviews their remuneration annually, based on market practice, relativities, and the duties and accountabilities of directors. A review of directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

DETAILS OF KEY MANAGEMENT PERSONNEL

The remuneration report details the remuneration arrangements for key management personnel ('KMPs') who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, and comprise the Directors (whether executive or otherwise) of the Company and other executives. Details of KMP are set out below:

Name	Position	*Appointed/resigned during the year
Executives		
X Liu	Director	Appointed as Managing Director on 27 November 2017
Non-Executives		
K Liu	Director	Appointed 21 December 2017
M Li	Director	Appointed 21 December 2017
P Zhang	Director	Appointed 21 December 2017
X Lin	Director	Appointed 25 March 2019

REMUNERATION COMMITTEE

There was no Remuneration Committee during the year due to the size and nature of the Company.

EXECUTIVE REMUNERATION OUTCOME FOR 2020

Company Performance

The table below sets out summary information about the Company's continuing business assets, profitability and share price movements for the 5 years to 30 June 2020:

	30 June 2020 \$	30 June 2019 (Restated) \$	30 June 2018 \$	30 June 2017 \$	30 June 2016 \$
Share price	0.004	0.006	0.004	0.004	0.004
Total assets	318,103	287,907	567,997	726,226	686,766
Net profit/(loss) before tax from continued operation	(361,832)	(1,474,384)	(566,981)	(892,881)	(7,680,264)

Remuneration Tables

The remuneration for each Executive Director and KMP of the Company for the years ended 30 June 2020 and 30 June 2019 were as stated below:

	Short term benefits		Long term benefit	Post employment benefit	Share based payments	Total	Proportion performance related
	Salary	Other	Annual leave ⁽ⁱ⁾	Super-annuation	Incentive rights ⁽ⁱⁱ⁾		
	\$	\$	\$	\$	\$	\$	%
2020							
Executive Director							
Mr X Liu ⁽ⁱⁱⁱ⁾	-	-	-	-	-	-	0%
Total	-	-	-	-	-	-	0%
2019							
Executive Director							
Mr X Liu ⁽ⁱⁱⁱ⁾	-	-	-	-	-	-	0%
Total	-	-	-	-	-	-	0%

Notes

- (i) Annual leave benefit include annual leave accrued, taken during the year and paid during the year.
(ii) There were no incentive rights granted in the year ended 30 June 2020 and 30 June 2019. The amount included as remuneration is not related to or indicative of the benefit (if any) that the individual may receive.
(iii) Mr Liu resigned as Non-Executive Director and was appointed Managing Director of the Company effective 27 November 2017. Mr Liu has agreed to suspend his fees and remain suspended to date until market condition improves.

NON-EXECUTIVE REMUNERATION

Shareholders approve the maximum aggregate remuneration for non-executive directors. Fees paid to non-executive directors are recommended by the Remuneration Committee and the Board is responsible for ratifying any recommendations, if appropriate. As approved at the Annual General Meeting on 26 November 2010, the aggregate limit of fees payable per annum is \$400,000 in total. In accordance with the Company's remuneration policy, non-executive directors are not eligible for any performance based remuneration and as such no shares or incentive rights were issued.

Non-executive directors' receive a fixed fee remuneration consisting of a cash fee and statutory superannuation contributions made by the company and additional fees for committee roles as set out below:

The Non-Executive Chairman and the Non-Executive Directors have agreed to suspend all their fees starting from 1 February 2015 and remain suspended to date.

NON-EXECUTIVE REMUNERATION (CONTINUED)

Non-executive remuneration for the year ended 30 June 2020 and comparative 2019 remuneration:

	Salary and fees	Superannuation	Options	Total
	\$	\$	\$	\$
2020				
Mr K Liu	-	-	-	-
Mr M Li	-	-	-	-
Mr P Zhang	-	-	-	-
Ms X Li	-	-	-	-
Total	-	-	-	-
2019				
Mr K Liu	-	-	-	-
Mr M Li	-	-	-	-
Mr P Zhang	-	-	-	-
Ms X Li	-	-	-	-
Total	-	-	-	-

EQUITY INSTRUMENTS

OPTIONS AND INCENTIVE RIGHTS

In accordance with the Company's remuneration policy, non-executive directors are not eligible for any performance based remuneration and as such no shares or incentive rights were issued. There were no grant of options affecting remuneration in the current or future reporting periods.

INCENTIVE RIGHTS

During the year ended 30 June 2020, no Performance Rights were granted to executives as part of their remuneration packages.

There were no balance held by the executive as at 30 June 2020.

EQUITY INSTRUMENTS HELD BY KEY MANAGEMENT PERSONNEL

The table below shows the number of options, rights, and shares held in the Company during the financial year by Key Management Personnel, including their close family members and entities related to them.

Name	Balance at start of year	During the Year		Balance at end of year
		Granted	Others	TOTAL
Mr K Liu				
Ordinary shares	-	-	-	-
Mr X Liu				
Ordinary shares	-	-	-	-
Mr M Li				
Ordinary shares	5,900,387	-	-	5,900,387
Mr P Zhang				
Ordinary shares	-	-	-	-
Ms X Lin				
Ordinary shares	-	-	-	-

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no other transactions with Key Management Personnel during the year.

EMPLOYMENT ARRANGEMENTS FOR KEY MANAGEMENT PERSONNEL

The employment arrangements of the KMPs are formalised in standard employment agreements. Details for the termination provisions contained in the agreements that were in place at 30 June 2020 are provided below.

Name	Engagement	Term of contract	Notice period by either party	Termination benefit
Mr X Liu	Employee	Ongoing	4 weeks No notice required for termination by Company for cause	4 weeks
Mr K Liu	Employee	Ongoing	None	None
Mr M Li	Employee	Ongoing	None	None
Mr P Zhang	Employee	Ongoing	None	None
Ms X Lin	Employee	Ongoing	None	None

End of Audited Remuneration Report

This Report of Directors, incorporating the Remuneration Report is signed in accordance with a resolution of the Board of Directors.



Kunfang Liu
Non-executive Chairman

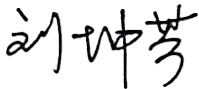
30 October 2020

DIRECTOR'S DECLARATION

In the directors' opinion:

- (a) the consolidated financial statements and notes 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 consolidated entity's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable; and
- (c) the consolidated entity has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards; and
- (d) the directors have been given the declarations by Mr Liu who performs both the Chief Executive Officer and the Chief Financial Officer functions as required by section 295A of the *Corporations Act 2001*.

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



Kunfang Liu
Non-executive Chairman

30 October 2020

CORPORATE GOVERNANCE STATEMENT

In fulfilling its obligations and responsibilities to its various stakeholders, the Board of New Standard is a strong advocate of corporate governance.

The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" (Recommendations) where considered appropriate for a company of New Standard's size and complexity.

The 3rd edition of the ASX Corporate Governance Principles and Recommendations was introduced on 27 March 2014 and took effect for a listed entity's first full financial year ending on or after 1 July 2014. Accordingly this Corporate Governance Statement has been prepared on the basis of disclosure under the 3rd edition of these principles with a table included at the back of this statement detailing the Company's compliance with these principles during the year.

This statement describes how New Standard has addressed the Council's guidelines and eight corporate governance principles and where the Company's corporate governance practices depart from a recommendation, the Company discloses the reason for adoption of its own practices on an "if not, why not" basis.

