BIG STAR ENERGY
(FORMERLY ANTARES ENERGY LIMITED)

2018 ANNUAL REPORT

BIG STAR ENERGY LIMITED AND CONTROLLED ENTITIES

ABN 75 009 230 835

ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2018

BIG STAR ENERGY LIMITED AND CONTROLLED ENTITIES

ABN 75 009 230 835

CONTENTS

COMPANY DIRECTORY

DIRECTORS:

Ross Warner
Joanne Kendrick
Michael Pollak

COMPANY SECRETARY

Andrew Whitten

REGISTERED OFFICE:

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Sydney, NSW, 2000
Telephone: + 61 (02) 9698 5414

SOLICITORS:

Automic Pty Ltd

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Email: info@bigstarenergy.com.au
Website: www.bigstarenergy.com.au

ASX CODE:

BNL

AUDITORS:

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BANKERS:

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SHARE REGISTRY:

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AUSTRALIAN COMPANY NUMBER:

ACN 009 230 835

AUSTRALIAN BUSINESS NUMBER:

ABN 75 009 230 835

DIRECTORS' REPORT

The Directors of Big Star Energy Limited (Formerly Antares Energy Limited) ("the Company") present the Directors' report and the financial report of Big Star Energy and the entities it controlled ("the Consolidated Entity") at the end of, or during the year ended 31 December 2018.

DIRECTORS AND COMPANY SECRETARY

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.

Name	**Particulars**
Ross Warner	Executive Director & Chairman – Appointed 23 March 2018
Joanne Kendrick	Managing Director – Appointed 23 March 2018
Michael Pollak	Non Executive Director – Appointed 23 March 2018
Andrew Whitten	Company Secretary – Appointed 23 March 2018

The above named directors were formally appointed as directors of the Company under the terms of DOCA on 23 March 2018, being the date the DOCA effectuated.

James Andrew Cruickshank	Chairman & Managing Director – Resigned 27 April 2016*
Gregory David Shoemaker	Director & Chief Scientist – Resigned 28 April 2016*
Vicky Ann McAppion	Director & Finance & Administration Manager – Resigned 28 April 2016*
Mark Gerard Clohessy	Non Executive Director – Resigned 28 April 2016*

* These directors formally ceased to be directors of the Company under the terms of DOCA on 23 March 2018, being the date the DOCA effectuated.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Ross Warner
Executive Director & Chairman (Appointed 23 March 2018)

Ross is an experienced natural resources executive. He has held executive and non-executive director roles in several public companies listed on AIM and ASX and a number of private companies. He has been involved in operated and non-operated oil and gas assets in Texas, Louisiana and Oklahoma and gas to power Indonesia. He practiced as a corporate finance lawyer with Mallesons Stephen Jaques in Perth and Melbourne and Clifford Chance in London. He has the following qualifications: B. Juris and LLB (UWA); and LLM (Melb).

Other Current Directorships
Andalas Energy and Power plc

Former Directorships in the Last Three Years
Zarmadan Gold Ltd

Special Responsibilities
Chairman

Interests in Shares and Options
15,000,000 ordinary fully paid shares
16,875,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2020

Joanne Kendrick
Managing Director (Appointed 23 March 2018)

Joanne holds a Bachelor of Chemical Engineering from the University of Adelaide and specialises in Petroleum/Reservoir Engineering with over 20 years of upstream oil and gas experience in operational, technical and senior roles with Woodside Petroleum, Newfield Exploration, Gulf Canada and Nido Petroleum. She has had management accountability for new venture activity, production operations, development projects and exploration drilling for 15 years.

Other Current Directorships
None

DIRECTORS' REPORT (CONT.)

Former Directorships in the Last Three Years
None

Special Responsibilities
Managing Director

Interests in Shares and Options
15,000,000 ordinary fully paid shares
16,875,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2020

Michael Pollak
Non Executive Director (Appointed 23 March 2018)

Michael Pollak holds a Bachelor of Commerce is a chartered accountant and has an MBA in strategy from the Australian Graduate School of Management. Michael commenced his career at PriceWaterhouseCoopers over 20 years ago. Michael has gained valuable experience in both Sydney and London in general management, audit, insolvency, corporate advisory and strategy across a wide range of industries including financial services, professional services, retail, mining, technology and manufacturing.

Michael is currently a director of MOQ Limited and was previously a director of various ASX listed entities including UCW Limited, Prospect Resources Limited, Metalicity Limited, Rhipe Limited, and Janison Education Group Limited, being companies that he previously recapitalised. Michael was also involved in the recapitalisation of various other companies listed on the ASX (via a DOCA and Creditors Trust).