Given the size and stage of development of the Company and the cost of strict compliance with all the recommendations, the Board has adopted a range of modified procedures and practices which it considers appropriate to enable it to meet the principles of good corporate governance. At the end of this statement is a checklist setting out the recommendations with which the Company does or does not comply. The information in this statement is current as at 30 October 2020.

The following governance-related documents can be found on the Company's website at www.newstandard.com.au under the section marked "Governance".

CHARTERS

- Board

POLICIES AND PROCEDURES

- Code of Conduct
- Shareholder Communications
- Continuous Disclosure Policy
- Securities Trading Policy
- Diversity Policy
- Risk Management Policy
- Health & Safety Policy
- Environment Policy
- Indigenous and Community Policy

Principle 1: Lay solid foundations for management and oversight

Role and Responsibilities of the Board and Management

The main function of the Board is to lead and oversee the management and strategic direction of the Company. The Board regularly measures the performance of Management in implementation of the strategy through Board meetings and/or regular informal meetings.

New Standard has adopted a formal board charter delineating the roles, responsibilities, practices and expectations of the Board collectively, the individual directors and senior management.

The Board of New Standard ensures that each member understands its roles and responsibilities and ensures regular meeting so as to retain full and effective control of the Company.

Role of the Board

The Board responsibilities are as follows:

- Setting the strategic aims of New Standard and overseeing management's performance within that framework;
- Making sure that the necessary resources (financial and human) are available to the company and its senior executives to meet its objectives;
- Overseeing management's performance and the progress and development of the company's strategic plan;
- Selecting and appointing a suitable Managing Director with the appropriate skills to help the Company in the pursuit of its objectives;
- Determining the remuneration policy for the Board and Key Management Personnel;
- Controlling and approving financial reporting, capital structures and material contracts;
- Ensuring that a sound system of risk management and internal controls is in place;

Principle 1: Lay solid foundations for management and oversight (cont'd)

Role of the Board (cont'd)

- Setting the Company's values and standards;
- Undertaking a formal and rigorous review of the Corporate Governance policies to ensure adherence to the ASX Corporate Governance Council principles;
- Ensuring that the Company's obligations to shareholders are understood and met;
- Ensuring the health, safety and well-being of employees in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to assure the well-being of all employees;
- Ensuring an adequate system is in place for the proper delegation of duties for the effective operative day to day running of the Company without the Board losing sight of the direction that the Company is taking.
- Establishing a diversity policy and setting objectives for achieving diversity.

Delegation to Management

Other than matters specifically reserved for the Board, responsibility for the operation and administration of the Company has been delegated to the Managing Director. This responsibility is subject to an approved delegation of authority which is reviewed regularly and at least annually.

Internal control processes are designed to allow management to operate within the parameters approved by the Board and the Managing Director cannot commit the Company to additional activities or obligations in excess of these delegated authorities without specific approval of the Board.

Election of Directors

The Board is responsible for overseeing the selection process of new directors, and will undertake appropriate checks before appointing a new director, or putting forward a candidate for election as a director. All relevant information is to be provided in the Notice of Meeting seeking the election or re-election of a director including:

- biographical details including qualifications and experience;
- other directorships and material interests;
- term of office;
- statement by the board on independence of the director;
- statement by the board as to whether it supports the election or re-election; and
- any other material information.

Terms of appointment

Non-Executive Directors

To facilitate a clear understanding of roles and responsibilities all non-executive directors have signed letter of appointment. This letter of appointment letter includes acknowledgement of:

- director responsibilities under the Corporations Act, Listing Rules, the Company's Constitution and other applicable laws;
- corporate governance processes and Company policies;
- board and board committee meeting obligations;
- conflicts and confidentiality procedures;
- securities trading and required disclosures;
- access to independent advice and employees;
- confidentiality obligations;
- directors fees;
- expenses reimbursement;
- directors and officers insurance arrangements;
- other directorships and time commitments; and
- board performance review.

Managing Director

The Managing Director has a signed executive services agreement. For further information refer to the audited Remuneration Report.

Role of Company Secretary

The Company Secretary is accountable to the Board for:

- advising the Board and committees on corporate governance matters;
- the completion and distribution of board and committee papers;
- completion of board and committee minutes; and
- the facilitation of director induction processes and ongoing professional development of directors.

All directors have access to the Company Secretary who has a direct reporting line to the Chairman.

Principle 1: Lay solid foundations for management and oversight (cont'd)

Diversity

The Board values diversity in all aspects of its business and is committed to creating a working environment that recognises and utilizes the contribution of its employees. The purpose of this is to provide diversity and equality relating to all employment matters. The Company's policy is to recruit and manage on the basis of ability and qualification for the position and performance, irrespective of gender, age, marital status, sexuality, nationality, race/cultural background, religious or political opinions, family responsibilities or disability. The company opposes all forms of unlawful and unfair discrimination.

The Board acknowledges only one female sits on the Board of Directors. However, the Board has determined that the composition of the current Board represents the best mix of Directors that have an appropriate range of qualifications and expertise, can understand and competently deal with current and emerging business issues and can effectively review and challenge the performance of management.

The Company has not set or disclosed measurable objectives for achieving gender diversity. Due to the size of the Company, the Board does not deem it practical to limit the Company to specific targets for gender diversity as it operates in a very competitive labour market where positions are sometimes difficult to fill. However, every candidate suitably qualified for a position has an equal opportunity of appointment regardless of gender, age, ethnicity or cultural background.

Apart from the Managing Director, the Company currently only has one part-time male employee. The Company contracts consultants who consists of both female and male.

Performance review

Board and board committees

A review of the Board's performance and effectiveness is conducted annually and the performance of individual directors is undertaken regularly. The Board has the discretion for these reviews to be conducted either independently or on a self-assessment basis.

The review focuses on:

- strategic alignment and engagement;
- board composition and structure;
- processes and practices;
- culture and dynamics; Relationship with management; and
- personal effectiveness.

A formal review of the Board's performance and effectiveness in respect of the financial year ended 30 June 2020 did not occur.

Managing Director and senior executives

Performance evaluation of the Managing Director, senior executives and employees is undertaken annually through a performance appraisal process which involves reviewing and assessment of performance against agreed corporate and individual key performance indicators and deliverables.

A formal review of the Managing Director's performance and effectiveness in respect of the financial year ended 30 June 2020 did not occur.

Retirement and rotation of directors

Retirement and rotation of directors are governed by the *Corporations Act 2001* and the Constitution of the Company. Each year, one third of directors must retire and may offer themselves for re-election. Any casual vacancy filled will be subject to shareholder vote at the next Annual General Meeting.

One director was elected and two directors were re-elected in the Company's 2019 Annual General Meeting. It is intended for two directors to be re-elected at the Company's 2020 Annual General Meeting.

Independent Professional Advice

Each director of the Company or a controlled entity has the right to seek independent professional advice at the expense of the Company or the controlled entity; however prior approval of the Chairman is required which will not be unreasonably withheld.

Access to employees

Directors have the right of access to any employee. Any employee shall report any breach of corporate governance principles or Company policies to the Managing Director who shall remedy the breach. If the breach is not rectified to the satisfaction of the employee, they shall have the right to report any breach to an independent director without further reference to senior executives of the Company.

Directors' and officers' liability insurance

The Company is responsible for maintaining the Directors' and officers' liability insurance for the Directors and senior executives at the Company's expense. The directors' and officers' liability insurance lapsed in prior years and the Company is committed to ensure the insurance policy is organised as soon as practical.

Board meetings

The frequency of board meetings and the extent of reporting from management at board meetings are as follows:

- scheduled meetings are to be held per year;
- other meetings will be held as required;
- meetings can be held where practicable by electronic means;
- information provided to the Board includes all material information related to the operations of the Company including exploration, development and production operations, budgets, forecasts, cash flows, funding requirements, investment and divestment proposals, business development activities, investor relations,
- financial accounts, taxation, external audits, internal controls, risk assessments, people and health, safety and environmental reports and statistics;
- the Chairman of the appropriate board committee reports to the next subsequent board meeting the outcomes of that meeting and the minutes of those committee meetings are also tabled.

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of the Company during the financial year are set out in the Directors' Report.

Principle 2: Structure the Board to add value

Composition of the Board

The names of the directors of the Company and their qualifications are set out in the section headed "Information on Directors" in the current financial year's Directors' Report.

The composition of the Board has been structured so as to provide New Standard with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives of the Company and its stakeholders. The Board is directed on the principles of transparency, accountability and responsibility.

The ASX Corporate Governance Council guidelines recommend that the Board should constitute of a majority of independent directors and that the Chairperson should be independent. The Board currently consists of five (5) directors of whom three (3) are considered independent, Mr Kunfang Liu, Mr Peng Zhang and Ms Xiaoning Lin. Mr Ming Li holds ordinary securities in the Company and does not meet the criteria for an independent director. Mr Xiaofeng Liu serves in an executive roles from 27 November 2017 and therefore does not meet the criteria for an independent director. The length of Mr Xiaofeng Liu's service is 2.5 years.

The detailed skills matrix of the Board for a company of New Standard's size and complexity is not considered necessary.

Except for Ms Lin, all Non-executive directors were appointed on 21 December 2017. The length of services of Mr Liu, Mr Li and Mr Zhang is 2.5 years. Ms Lin was appointed a Non-executive director on 25 March 2019. The length of her service is 1.5 years.

The principal business of the Company at present is exploration and new business opportunities, therefore requiring a skillset of geological and geophysical expertise, executive management, financial and commercial skills.

Given the significant transformation the Company has recently undergone the Board composition is under review to better align with the new direction of the Company.

Independence of Chair of the Board

The Current Chair of the Company, Mr Liu, is an independent director. The Board considers Mr Liu's role as Non-Executive Chairman essential to the success of the Group in its current stage, wherein the Group continues to refine its focus on the strategic development of the business.

Nomination of other Board Members

Membership of the Board of Directors is reviewed on an on-going basis by the Chairperson of the Board to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's businesses and its objectives. The Board does not have a separate Nomination Committee and does believe it is necessary in a Company of New Standard's size.

Director induction and ongoing professional development

The Company does not have a formal induction program for Directors but does provide Directors with information pack detailing policies, corporate governance and various other corporate requirements of being a director of an ASX Listed company. Due to the size and nature of the business, Directors are expected to already possess a level of both industry and commercial expertise before being considered for a directorship of the Company. Directors are provided with the opportunity to access employees of the business and any information as they require about the business including being given access to regular news articles and publications where considered relevant.

Principle 3: Act ethically and responsibly

Code of Conduct

Directors, officers, employees and consultants to the Company are required to observe high standards of behavior and business ethics in conducting business on behalf of the Company and they are required to maintain a reputation of integrity on the part of both the Company and themselves. The Company does not contract with or otherwise engage any person or party where it considers integrity may be compromised.

New Standard's ethical rules demands high standards of integrity, fairness, equity and honesty from all Directors and Key Management Personnel and Employees. New Standard expects its employees to understand that the Company acts morally and that the main goal of the Company is to maximise shareholders value.

The Code of Ethics and Conduct include the following issues:

- The avoidance of conflicts of interest;
- Employees behaviour towards the use of Company property;
- Confidentiality;
- Fair dealing with customers, suppliers, employees and competitors;
- Protection and proper use of the Company's assets;
- Compliance with laws and regulations;

- Encouraging the reporting of illegal and unethical behavior;
- Provide a framework for the Company to achieve a diverse and skilled workforce.

Conflicts of Interest

Directors are required to disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the director or the interests of any other party in so far as it affects the activities of the Company and to act in accordance with the Corporations Act if conflict cannot be removed or if it persists. That involves taking no part in the decision making process or discussions where that conflict does arise.

Trading in Company Securities

Directors are required to make disclosure of any share trading. The Company policy in relation to share trading is that officers are prohibited to trade whilst in possession of unpublished price sensitive information concerning the Company or within a period of the release of results i.e. the blackout period. That is information which a reasonable person would expect to have a material affect on the price or value of the Company's shares. An officer must receive authority to acquire or sell shares with the directors or the Company Secretary prior to doing so to ensure that there is no price sensitive information of which that officer might not be aware. The undertaking of any trading in shares must be notified to the ASX.

Principle 4: Safeguard integrity in financial reporting

New Standard has a financial reporting process which includes half year and full-year results which are signed off by the Board before they are released to the market.

New Standard does not have an audit committee. The whole Board of directors has tasks with fulfilling its corporate governance and oversight responsibilities, as well as advise on the modification and maintenance of the Company's financial reporting, internal control structure, external audit functions, and appropriate ethical standards for the management of the Company.

In discharging its oversight role, the Board is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the authority to engage independent counsel and other advisers as it determines necessary to carry out its duties. The Board before it approves the financial statements, receive the Managing Director (acting as CEO & CFO) a declaration that, in his opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound

system of risk management and internal control which is operating effectively.

The Managing Director reports on the propriety of compliance on internal controls and reporting systems and ensures that they are working efficiently and effectively in all material respects.

The Company has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis.

The Company's external auditor attends each Annual General Meeting and is available to answer questions from shareholders relevant to the conduct of the external audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the auditor.

Principle 5: Make timely and balanced disclosure

New Standard has adopted a formal policy dealing with its disclosure responsibilities. The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules the Company immediately notifies the ASX of information:

- concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

The policy also addresses the Company's obligations to prevent the creation of a false market in its securities. New Standard ensures that all information necessary for investors to make an informed decision is available on its website.

The Managing Director has ultimate authority and responsibility for approving market disclosure which, in practice, is exercised in consultation with the Board and Company Secretary.

In addition, the Board will also consider whether there are any matters requiring continuous disclosure in respect of each and every item of business that it considers.

Principle 6: Respect the rights of shareholders

The Board's fundamental responsibility to shareholders is to work towards meeting the Company's objectives so as to add value for them. The Board maintains an investor relation program which will inform shareholders of all major developments affecting the Company by:

- preparing half yearly and yearly financial reports;
- preparing quarterly cash flow reports and reports as to activities;
- making announcement in accordance with the listing rules and the continuous disclosure obligations;
- posting all of the above on the Company's website;
- annually, and more regularly if required, holding a general meeting of shareholders and forwarding to them the annual report, if requested, together with notice of meeting and proxy form; and
- voluntarily releasing other information which it believes is in the interest of shareholders.

The Annual General Meeting enables shareholders to discuss the annual report and participate in the meetings either by attendance or by written communication. The Company provides all shareholders with a Notice of Meeting so they can be fully informed and be able to vote on all resolutions at the Annual General Meeting. Shareholders are able to discuss any matter with the directors and/or the auditor of the Company who is also invited to attend the Annual General Meeting.