Other Current Directorships
MOQ Limited (ASX: MOQ) (Non-executive director)

Former Directorships in the Last Three Years
Janison Education Group Limited (ASX: JAN) (Non-executive director)
UCW Limited (ASX: UCW) (Non-executive director)

Special Responsibilities
None

Interests in Shares and Options
26,000,000 ordinary fully paid shares
12,500,000 unlisted options exercisable at $0.01 per option, expires on 30 June 2020

COMPANY SECRETARY
Andrew Whitten **(Appointed 23 March 2018)**

Andrew is a Solicitor Director of Automic Legal, a division of the Automic Group, where he specialises in corporate finance and securities law. Andrew has been involved in a comprehensive range of corporate and investment transactions including numerous initial public offerings on the ASX and NSX, corporate reconstructions, reserve mergers and takeovers. At present, Andrew is company secretary of a number of public listed companies.

The above named directors and company secretary held office during and since the financial year, except as otherwise indicated.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the financial year were oil and gas production and exploration in the United States of America.

OPERATING REVIEW

The handover and transition of the operations to the new management team at Big Star began in the April to June 2018 quarter.

Production Wells – Production and Operations
Operational efforts focused on a maintenance review of the production wells and operating cost reduction following the long period of administration. Repairs and maintenance at the Stuart and Simmons wells were undertaken to the pump, production and H2S treatment units. As at the end of the year, production continued from the Simmons well. Esmond and Stuart wells were shutin pending evaluation of workover operations.

Production Wells – Bypassed Oil Study
During the year, Big Star completed a petrophysical study and identified bypassed oil pay in the Upper Spraberry Formation on the well logs of all four of its wells in Dawson County, Texas. The Upper Spraberry has not been tested or produced previously in any of the Big Star wells but is known to be productive in other wells in the region.

DIRECTORS' REPORT (CONT.)

Production Wells – Workover Operations
During the year, the Company undertook the Esmond #20-1 workover to test the bypassed oil pay in the Upper Spraberry Formation. Unfortunately, the tubing and pump rods were found to have been severely corroded at approximately 4500feet depth and parted at this same depth when removed from the wellbore. As a consequence, the remaining length of tubing and pump rods remain in place in the wellbore preventing access to the Upper Spraberry Formation at approximately 7000 feet which precluded testing of this zone. The well is currently suspended. The cost of the workover operations was less than US$65,000 (a saving over AFE estimates of US$140,000).

Exploration Acreage and Portfolio Management
Petrophysical and analogue studies conducted during the year concluded that horizontal drilling opportunities within its acreage did not meet its risk-reward and other financial hurdles. As a result, the exploration acreage was not renewed upon its expiry.

New Ventures

The Company is actively pursuing upstream opportunities in accordance with its stated strategy. A number of farmin and acquisition opportunities in North America, Australia and elsewhere were identified and screened. Some of these opportunities remain under review.

Separately, the Company has undertaken a ground-up review of areas of interest in the United States and Australia which meet its prospectivity criteria. This review has identified areas with additional product streams of interest to the Company, including helium, and is on-going.

Corporate

The Company was suspended from trading on the ASX on 11 September 2015 and placed into voluntary administration on 28 April 2016. On 2 December 2016, the Creditors of the Company resolved to place the Company into a Deed of Company Arrangement ('DOCA').

The shareholders of the Company approved a recapitalisation proposal on 23 January 2018, with the capital of the Company subsequently consolidated on 29 January 2018. The DOCA was effectuated on 23 March 2018, at which time the new Board was appointed and the Company was released from any pre-administration creditor claims.

The Company completed placings on 9 April 2018 and 23 May 2018 which, in total, raised $2,026,875 (before costs of the DOCA and recapitalisation) from the issue of 315,000,000 fully paid ordinary shares and 75,000,000 unlisted options.

The Company changed its name to Big Star Energy Limited on 4 June 2018 and its ASX ticker changed to BNL.

On 6 August 2018, Big Star changed its shareholder registry services provider from Security Transfer Australia Pty Limited to Automic Registry Services.

The Company changed its registered address to Level 5, 126 Phillip St, Sydney NSW 2000 on 2 October 2018.

On 29 October 2018, the Company established a share sale facility for holders of less than a marketable parcel of the Company's shares which completed successfully. A total of 4,148,775 shares from 3,230 shareholders were sold under the facility substantially reducing the ongoing administrative costs associated with maintaining a large number of small holdings.

SIGNIFICANT EVENTS AFTER BALANCE DATE

There have been no significant events after balance date.

SIGNIFICANT CHANGES TO STATE OF AFFAIRS

There have been no further significant changes to the Company's state of affairs, other than those disclosed in the Operations Review and Significant Events After Balance Date.

FINANCIAL RESULTS

Big Star Energy Limited (formerly Antares Energy Limited) has reported a total comprehensive profit for the year ended 31 December 2018 of $46,762,314 (2017: loss of $2,758,120). The profit was generated due to the transfer of $48,158,553 to the creditor's trust as a result of the effectuation of the DOCA on 23 March 2018. This amount being for the convertible notes and other creditors of the Company caught under the DOCA.