Shareholders have the option to receive all Company and share registry communications electronically, and may also communicate with the Company by emailing the Company via its website. All shareholders have the ability to request copies of ASX releases, all of which are published and available on the Company's website immediately after they are released to ASX.

The Company regularly reviews its stakeholder communication policy and endeavours to maintain a program appropriate for a company of its size and complexity.

Principle 7: Recognise and manage risk

The Board has adopted a Risk Management Policy, which sets out the Company's risk profile. Under the policy, the Board is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Under the policy, the Board delegate's day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating the Company's material business risks to reflect any material changes, with the approval of the Board.

In fulfilling the duties of risk management, the Managing Director may have unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Board.

The Board does not have a separate Risk Management Committee. The Board monitors and reviews the integrity of financial reporting and the Company's internal financial control systems. A report by management on the effectiveness of the internal financial control is provided to the Managing Director on an annual basis.

In addition, the following risk management measures have been adopted by the Board to manage the Company's material business risks:

- Establishment of financial control procedures and authority limits for management;
- Approval of an annual budget;
- Adoption of a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations; and
- Adoption of a corporate governance manual which contains other policies to assist the Company to establish and maintain its governance practices.
- Maintenance and review of a risk register to identify the Company's material business risks and risk management strategies for these risks. Management reports to the Board on material business risks at each Board meeting.

The Board has required management to design, implement and maintain risk management and internal control systems to manage the material business risks of the Company. The Board also requires management to report to it confirming that those risks are being managed effectively. The Board has received a report from management as to the effectiveness of the Company's management of its material business risks for the Reporting Period.

The Managing Director has provided a declaration to the Board in accordance with section 295A of the Corporations Act and has assured the Board that such declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial risks.

Internal Audit

The Company does not have an internal audit function as the Board believes the business is neither the size nor complexity that requires such a function. The whole Board is responsible for monitoring the effectiveness of internal controls, risk management procedures and governance.

Sustainability Risks

The Company has a detailed risk matrix which it regularly reviews and which highlights critical risk factors the Company faces at any particular time. The principal risks highlighted are what would typically be expected for a small listed exploration company and include:

- Reliance on key executives
- Inability to access new exploration capital
- Volatility in oil prices and applicable exchange rates
- Unsuccessful exploration results
- Exposure to other operators, be it through Joint Venture agreements or actions of those operators in an operational sense
- Legislature changes in jurisdictions the Company operates in (e.g. hydraulic fracturing ban in France)

As the Company expands its activities either within existing projects or with the addition of new projects, it is expected that the sustainability risks will change accordingly. These Board reviews the overall sustainability of both the oil and gas exploration business and more specifically, the Company, in its normal course of business and therefore does not produce a separate sustainability report.

Principle 8: Remunerate fairly and responsibly

The whole Board forms the Remuneration Committee.

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms part of the Directors' Report. The Company's policy is to remunerate non-executive directors at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to individual performance. From time-to-time the Company may grant options to non-executive directors. The grant of options is designed to recognise and reward efforts as well as to provide non-executive directors with additional incentive to continue those efforts for the benefit of the Company. The maximum aggregate amount of fees (including superannuation payments) that can be paid to non-executive directors is subject to approval by the shareholders at general meeting.

Pay and rewards for executive directors and senior executives consists of a base salary and performance incentives. Long term performance incentives may include options and/or performance rights granted at the discretion of the Remuneration Committee and subject to obtaining the relevant approvals. The grant of options and/or performance rights is designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles. Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed annually to ensure market competitiveness.

There are no termination or retirement benefits for non-executive directors (other than for superannuation).

The Company's Remuneration Committee Charter includes a statement regarding the Company's policy on prohibiting transactions in associated products which limit the risk of participating in unvested elements under any equity based remuneration schemes.

New Standard is committed in providing the right remuneration structure so that Board and Key Management Personnel are not unaware to shareholder value. The structure provides long and short term incentives designed to retain and motivate Board and Key Management Personnel in bringing more value to the Company.



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF NEW STANDARD ENERGY LIMITED

As lead auditor of New Standard Energy Limited for the year ended 30 June 2020, 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.

This declaration is in respect of New Standard Energy Limited and the entity it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Prue', is written over a light grey grid background.

Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 30 October 2020

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Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of New Standard Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of New Standard Energy Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 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 those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the 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.

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 group's ability to continue as a going concern and therefore the group 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.

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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. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

30 June 2019 Qualified opinion - restatement

Key audit matter	How the matter was addressed in our audit
<p>The financial report of the Group for the year ended 30 June 2019 expressed a qualified audit opinion dated 27 September 2019 on that financial report. The qualified audit opinion related to the Group not recognising a liability in respect of the rehabilitation obligations, but disclosing it as a contingent liability. We were unable to obtain sufficient appropriate audit evidence to determine the amount of adjustment required to the liability balance as at 30 June 2019.</p> <p>As disclosed in Note 1 of the financial report, during the year the Group conducted an assessment with additional information to make an estimate of its rehabilitation costs which has been retrospectively recognised as a rehabilitation provision at 30 June 2019.</p> <p>We considered this a key audit matter due to the determination of the provision requires management's judgement in relation to estimating the costs of performing the work required, including volume and unit rates and environmental legislative requirements.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> discussing with management the process and steps taken to identify and quantify the prior period restatement; agreeing provision balances to supporting reconciliations and cost models; assessing the mathematical accuracy of the provision for rehabilitation calculations; assessing the independence, competency and objectivity of the Group's external expert involved with future rehabilitation expenditure estimates; evaluating the adequacy of the experts work; assessing the adequacy of the related disclosures in Note 1 and Note 16 in the financial report at 30 June 2020. <p>As a result of the above, this matter has now been resolved and our audit opinion for 30 June 2020 is not modified in respect of this matter.</p>



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2020, 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 in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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

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

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 9 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of New Standard Energy 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.

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A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

Jarrad Prue

Director

Perth, 30 October 2020

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 30 June 2020

	Note	2020 \$	2019 (Restated)* \$
Revenue and other income	2	242	364
Depreciation expenses	3	(6,990)	–
Administrative expenses	3	(261,056)	(350,446)
Impairment of exploration and evaluation expenditure		(44,424)	(50,404)
Provision for rehabilitation	16	–	(970,690)
Fair value loss on other financial assets		(49,604)	(103,208)
Loss before income tax expense		(361,832)	(1,474,384)
Income tax expense	4	–	–
Loss after income tax for the year		(361,832)	(1,474,384)
Other comprehensive income for the year		–	–
Total comprehensive loss for the year		(361,832)	(1,474,384)
Total comprehensive loss for the year is attributable to:			
Owners of the Company		(361,832)	(1,474,384)
		Cents Per Share	Cents Per Share
Basic loss per share attributable to the ordinary equity holders of the Company	14	(0.04)	(0.19)

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

*: Comparative figures are restated as a result of the recognition of a rehabilitation provision for the previous year. Refer to Note 1 for details.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2020