DIVIDEND

No dividends have been paid or declared since the end of the previous financial period, or to the date of this report.

LIKELY DEVELOPMENTS AND RESULTS

The Company will continue to pursue oil and gas (including helium) opportunities.

DIRECTORS' REPORT (CONT.)

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity is a party to various exploration and development licences or permits in the country in which it operates. In most cases, these contracts and licences specify the environmental regulations applicable to oil and gas operations in the respective jurisdictions. There have been no significant known breaches of the environmental obligations of the Consolidated Entity's licences.

DIRECTOR'S MEETINGS

During the financial year, the meeting of directors held were:

	Directors Meetings	
Name of directors	**Meetings Held**	**In attendance**
Ross Warner	7	7
Joanne Kendrick	7	7
Michael Pollak	7	7

All other business was conducted via circular resolution.

INCOMPLETE RECORDS

The management and affairs of the Company and all its controlled entities were not under the control of the Directors of the Group from when it entered voluntary administration on 28 April 2016 until the date the DOCA effectuated on 23 March 2018.

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 23 March 2018.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems and the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment. As such, it has not been possible for the Directors to obtain all the books and records of the Group for the period prior to their appointment and the effectuation of the DOCA on 23 March 2018.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The independence declaration as required under section 307C of the Corporations Act 2001 received from the auditor of Big Star Energy Limited is set out on page 9 and forms part of this Directors' report for the year ended 31 December 2018.

Total fees paid or payable to the Company's auditors Stantons International Audit & Consulting Pty Ltd for non-audit services provided to the Company during the year ended 31 December 2018 are $9,000 (2017:$8,000).

INDEMNIFICATION OF DIRECTORS, COMPANY SECRETARY AND AUDITORS

The Company has agreed to indemnify the current directors and company secretary of the Group against all liabilities that may arise from their position as directors or officers of the Group.

INDEMNIFYING OFFICERS OR AUDITOR

During the year, the Company paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group or other otherwise excluded by the policy.

PROCEEDINGS ON BEHALF OF COMPANY

On 27 November 2017, ASIC lodged proceedings in the Federal Court of Australia against the Company and one of its directors, Mr James Cruickshank. On 4 December 2017, the Court granted leave to ASIC to commence and maintain the proceedings against the Company and Mr Cruickshank.

ASIC has alleged in the proceedings that the Company and Mr Cruickshank failed to comply with continuous disclosure obligations in relation to statements made to the ASX prior to the Company entering into administration, about the proposed sale of its oil and gas interests in the Permian Basin of Texas, United States to Wade Energy Corporation. Whilst against Mr Cruickshank ASIC seeks declarations of contravention of his involvement the alleged failure to comply with continuous disclosure obligations (and of Mr Cruickshank's alleged failure to discharge his duties to the Company with the degree of care and diligence required), disqualification orders and pecuniary penalties, ASIC only seeks a declaration of contravention against the Company.

The Administrators consented to the grant of leave being granted to ASIC to commence and maintain the proceedings against the Company on and Mr Cruickshank on conditions that:

1. ASIC continues to seek only declaratory relief, but not pecuniary penalties, damages or an account of profits from the Company;
2. ASIC is not entitled to seek to enforce any judgment or order against the Company, without further leave of the Court;
3. ASIC will not require the Administrators or the Company to take any active step in the proceedings (including, but not limited to, the filing of a defence); and
4. ASIC has agreed to cover the reasonable costs incurred by the Company in the proceedings as a result of steps requested or required by ASIC itself in the proceeding (for example, in relation to providing discovery).

No other person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

DIRECTORS' REPORT (CONT.)

REMUNERATION REPORT (AUDITED)

The remuneration report below reflects the remuneration policies that were adopted by the directors of the Company who were in office at the date of this report. These policies apply since the data of their appointment on 23 March 2018.

Prior to their appointment, the remuneration policies were the responsibility of the previous directors who were in office prior to the Company entering voluntary administration on 28 April 2016. On entering administration, the Administrators were responsible for the remuneration policies of the Company. These policies may or may not have been in place during the financial period. Thus, the directors had no involvement in the adopting, implementing, or complying with the previous remuneration policies.

The Remuneration Report is set out under the following main headings:

1. Principles used to determine the nature and amount of remuneration;
2. Details of remuneration;
3. Service agreements; and
4. Share-based compensation.

The information provided under headings 1 to 4 below in the Remuneration Report has been audited as required by Section 308(3C) of the Corporations Act 2001.

1. Principles used to determine the nature and amount of remuneration (audited)

The Company's Constitution specifies that subject to the initial fixed annual aggregate sum of $500,000, the aggregate remuneration of non-executive directors shall not exceed the sum determined by the shareholders of the Company in general meeting.
The company may pay a performance based bonus based on key performance indicators of the Director and Company, set by the Company from time to time, and any matter that it deems appropriate.