	Note	2020 \$	2019 (Restated)* \$
Current Assets			
Cash and cash equivalents	21(a)	292,424	210,623
Trade and other receivables	6	1,909	18,764
Financial assets at fair value through profit and loss	7	2,514	16,500
Total Current Assets		296,847	245,887
Non-Current Assets			
Financial assets at fair value through profit and loss	7	6,402	42,020
Exploration and evaluation expenditure	8	–	–
Right-of-use assets	9	14,854	–
Total Non-Current Assets		21,256	42,020
Total Assets		318,103	287,907
Current Liabilities			
Trade and other payables	10	217,260	236,758
Rehabilitation provision	16	970,690	970,690
Lease liabilities	17	10,497	–
Total Current Liabilities		1,198,447	1,207,448
Non-Current Liabilities			
Lease liabilities	17	4,578	–
Total Non-Current Liabilities		4,578	–
Total Liabilities		1,203,025	1,207,448
Net Assets		(884,922)	(919,541)
Equity			
Issued capital	11	69,762,264	69,365,813
Reserves	12	29,792	29,792
Accumulated losses	13	(70,676,978)	(70,315,146)
Total Equity		(884,922)	(919,541)

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

*: Comparative figures are restated as a result of the recognition of a rehabilitation provision for the previous year. Refer to Note 1 for details.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2020

	Note	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total \$
Equity as at 1 July 2019 as originally presented		69,365,813	(69,344,456)	29,792	51,149
Correction – recognition of a rehabilitation obligation*		–	(970,690)	–	(970,690)
Restated total equity as at 1 July 2019		69,365,813	(70,315,146)	29,792	(919,541)
Loss for the year		–	(361,832)	–	(361,832)
Total comprehensive expense		–	(361,832)	–	(361,832)
<i>Transactions with owners in their capacity as owners;</i>					
Issue of shares, net of transaction costs	11	396,451	–	–	396,451
Equity as at 30 June 2020		69,762,264	(70,676,978)	29,792	(884,922)
<hr/>					
Equity as at 1 July 2018		69,164,123	(68,840,762)	29,792	353,153
Loss for the year		–	(503,694)	–	(503,694)
Total comprehensive expense		–	(503,694)	–	(503,694)
<i>Transactions with owners in their capacity as owners;</i>					
Issue of shares, net of transaction costs	11	201,690	–	–	201,690
Equity as at 30 June 2019		69,365,813	(69,344,456)	29,792	51,149

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

*: The correction represented recognition of a rehabilitation provision for the previous year. Refer to Note 1 for details.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(263,195)	(324,465)
Interest received	242	364
Finance cost	(504)	–
Net cash used in operating activities	(263,457)	(324,101)
Cash flows from investing activities		
Payment for exploration, evaluation and development	(44,424)	(50,481)
Net cash used in investing activities	(44,424)	(50,481)
Cash flows from financing activities		
Payments for right-of-use assets	(6,769)	–
Proceeds from issue of shares	400,020	204,134
Payments for share issue costs	(3,569)	(2,444)
Net cash flows provided by financing activities	389,682	201,690
Net increase/(decrease) in cash and cash equivalents	81,801	(172,892)
Cash and cash equivalents at beginning of the financial year	210,623	383,515
Cash and cash equivalents at the end of the financial year	292,424	210,623

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of accounting policies

CORPORATE INFORMATION

New Standard Energy Limited (**New Standard or Company**) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The address of the Company's registered office and principal place of business is Unit 1, 117 Brisbane Street, Perth WA6000.

STATEMENT OF COMPLIANCE

The financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations and complies with other requirements of the law.

The financial statements and notes of the Group comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the Directors on 30 October 2020.

BASIS OF PREPARATION

The consolidated financial statements have been prepared on the basis of historical cost convention, as modified by the fair value of financial assets in subsequent period. New Standard Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2020.

ACCOUNTING CORRECTION AND RESTATEMENT OF COMPARATIVE FIGURES

The Group received directions from the Department of Mines, Industry Regulation and Safety ("DMIRS") to rehabilitate its respective exploration permit areas by November 2019 and August 2020. The Group did not recognise a liability in respect of these obligations as the likely outflow of economic benefits was unclear but disclosed the matter as contingent liabilities in its published annual accounts for the year ended 30 June 2019.

The matter was resolved during FY2020 as the Group has engaged external expert to assist to conduct an assessment with additional information to make an estimate of its rehabilitation costs. As a result, the rehabilitation provision of \$970,690 has been retrospectively adjusted. An expense of \$970,690 for the rehabilitation costs was charged to the profit or loss accounts for the year ended 30 June 2019 and a corresponding liability was recognised as at 30 June 2019.

The relevant comparative figures for the year ended 30 June 2020 have been restated.

GOING CONCERN

During the year the consolidated entity incurred a net loss after income tax for the year ended 30 June 2020 of \$361,832 (2019: a restated loss \$1,474,384), incurred net cash outflows from operating and investing activities of \$307,881 (2019: outflow \$374,582), and had net working capital of \$69,090 at 30 June 2020. As disclosed in note 16, the Company is required to rehabilitate certain tenements it previously held. DMIRS requested site visits to be conducted to determine the current state of rehabilitation and then update the draft Rehabilitation Plan. Once the Rehabilitation Plan is approved, the Company is required to progress rehabilitation as soon as possible. The Company is currently organising the site visits.

The financial statements have been approved by the Directors on a going concern basis. In determining the appropriateness of the basis of preparation, the Directors have considered the impact of the COVID19 pandemic on the position of the Group at 30 June 2020 and its operations in future periods. The ability of the consolidated entity to continue as a going concern is dependent on the financial support received from the major shareholder and directors and/or its ability to secure additional funding through capital raisings as and when required to continue to meet its working capital requirements, including the rehabilitation obligation, and the successful realisation of new investment opportunities in the next 12 months. These conditions indicate a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that they will be able to raise additional capital as required and that the Group will continue as a going concern and as a result the financial report has been prepared on a going concern basis. In arriving at this position the Directors have considered the following pertinent matters:

- In response to preserve the Company's cash flow, all directors have agreed to suspend the directors' remuneration until market conditions improve, starting from 1 February 2015 and remain suspended to date and until the consolidated entity has the financial capacity to pay the directors;
- The Company has received the financial support through a loan facility from its major shareholder if required; and the directors are comfortable with its capacity to provide the support;
- The Company has recently completed a capital raising to sophisticated investors in December 2019 and has the proven ability to raise capital as and when required;
- The Company is reviewing a number of opportunities in both energy and other sectors; and
- Should it be required the Directors are satisfied that they will be able to raise additional funds by either a form of equity raising, implementing strategic joint ventures to fund its rehabilitation obligation, new acquisitions, and for working capital.

However, should the consolidated 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 different from those stated in the financial statements. 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 consolidated entity not continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of accounting policies (cont'd)

PRINCIPALS OF CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(c) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial.

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Impairment of assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of accounting policies (cont'd)

(f) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

(g) Exploration and evaluation expenditure

Exploration for and evaluation of hydrocarbon resources is the search for hydrocarbon resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the hydrocarbon resources. Accordingly, exploration and evaluation expenditures are those expenditures incurred by the Company in connection with the exploration for and evaluation of hydrocarbon resources before the technical feasibility and commercial viability of extracting a hydrocarbon resource is demonstrable.

Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a hydrocarbon resource or has been proved to contain such a resource.

Expenditure incurred on activities that precede exploration of hydrocarbon resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred. For each area of interest the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

- (a) The rights to tenure of the area of interest are current; and
- (b) At least one of the following conditions is also met:
 - i. The expenditure is expected to be recouped through the successful development and commercial exploitation of an area of interest, or alternatively by its sale; and
 - ii. Exploration and evaluation activities in the area of interest have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of 'economically recoverable reserves' and active and significant operations in, or in relation to, the area of interest are continuing. Economically recoverable reserves are the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable conditions.