Fees and payments to directors:

1. are to reflect the demands which are made on, and the responsibilities of, the directors; and
2. are reviewed annually by the board to ensure that directors' fees and payments are appropriate and in line with the market.

Retirement allowances and benefits for directors
There are no retirement allowances or other benefits paid to directors.

Directors' fees
The amount of remuneration of the directors of the Company (as defined in AASB 124 Related Party Disclosures) are outlined in the table below under the heading Key management personnel remuneration. The current Directors were formally appointed on 23 March 2018, being the date the DOCA effectuated. Consequently, there is not sufficient information to allow this level of disclosure with regards to the former directors. There was no remuneration of any type paid to the current directors, other than as reported below for the provision of director and professional services.

Key management personnel*

Ross Warner	Executive Director & Chairman – Appointed 23 March 2018
Joanne Kendrick	Managing Director – Appointed 23 March 2018
Michael Pollak	Non Executive Director – Appointed 23 March 2018

The above named directors were formally appointed as directors of the Company under the terms of DOCA on 23 March 2018, being the date the DOCA effectuated.

Key management personnel remuneration

The following table sets out the remuneration of directors and executives of the Consolidated Entity during the reporting period.

	Short-Term				Long-Term	Post Employ-ment	Total	Total Perform-ance Related
Year to 31 Dec 2018	Salary & Fees	Cash Bonus	Non Monetary Benefits	Other	Long-Service Leave	Super-annuation		
	$	$	$	$	$	$	$	$
Directors								
Ross Warner	42,422	-	-	-	-	4,030	46,452	-
Joanne Kendrick	46,452	-	-	-	-	-	46,452	-
Michael Pollack	42,422	-	-	-	-	4,030	46,452	-
Total	131,296	-	-	-	-	8,060	139,356	-

* Current Directors were formally appointed on 23 March 2018, being the date the DOCA effectuated. Remuneration was received for the period 23 March 2018 to 31 December 2018.
No KMP received remuneration for the year ending 31 December 2017.

DIRECTOR'S REPORT (CONT.)

REMUNERATION REPORT (AUDITED) (CONT.)

3. Service agreements (audited)

The directors serve until they resign, are removed, cease to be a director or are prohibited from being a director under the provisions of the *Corporations Law 2001*, or are not re-elected to office. The directors are remunerated on a monthly basis with three months termination payments payable. As at the date of this report there are no management personnel engaged by the Company other than the directors.

4. Share-based compensation (audited)
There were no share-based or option based compensation paid to the directors during the financial year.

5. Shareholding and option holding of directors and other key management personnel (audited)

Share holdings of Key Management Personnel

	Balance at 1 January	On exercise of performance rights	Other changes during the year (i)	On market purchase	Balance at 31 December
2018					
Ross Warner	-	-	15,000,000	-	15,000,000
Joanne Kendrick	-	-	15,000,000	-	15,000,000
Michael Pollak	-	-	26,000,000	-	26,000,000
Total	**-**	**-**	**56,000,000**	**-**	**56,000,000**

(i) Shares and options acquired by directors under the placements on 9 April 2018 and 23 May 2018.

No shares were held by current directors for the year ending 31 December 2017.

* The Company was under external administration from 28 April 2016 until 23 March 2018, consequently the Company does not have sufficient information to allow for the level of disclosure required in relation to the shareholdings for directors prior to 23 March 2018.

Details of options over the ordinary shares in the Company provided to each director and key management personnel of the Group is set out below. When exercisable, each option is convertible into one ordinary share of the Company.

Options held by Key Management Personnel

	Balance at 1 January	On exercise of performance rights	Other changes during the year (i)	On market purchase	Balance at 31 December
2018					
Ross Warner	-	-	16,875,000	-	16,875,000
Joanne Kendrick	-	-	16,875,000	-	16,875,000
Michael Pollak	-	-	12,500,000	-	12,500,000
Total	**-**	**-**	**46,250,000**	**-**	**46,250,000**

(i) Shares and options acquired by directors under the placements on 9 April 2018 and 23 May 2018.

No options were held by current directors for the year ending 31 December 2017.

* The Company was under external administration from 28 April 2016 until 23 March 2018, consequently the Company does not have sufficient information to allow for the level of disclosure required in relation to the option holdings for directors prior to 23 March 2018.

Each first placement option gives the option holder the right to subscribe to one share for every first placement option they own. The first placement options will expire on 30 June 2020, exercisable at $0.01 per option.

End of Remuneration Report

Signed in accordance with a resolution of the Directors.

Ross Warner
Chairman
29 March 2019

CORPORATE GOVERNANCE STATEMENT

Statement of Corporate Governance

The Company's corporate governance statement reflects the corporate governance policies that were adopted by the directors of the Company who were in office at the date of this report. These policies apply since the date of their appointment on 23 March 2018.

Prior to their appointment, the corporate governance policies were the responsibility of the previous directors who were in office prior to the Company entering voluntary administration on 28 April 2016. On entering administration, the Administrators were responsible for the corporate governance policies of the Company. These policies may or may not have been in place during the financial period. Thus, the directors had no involvement in the adopting, implementing, or complying with the previous corporate governance policies.

The Company's current Corporate Governance Statement is available on Big Star Energy Limited's website at: www.bigstarenergy.com.au.

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29 March 2019

Big Star Energy Limited
Level 5, 126 Philip Street
Sydney, NSW, 2000

Dear Sirs

RE: BIG STAR ENERGY LIMITED (FORMERLY ANTARES ENERGY LIMITED)

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

As Audit Director for the audit of the financial statements of Big Star Energy Limited for the year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours faithfully,

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

Samir Tirodkar
Director

Statement of Profit or Loss & Other Comprehensive Income
Big Star Energy Limited and its Controlled Entities
For the Year Ended 31 December 2018

	Notes	Consolidated 31 December 2018 $	31 December 2017 $
Continuing operations			
Revenue	3	50,249	345,509
Cost of sales	4(a)	(422,851)	(486,834)
Gross loss		(372,602)	(141,325)
Other income		3,203	71,983
Other Expenses excluding finance costs	4(b)	(517,927)	(953,138)
Impairment of oil & gas assets	10	(249,762)	(86,133)
Rehabilitation provisions		(66,854)	-
Employment expenses	4(c)	(139,356)	-
Business development expenses	4(b)	(52,043)	-
Administration expenses	4(b)	-	(829,797)
Legal expenses	4(b)	(65,918)	(434,997)
Loss before income tax		(1,461,259)	(2,373,407)
Income tax benefit	5	-	-
Loss from continuing operations		**(1,461,259)**	**(2,373,407)**
Discontinued operations			
Profit from discontinued operations	25	**48,158,553**	**-**
Net profit/(loss) attributable to members of the company		**46,697,294**	**(2,373,407)**
Other comprehensive income			
Exchange differences on translation of foreign entities		65,020	(384,713)
Other comprehensive profit/(loss) for the year net of tax		**65,020**	**(384,713)**
Total comprehensive profit/(loss) for the year		**46,762,314**	**(2,758,120)**
(Loss)/Earnings per share (cents per share)			
Loss from continuing operations:			
Basic loss per share for the year	6	**(0.61)**	**(0.99)**
Diluted loss per share for the year	6	**(0.61)**	**(0.99)**
Earnings/Loss from all operations:			
Basic profit per share for the year	6	19.45	(0.99)
Diluted profit per share for the year	6	17.01	(0.99)

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

Statement of Financial Position

Big Star Energy Limited and its Controlled Entities

As at 31 December 2018

	Notes	Consolidated 31 December 2018 $	31 December 2017 $
CURRENT ASSETS			
Cash and cash equivalents	7	510,308	254,183
Trade and other receivables	8	18,326	-
Other assets	9	17,873	-
Total current assets		**546,507**	**254,183**
NON-CURRENT ASSETS			
Other assets	9	35,421	-
Oil and gas properties	10	51,006	295,916
Property, Plant & Equipment	11	3,078	-
Total non-current assets		**89,505**	**295,916**
TOTAL ASSETS		**636,012**	**550,099**
CURRENT LIABILITIES			
Trade and other payables	12	238,645	1,096,617
Interest-bearing loans and borrowings	13	-	47,500,000
Total current liabilities		**238,645**	**48,596,617**
NON-CURRENT LIABILITIES			
Provisions	14	283,367	160,256
Total non-current liabilities		**283,367**	**160,256**
TOTAL LIABILITIES		**522,012**	**48,756,873**
NET ASSETS/(LIABILITIES)		**114,000**	**(48,206,774)**
EQUITY			
Contributed equity	15	1,882,418	84,436,358
Reserves	16	66,895	32,475,521
Accumulated Losses		(1,835,313)	(165,118,653)
TOTAL SHAREHOLDERS FUNDS		**114,000**	**(48,206,774)**

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

Statement of Changes in Equity
Big Star Energy Limited and its Controlled Entities
For the Year Ended 31 December 2018

CONSOLIDATED	Ordinary Share Capital $	Accumulated Losses $	Foreign Currency Reserve $	Convertible Note Premium Reserve $	Share Option Reserve $	Total $
Balance at 1 January 2018	**84,436,358**	**(165,118,653)**	**22,671,063**	**3,921,020**	**5,883,438**	**(48,206,774)**
Profit for the year	-	46,697,294	-	-	-	46,697,294
Exchange differences on translation of foreign operations	-	-	65,020	-	-	65,020
Total comprehensive profit for the year	**-**	**46,697,294**	**65,020**	**-**	**-**	**46,762,314**
Transactions with owners in their capacity as owners:						
Issue of Capital and options	2,025,000	-	-	-	1,875	2,026,875
Costs of capital	(142,582)	-				(142,582)
Write back of accumulated losses	(84,436,358)	116,586,046	(22,671,063)	(3,921,020)	(5,883,438)	(325,833)
Balance at 31 December 2018	**1,882,418**	**(1,835,313)**	**65,020**	**-**	**1,875**	**114,000**