Exploration and evaluation assets include:

- Acquisition of rights to explore;
- Topographical, geological, geochemical and geophysical studies;
- Exploratory drilling, logging and coring; and
- Activities in relation to evaluating the technical feasibility and commercial viability of extracting the hydrocarbon resource.

(h) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life.

Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of accounting policies (cont'd)

(i) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of profit or loss and other comprehensive income.

(j) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

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

Classification and subsequent measurement

Financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, the financial assets are initially measured at fair value adjusted for transaction costs or amortised cost (where applicable).

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

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- the contractual cash flow characteristics of the financial assets; and
- the entities business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of accounting policies (cont'd)

(j) Financial instruments (cont'd)

Financial assets at fair value through other comprehensive income (Equity instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value that are recognised in profit or loss.

Impairment

From 1 July 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(k) Trade and other payables

Trade payables and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services. They are recognised initially at fair value and subsequently at amortised cost. The amounts are unsecured and are normally settled within 30 days of recognition.

(l) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments are comprised of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(m) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the profit attributable to equity holders 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.

Diluted earnings per share

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of accounting policies (cont'd)

(n) Segment reporting

The Group has applied AASB 8 Operating Segments. AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented, as the previously reported geographical segments have been disaggregated into separate segments within the Group.

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Managing Director that makes strategic decisions.

(o) Provisions

Provisions are recognised when the Consolidated Entity has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

The Group is required to rehabilitate exploration sites to a condition acceptable to the relevant authorities. The expected cost of any approved rehabilitation programme, discounted to its net present value, is provided when the related environmental disturbance occurs. Expected rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared. Where there is a change in the expected rehabilitation costs, the value of the provision is adjusted and the effect is recognised in profit or loss. The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances.

(p) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is New Standard Energy Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available for sale financial assets are recognised in other comprehensive income.

(q) Contributed equity

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 proceeds.

(r) Adoption of new and revised accounting standards

The Group has adopted all of the new and revised Standards and Interpretations that are relevant to its operations and effective for the current year. The adoption of AASB16 did not have significant impact on the Group's financial positions and did not require retrospective adjustments as the Group did not have operating leases with terms over 12 months as at 1 July 2019. Since 1 July 2019, under the new AASB 16, the company recognised \$21,844 right-of-use-asset and \$21,844 lease payable for its office lease (refer to Note 17). The right-of-use asset was depreciated over the lease period and the lease payable was reduced when the company made payment for its rent.

The other standards did not have any impact on the entity's accounting policies and did not require retrospective adjustments.

Standards and interpretations issued not yet effective

At the date of authorisation of the Financial Statements, any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The potential effect of the revised Standards on the Company's financial statements has not yet been determined.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 1, management is required to make 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 on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty and significant judgements at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Rehabilitation Provision

The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, inflation and other factors. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial result. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

Carrying value of exploration and development expenditure

The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. The Company has taken a conservative view taking into consideration the market condition and that no exploration expenditure, other than rental and incidental land costs were incurred during the year. The carrying amounts of exploration and evaluation expenditure were fully impaired for all projects at 30 June 2020.

Contingencies

The Due diligence Defect claims associated with the Sundance sale of the Eagleford asset were disputed by the Group and the likely outflow of economic benefits is not probable and as such a provision has not been recognised in relation to the claim. This is considered a significant judgement.

Deferred tax balances

The Group has carried forward tax losses which will not be recognised as deferred tax assets as it is not probable that the company will derive future assessable income of a nature and amount sufficient to enable the benefit to be realised.

Impairment

The carrying amounts of the Group's assets are reviewed at the end of the reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

Impairment assessment of all exploration expenditure are performed at each reporting date by evaluating the conditions specific to the Company and the particular asset. These include if substantive expenditure has been incurred on exploration and evaluation of resources and this has not led to the discovery of commercially viable quantities of resources or sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development of by sale.

Coronavirus (COVID-19) pandemic

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. This consideration extends to the nature of the business operation, supply chain, staffing 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	2020 \$	2019 (Restated) \$
2. Revenue and other income		
Other income:		
Interest income	242	364
Total Revenue and other income	242	364
3. Expenses		
Depreciation expenses	6,990	–
Provision for rehabilitation	–	970,690
Administrative expenses		
Employee benefit expenses	28,816	25,963
Professional fees	153,649	197,554
Occupancy expenses	8,899	30,979
Other administrative expenses	69,692	95,950
Total administrative expenses	261,056	350,446
4. Income tax expenses		
(a) The components of tax expense comprise:		
Current tax	–	–
Deferred tax	–	–
	–	–
Deferred tax expense/(benefit) included in income tax expense comprises:		
Decrease in deferred tax assets	–	–
Increase in deferred tax liabilities	–	–
	–	–
(b) The prima facie tax from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Loss before tax	(361,832)	(1,474,384)
Tax benefit calculated at 30% (2019: 30%)	(108,550)	(442,315)
Tax effect of amount which are not deductible/(taxable) in calculating taxable income:		
Other permanent difference	–	–
	(108,550)	(442,315)
Tax losses and timing differences not recognised	108,550	442,315
Income tax benefit	–	–
The Company will have no tax payable due to prior year losses carried forward and tax deductible exploration expenditure.		
New Standard Energy Limited and its wholly owned Australian controlled entities elected to enter into the tax consolidation legislation from 1 July 2008. On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, New Standard Energy Limited.		
(c) Unrecognised temporary differences		
The following deferred tax assets and (liabilities) have not been brought to account:		
Tax losses – revenue	21,179,790	20,258,894
Net other temporary differences	1,701,861	2,218,398
	22,881,651	22,477,292
At tax rate of 30% (2019: 30%)	6,864,495	6,743,188

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	2020 \$	2019 \$
5. Auditors' remuneration		
Auditor of the group		
BDO Audit (WA) Pty Ltd	34,000	31,000
	34,000	31,000

6. Trade and other receivables		
Other receivables	1,909	18,764
	1,909	18,764

The average credit period on trade and other receivables is 30 days. No interest is charged on prepayments and receivables. The Consolidated Entity has financial risk management policies in place to ensure that all receivables are received within the credit timeframe. Due to the short term nature of these receivables, their carrying value is assumed to be approximately their fair value. None of the receivables are past due or impaired. Refer to note 21 for the Group's risk management objectives and policies.

7. Financial assets at fair value through profit or loss

Listed securities

Current

Sundance Energy Inc.	2,514	-
Sundance Energy Australia Ltd	-	16,500
Carrying amount at the end of year	2,514	16,500

Non-current

Sundance Energy Inc.	6,402	-
Sundance Energy Australia Ltd	-	42,020
Carrying amount at the end of year	6,402	42,020

During the year Sundance Energy Australia Ltd announced scheme of arrangement in relation to re-domiciliation from Australia to the United States. After the implementation of the scheme, the Group converted its 212,800 ordinary shares to 2,128 units of Sundance Energy Inc (NASDAQ: SNDE). 600 units among them were freely tradable as at 30 June 2020.