Balance at 1 January 2017	**84,436,358**	**(162,745,246)**	**23,055,776**	**3,921,020**	**5,883,438**	**(45,448,654)**
Loss for the year		(2,373,407)				(2,373,407)
Exchange differences on translation of foreign operations	-	-	(384,713)	-	-	(384,713)
Total comprehensive loss for the year	**-**	**(2,373,407)**	**(384,713)**	**-**	**-**	**(2,758,120)**
Transactions with owners in their capacity as owners:						
Balance at 31 December 2017	**84,436,358**	**(165,118,653)**	**22,671,063**	**3,921,020**	**5,883,438**	**(48,206,774)**

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

Statement of Cash Flows
Big Star Energy Limited and its Controlled Entities
For the Year Ended 31 December 2018

	Note	Consolidated 31 December 2018 $	31 December 2017 $
Cash flows from operating activities			
Receipts from customers		46,301	345,509
Payments to suppliers and employees		(1,150,312)	(2,614,534)
Interest received		3,203	71,983
DOCA settlement		(510,729)	-
Net cash (outflows) from operating activities	7	**(1,611,537)**	**(2,197,042)**
Cash flows from investing activities			
Proceeds from Northern Star		-	2,306,186
Payment for property, plant and equipment		(6,032)	-
Net cash (outflows)/inflows from investing activities		**(6,032)**	**2,306,186**
Cash flows from financing activities			
Net Proceeds from share issue		1,841,654	-
Costs related to issue of shares		(142,582)	-
Proceeds from syndicate loan		498,021	-
Repayment of syndicate loan		(322,800)	-
Net cash inflows from financing activities		**1,874,293**	**-**
Net increase in cash and cash equivalents held		**256,724**	**109,144**
Cash and cash equivalents at the beginning of the year		254,183	145,039
Effects of exchange rate changes on cash		(599)	-
Cash and cash equivalents at the end of the year	7	**510,308**	**254,183**

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

NOTE 1 BASIS OF PREPARATION

Big Star Energy Limited (formerly Antares Energy Limited) is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange and is a for profit entity. The address of the registered office and principal place of business is Level 5, 126 Phillip Street, Sydney, NSW, 2000.

The principal activities of Big Star Energy Limited are oil and gas production and exploration in the United States of America.

(a) Basis of preparation

Subject to note 1(b) below, the financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Australian Accounting Standards and other mandatory professional reporting requirements.

The financial report has been prepared in accordance with the historical cost convention.

Going Concern

The directors have prepared the financial report of the consolidated entity on a going concern basis.

For the year ended 31 December 2018 the consolidated entity produced a total comprehensive profit of $46,762,314 (31 December 2017: total comprehensive loss of $2,758,120) and had working capital of $307,862 (31 December 2017: deficiency of $48,342,434). Based upon the Group's existing cash resources of $510,308 (31 December 2017: $254,183), and on the effectuation of the DOCA on 23 March 2018 and subsequent recapitalisation of the Company, and on the ability to modify expenditure outlays if required and source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the year ended 31 December 2018 financial report.

The Directors are aware, having prepared a cashflow forecast, of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months.

In the event that the Group is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial report.

Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Standards (IFRS) as issued by the International Accounting Standard Board except for the incomplete records noted below.

(b) Incomplete records

The management and affairs of the Company and all its controlled entities were not under the control of the Directors of the Group from when it entered into voluntary administration on 28 April 2016 until the date the DOCA effectuated on 23 March 2018.

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 23 March 2018.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems and the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment. As such, it has not been possible for the Directors to obtain all the books and records of the Group for the period prior to their appointment and the effectuation of the DOCA on 23 March 2018.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

(c) New and amended accounting standards and interpretations

The Company has considered the implications of new and amended accounting standards that became applicable for the reporting periods commencing after 1 January 2018 but determined that their application to the financial statements is either not relevant or not material. AASB15: Revenue from Contracts with Customers, which became applicable for reporting periods commencing after 1 January 2018, was adopted by the Company. A number of new or amended standards became applicable for the current reporting period. However, the Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

NOTE 1 BASIS OF PREPARATION (CONT.)

(d) Principles of consolidation

The consolidated financial statements comprise the financial statements of Big Star Energy Limited and its subsidiaries (formerly Antares Energy Limited) during the year ended 31 December 2018 ("the Consolidated Entity").

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity and cease to be consolidated from the date on which control is transferred out of the Consolidated Entity.

(e) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Oil and Gas Properties
Oil and gas properties include construction, installation or completion of infrastructure facilities such as pipelines and platforms, capitalised borrowing costs, transferred exploration and evaluation costs, and the cost of development wells.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other costs are charged to profit or loss during the financial period in which they are incurred.

Depreciation
Property, plant and equipment, other than freehold land, is depreciated to their residual values at rates based on the expected useful lives of the assets concerned.

The remaining assets use the straight line approach. The major categories of assets are depreciated as follows:

Category	**Method**
Plant and equipment	Straight line at 50%

Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the greater 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For property, plant and equipment, impairment losses are recognised in profit or loss.
Disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(f) Exploration and evaluation

Expenditure on exploration and evaluation is accounted for in accordance with the "area of interest" method.

Exploration licence acquisition costs are capitalised and subject to half-yearly impairment testing.

All exploration and evaluation costs, including general permit activity, geological and geophysical costs and new venture activity costs are expensed as incurred except where:

- The expenditure relates to an exploration discovery where, at balance date, an assessment of the existence or otherwise of economically recoverable reserves is not yet complete and significant operations in, or in relation to, the area of interest are continuing; or
- An assessment has been made and it is expected that the expenditure will be recouped through successful exploitation of the area of interest, or alternatively, by its sale.

The costs of drilling exploration wells are initially capitalised pending the results of the well. Costs are expensed where the well does not result in the successful discovery of economically recoverable hydrocarbons. Areas of interest may be recognised at either the field or the well level, depending on the nature of the project. Subsequent to the recognition of an area of interest, all further costs relating to the area of interest are capitalised.

NOTE 1 BASIS OF PREPARATION (CONT.)

(f) Exploration and evaluation(cont)

Each potential or recognised area of interest is reviewed half-yearly to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support the continued carry forward of capitalised costs.

Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to oil and gas properties.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(g) Impairment

Non-financial assets

At each reporting date, the Consolidated Entity assesses whether there is any indication that an asset may be impaired. If any such indication of impairment exists, or when annual impairment testing for an asset is required, the Consolidated Entity makes a formal estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease).
Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of 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).

(h) Provision for restoration

The Consolidated Entity records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas.

Typically, the obligation arises when the asset is installed at the production location. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related oil and gas properties.

Costs incurred that relate to an existing condition caused by past operations, and do not have future economic benefit, are expensed.

(i) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate for doubtful debts is made when there is objective evidence that the Consolidated Entity will not be able to collect the full debt. Bad debts are written off when identified. Financial difficulties of the debtor and default payments are likely to be considered objective evidence of impairment.

(j) Cash and cash equivalents

Cash and short term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(k) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year that are unpaid and arise when the Consolidated Entity becomes obliged to make future payments in respect of the purchase of these goods and services.

(l) Provisions

Provisions are recognised when the Consolidated Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

NOTE 1 BASIS OF PREPARATION (CONT.)

(m) Employee benefits

Short term benefits

Liabilities for wages and salaries, and other short term benefits expected to be settled within 12 months of the reporting date are recognised in current provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(n) Revenue recognition

The group has adopted the new standard AASB 115 Revenue from 1 July 2018. Revenue is recognised using the sales method rather than the entitlement method.

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sales Revenue
Sales revenue is recognised when the significant risks and rewards of ownership have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of "delivery of goods to the customer". Delivery of product is by pipeline and under well specific contracts that define the place of transfer in ownership; the nominated transfer point has appropriate meter equipment installed. Product pricing is dependent upon product quality and delivery volumes rates, and base price marked to an appropriate commodity market benchmark.

Interest
Revenue is recognised as the interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends
Revenue is recognised from dividends when the Company’s right to receive the dividend payment is established.

(o) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences; except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised; except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates and interests in joint ventures, in which case the deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date.

Income taxes relating to terms recognised directly in equity are recognised in equity and not in profit or loss.

NOTE 1 BASIS OF PREPARATION (CONT.)

(p) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables which are stated with the amount of GST included.

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

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

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

(q) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the proceeds received.

(r) Earnings per share ("EPS")

Basic EPS is calculated as net profit attributable to members of the parent, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as the net profit attributed to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with the dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenue and expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(s) Inventories

Inventories are valued at the lower of cost and net realisable value. Spares and consumables are valued at purchase cost on a first-in first-out basis. Surplus and obsolete items are identified and disposed of, or written down to realisable value pending disposal.

(t) Foreign currency translation

Both the functional and presentation currency of Big Star Energy Limited and its Australian subsidiaries is in Australian dollars ($). Entities within the Consolidated Entity that are based and operate outside of Australia use the functional currency of the country in which they operate, provided the local economy is not subject to hyperinflation. Each entity in the Consolidated Entity uses its specific functional currency to measure the items included in the financial statements of that entity.