8. Exploration and evaluation expenditure

Balance at beginning of the year	-	-
Expenditure incurred	44,424	50,404
Expenditure impaired ⁽ⁱ⁾	(44,424)	(50,404)
Balance at end of the year	-	-

During the year the Company recognised a full non-cash impairment charge of \$44,424 relating to the carried forward capitalised exploration expenditure associated with its exploration assets based in Western Australia. The impairment of the exploration, evaluation and development expenditure has arisen as a result of the relinquishment and expiry of licences.

The Consolidated Entity had interests in the following wholly-owned oil and gas exploration and development assets as at 30 June 2020. The permit has expired on 18 August 2020.

Operator: New Standard Onshore Pty Ltd Principal activity: Exploration, of hydrocarbons Country: Australia

Area	Asset	Percentage Interest
Camraron Basin	EP481	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	2020 \$	2019 \$
9. Right-of-use assets		
Right-of-use assets	21,844	-
Accumulated depreciation	(6,990)	-
Closing net book amount	14,854	-

	Right-of-use assets \$	Total \$
2020		
1 July 2019	-	-
Additions	21,844	-
Depreciation expense	(6,990)	-
Balance at 30 June 2020	14,854	-

10. Trade and other payables

Current

Trade payables	8,781	11,299
Sundry payables and accrued expenses	208,479	225,459
	217,260	236,758

The average credit period on purchases is 30 days. No interest is charged on the trade payables. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the credit time frame. Refer to note 22 for the Group's risk management objectives and policies.

11. Issued capital

888,748,864 fully paid ordinary shares (2019: 822,082,197)	69,762,264	69,365,813
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	No.	\$
(a) Fully paid ordinary shares		
2019		
Balance at 1 July 2018	788,059,805	69,164,123
On 9 May 2019, issue of shares to sophisticated investors	34,022,392	204,134
Less: Transaction costs arising from issue of shares	-	(2,444)
Balance at 30 June 2019	822,082,197	69,365,813
2020		
On 9 December 2019, issue of shares to sophisticated investors	66,666,667	400,020
Less: Transaction costs arising from issue of shares	-	(3,569)
Balance at 30 June 2020	888,748,864	69,762,264

(b) Terms and conditions of Issue Capital

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	2020 \$	2019 \$
12. Reserves		
Financial asset reserve	29,792	29,792
	29,792	29,792
Movements in financial asset		
Balance at the beginning of the year	29,792	29,792
Fair value of financial assets	-	-
Balance at the end of the year	29,792	29,792
Nature and purpose of reserve		
The financial asset revaluation reserve represents the unrealised gain or loss on the market value of financial asset valued through profit or loss.		
13. Accumulated losses		
Balance at the beginning of the year as originally presented	(69,344,456)	(68,840,762)
Correction – recognition of a rehabilitation obligation	(970,690)	-
Restated accumulated losses at the beginning of the year	(70,315,146)	(68,840,762)
Net loss attributable to members of the Company	(361,832)	(1,474,384)
Balance at the end of the year	(70,676,978)	(70,315,146)
14. Loss per share		
	Cents per share	Cents per share (Restated)
Basic earnings/(loss) per share	(0.04)	(0.19)
The loss and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share are as follows:		
	\$	\$
Loss for the year	(361,832)	(1,474,384)
	No.	No.
Weighted average number of ordinary shares used in the calculation of basic EPS	859,342,197	792,906,831
15. Dividends		
There have been no dividends paid or proposed in the 2020 or 2019 financial years.		
16. Rehabilitation provision		
	2020 \$	2019 (Restated) \$
Beginning of the year	970,690	-
Arising during the year	-	970,690
End of the year	970,690	970,690

The rehabilitation provision represents the present value of rehabilitation costs as a result of its previous exploration activities. These provisions have been created based on an assessment performed by an independent consultant. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs related to five directions on permits EP450, EP451, EP456 and EP481, will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. Lease liabilities

	2020 \$	2019 \$
Lease Payable		
Current	10,497	-
Non-current	4,578	-
	15,075	-

18. Commitments for expenditure

	2020 \$	2019 \$
Leases		
Not longer than 1 year	-	8,226
	-	8,226
Exploration Permits and Oil and Gas Leases – Commitments for Expenditure		
Not longer than 1 year	-	9,361,485
	-	9,361,485

Exploration Permit 482 was expired during the year and Exploration Permit 481 was expired in August 2020. As such, there were no exploration commitments as at 30 June 2020.

19. Segment reporting

For management purposes, the Group has identified only one (1) reportable segment as exploration activities undertaken in Australia since it ended all operations in the United States in 2018.

	Corporate		Exploration		Total	
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
Administration and employment expenses	(261,056)	(350,446)	-	-	(261,056)	(350,446)
Depreciation	(6,990)	-	-	-	(6,990)	-
Impairment expenses	-	-	(44,424)	(50,404)	(44,424)	(50,404)
Fair value adjustment	(49,604)	(103,208)	-	-	(49,604)	(103,208)
Reportable loss	(317,650)	(453,654)	(44,424)	(50,404)	(362,074)	(504,058)
Other income	242	364	-	-	242	364
Net loss before tax as originally presented	(317,408)	(453,290)	(44,424)	(50,404)	(361,832)	(503,694)
Correction – recognition of a rehabilitation provision	-	-	-	(970,690)	-	(970,690)
Net loss before tax	(317,408)	(453,290)	(44,424)	(1,021,094)	(361,832)	(1,474,384)
Segment assets						
Exploration assets	-	-	-	-	-	-
Other financial assets at fair value through profit or loss	8,916	58,520	-	-	8,916	58,520
Other assets	309,187	229,387	-	-	309,187	229,387
Total assets	318,103	287,907	-	-	318,103	287,907
Segment liabilities						
Other liabilities	232,335	236,758	-	-	232,335	236,758
Rehabilitation provision	-	-	970,690	970,690	970,690	970,690
Total liabilities	232,335	236,758	970,690	970,690	1,203,025	1,207,448
Net assets/(liabilities)	85,768	51,149	970,690	970,690	(884,922)	(919,541)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	2020 \$	2019 \$
20. Related party disclosure		
(a) Key Management Personnel compensation		
Short term employee benefits	-	-
Post-employment benefits	-	-
Share based payments	-	-
	-	-
Detailed remuneration disclosures are provided in the remuneration report included in the Directors' Report.		
21. Notes to the Statement of Cash Flow		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks less un-presented cheques and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the cash flow statements are reconciled to the related items in the statement of financial position as follows:		
(a) Reconciliation of cash and cash equivalents		
Cash and cash equivalents	292,424	210,623
(b) Reconciliation of net loss after tax to net cash flow from operating activities	2020 \$	2019 (Restated) \$
Loss after income tax	(361,832)	(1,474,384)
Non-cash expenditure:		
Depreciation expense	6,990	-
Impairment of exploration and development expenditure	44,424	50,404
Provision for rehabilitation	-	970,690
Fair value gain/(loss) on other sale financial assets through profit or loss	49,604	103,208
(Increase)/decrease in assets:		
Current receivables	16,855	3,990
Increase/(decrease) in liabilities:		
Current payables	(19,498)	21,991
Net cash used in operating activities	(263,457)	(324,101)
(c) Reconciliation of net loss after tax to net cash flow from operating activities		
There were no material non-cash investing and financing activities during the year ended 30 June 2020 and 30 June 2019.		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. Financial risk management

(a) Cash flow interest rate risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the consolidated entity to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing.

The Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group continuously analyses its exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

A sensitivity analysis has not been disclosed in relation to variable rate instruments for Group as the results are immaterial to the statement of profit or loss and other comprehensive income.

Financial assets	Note	Float interest rate		Total carrying amount	
		2020 \$	2019 \$	2020 \$	2019 \$
Cash at bank	19(a)	292,424	210,623	292,424	210,623

(b) Liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities as at 30 June 2020. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Total contractual cash flow \$	Carrying amount of liabilities \$
2020					
Trade and other payables	217,260	–	–	217,260	217,260
Lease liabilities	10,497	4,578	–	15,075	15,075
2019					
Trade and other payables	236,758	–	–	236,758	236,758

(c) Currency risk

The Group had no foreign expenditure commitments or liabilities outstanding as at 30 June 2020. As operational activity has since decreased significantly overseas, foreign exchange exposure was negligible, no foreign exchange hedge contracts were in place at year end.

(d) Fair value

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date and represent fair value. The fair value of investment in associates is equal to the carrying value, and accounts for the Group's share in the net profit or loss of the associate. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group makes a number of assumptions based upon observable market data existing at each reporting period. The fair value of current financial assets and liabilities settled within 12 months approximate fair value due to their short term nature. The following tables classify financial instruments recognised in the statement of financial position of the Group, according to the hierarchy stipulated in AASB 13 as follows:

Level 1: the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: a valuation technique is used using other than quoted prices within Level 1 that are observable for the financial instrument either directly (i.e. as prices) or indirectly (i.e. derived from prices); or

Level 3: a valuation technique is used using inputs that are not based on observable market data (unobservable inputs).

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2020				
Financial assets fair value through profit or loss	8,916	–	–	8,916
2019				
Financial assets fair value through profit or loss	58,520	–	–	58,520

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. Financial risk management (cont'd)

(e) Credit risk

Credit risk is the potential that the Group will suffer a financial loss due to the unwillingness or inability of counterparty to fully meet their contractual debts and obligations. Credit risk arises from trading activities and holding cash. The carrying amount of financial assets represents the maximum credit exposure. The Group trades only with recognised, credit worthy third parties. The Group has apportioned cash reserves amongst several financial institutions and the credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings:

	2020 \$	2019 \$
Cash at Bank and short term bank deposits (AA-)	292,424	210,623

(f) Capital risk management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent, which at 30 June 2020 was \$69,762,264 (2019: \$69,365,813). The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders. At 30 June 2020 the Group did not hold any external debt funding (2019: Nil) and is not subject to any externally imposed covenants in respect of capital management.

23. Subsidiaries

Name of entity	Country of incorporation	Nature of activities	Ownership interest	
			2020	2019
New Standard Onshore Pty Ltd	Australia	Exploration of hydrocarbons	100%	100%

24. Contingencies

On 10 August 2015 the Group completed the sale of assets including NSE Texas LLC, which held the producing Eagleford asset located within the Atascosa and Colorado counties and NSE PEL 570 Pty Ltd which held the Copper Basin asset to Sundance Energy Australia Ltd (Sundance). In accordance with the Share and Asset Sale Agreement Sundance made a claim in relation to Due Diligence Defects (DD Defects) associated with the Eagleford asset. There is a potential liability associated with the DD Defects which will be covered partially or wholly by escrowed SEA shares which formed part of consideration of the sale as disclosed in note 7. Whilst the maximum exposure to the Group is approximately \$500k, the likely outflow of economic benefits is currently not probable and as such a provision has not been recognised in relation to the claim.

There were no other material contingent liabilities or contingent assets for the Group as at 30 June 2020 or as at the date of the report other than the above.

25. Parent entity information

The following details information related to the parent entity, New Standard Energy Limited, as at 30 June 2020. The information presented here has been prepared using consistent accounting policies as presented in note 1.

	2020 \$	2019 \$
Current assets	291,494	276,152
Non-current assets	14,854	-
Total assets	306,348	276,152
Current liabilities	227,757	236,758
Non-current liabilities	4,578	-
Total liabilities	232,335	236,758
Contributed equity	78,922,106	78,525,655
Accumulated losses	(78,877,885)	(78,516,053)
Reserves	29,792	29,792
Total equity	74,013	39,394
Loss for the year	(361,832)	(662,097)
Total comprehensive loss for the year	(361,832)	(662,097)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. Events occurring after the reporting date

As announced on 17 August 2020, the Company decided not to renew the Permit EP481. Accordingly, EP481 has expired.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has had not significant impact on the consolidated 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.

There were no matters or circumstances arising since the end of the reporting period that have significantly affected or may significantly affect the operations of the Group and the results of those operations or the state of the affairs of the Group in the financial period subsequent to 30 June 2020.

ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 23 October 2020.

1. Distribution of shareholders

(a) Analysis of number of shareholder by size of holding.

Category of holding	Holders	Number of shares	% of capital
1 – 1,000	196	49,466	0.01
1,001 – 5,000	346	1,113,952	0.13
5,001 – 10,000	262	2,186,604	0.25
10,001 – 100,000	736	28,574,609	3.22
100,001 and over	306	856,824,233	96.39
Total	1,846	888,748,864	100.00

(b) There are 1,570 shareholders with less than a marketable parcel of ordinary shares (minimum \$500 parcel at \$0.004 per unit).

2. Twenty one largest shareholders

The names of the twenty one largest holders by account holding of quoted ordinary shares are listed below:

Rank	Name of shareholder	Holding	%
1	China International Economic Huizhou Energy Investment (Beijing) Co Ltd	291,197,025	32.76
2	Mr Xiangqian Zhang	66,666,667	7.50
3	Jara Resources Pty Ltd	65,650,000	7.39
4	Citicorp Nominees Pty Limited	26,164,293	2.94
5	Chembank Pty Limited <Philandron A/C>	19,000,000	2.14
6	J P Morgan Nominees Australia Limited	16,683,158	1.88
7	Mr Xijun Wang	16,000,000	1.80
8	Mr Huagen Gao	15,522,390	1.75
9	Mr Chi Zhang	15,491,658	1.74
10	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	13,758,833	1.55
11	Buru Energy Limited	13,057,930	1.47
12	Ms Sihol Marito Gultom	13,000,000	1.46
13	Hongmen Pty Ltd <Hongmen Family A/C>	12,099,613	1.36
14	Ms Wei Lin	11,078,450	1.25
15	Mr Yuk Kuen Lo	10,833,333	1.22
16	Merrill Lynch (Australia) Nominees Pty Limited	10,809,308	1.22
17	Ms Rongxia Su	10,659,207	1.20
18	Mr Alan Young	9,405,252	1.06
19	Phoenix Properties Int Pty Ltd <The Wellington Property A/C>	8,508,453	0.96
20	Mr Scott Le	7,307,737	0.82
Total		652,893,307	73.46

3. Substantial shareholders

As at 23 October 2020, the Company has received substantial notices from the following shareholders:

Name of shareholder	No of shares	% of issued capital
China International Economic Huizhou Energy Investment (Beijing) Co Ltd	291,197,025	32.76%
Mr Xiangqian Zhang	66,666,667	7.50%
Jara Resources Pty Ltd	65,650,000	7.39%

4. Unquoted securities and Buy-back

There were no unquoted securities on issue as at 23 October 2020. There is no current on-market buy-back.

5. Voting rights

The voting rights of each class of share are as follows:

Ordinary Fully Paid Shares – one vote per share held.