Transactions in foreign currency are initially recorded in the functional currency by applying the exchange ruling at the date of the transaction or the average for the period when translating a large number of transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Non-monetary items that are measured in terms of historic cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items are measured at fair value in a foreign currency are translated using the exchange rate as at the date when fair value was determined.

The functional currency of the Consolidated Entity's material foreign operation, Antares Energy Company, is United States dollars (USD).

As at the reporting date the assets and liabilities of this subsidiary were translated into the presentation currency of Big Star Energy Limited at the rate of exchange ruling at the balance date and their profit or loss is translated at the average exchange for the period.

The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the statement of profit or loss and other comprehensive income.

(u) Share-based payment transactions

The Consolidated Entity provides benefits to directors and employees of the Consolidated Entity in the form of equity, whereby directors and employees render services in exchange for shares, options to acquire shares or rights over shares.

There is currently no share based remuneration in place.

NOTE 1 BASIS OF PREPARATION (CONT.)

(u) Share-based payment transactions(cont.)

The cost of these equity-settled transactions with employees and directors is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate model. In valuing equity-settled transactions, account is taken of performance conditions where the conditions are linked to the price of the shares of Big Star Energy Limited.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) for non-market based hurdles, the extent to which the hurdle has been satisfied.

Consolidated Entity's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for changes in the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of the fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The dilutive effect, if any, of outstanding securities is reflected as additional share dilution in the computation of earnings per share.

(v) Critical accounting estimates, assumptions and judgements

Estimates and assumptions are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Equally, the Consolidated Entity continually employs judgement in the application of its accounting policies.

(i) Critical Accounting Estimates and Assumptions

The Consolidated Entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of oil and gas properties

The Consolidated Entity's accounting policy for impairment is set out at Note 1(g).

Unless otherwise identified, the following discussion of impairment testing is applicable to the assessment of the recoverable amount of all of the Consolidated Entity's Oil and Gas Property assets.

As at 31 December 2018 the Group impaired the value in use of its oil and gas properties, writing their carrying values to $51,006 (2017:$295,916).

The company has valued these assets at the fair value or market price for these assets.

Restoration obligations

Where a restoration obligation exists, the Consolidated Entity estimates the future removal costs of production facilities, wells and pipelines at the time of installation of the assets. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, future removal techniques in determining the removal cost and asset. For more detail regarding this policy in respect of the provision for restoration refer to Note 1(i).

NOTE 2 SEGMENT REPORTING

For management purposes, the Company is organised into one main operating segment, which involves oil and gas exploration, development and production in the USA. All the Consolidated Entity's activities are interrelated, and discrete financial information is reported to the Directors as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Consolidated Entity as a whole.

The Consolidated Entity derives its revenue primarily from the sale of oil and gas produced in the USA. During the years ended 31 December 2018 and 31 December 2017 external sales of oil and gas were made to customers solely located in the USA.

	Consolidated	
	31 December 2018 $	**31 December 2017 $**
Analysis of revenue – Continued operations:		
Oil	49,187	326,861
Gas	1,062	18,648
	50,249	**345,509**

NOTE 2 SEGMENT REPORTING (CONT.)

	Consolidated 31 December 2018	Consolidated 31 December 2017
Geographical split of non-current assets:		
USA	51,006	295,916
Australia	3,078	-
	54,084	**295,916**

NOTE 3 REVENUE & INCOME

	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Revenue		
Sale of product	50,249	345,509
	50,249	345,509

NOTE 4 EXPENSES AND LOSSES

	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Expenses		
(a) Cost of sales:		
Other production costs	422,851	486,834
Total cost of goods sold	422,851	486,834
(b) Other expenses:		
General expenses	514,973	953,138
Depreciation	2,954	-
Administration expenses	-	829,797
Legal expenses	65,918	434,996
Business development expenses	52,043	-
	635,888	2,217,931
(c) Employment expenses:		
Wages and salaries	131,296	-
Superannuation	8,060	-
Total employment expenses	139,356	-

NOTE 5 INCOME TAX

The major components of income tax expense are	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Income Statement		
Current Income Tax		
Current income tax benefit	-	-
Prior year adjustment	-	-
Deferred Income Tax		
Relating to origination and reversal of timing differences	-	-
	-	-
Income tax benefit is attributable to:		
Loss from continuing operations	-	-
Profit from discontinued operations	-	-
	-	-

NOTE 5 INCOME TAX (CONT.)

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable income tax rate is as follows:

Accounting profit/(loss) before income tax	46,697,294	(2,373,407)
At Group's statutory income tax rate of 27.5% (2017: 28%)	12,841,756	(664,554)
Adjustments in respect of current year income tax:		
- Non deductible expense / assessable income	(13,243,602)	*
- Other	-	*
- Deferred tax asset not brought to account	401,846	664,554
- Prior year adjustments	-	*
Income tax benefit	-	-

* The Company was under external administration from 28 April 2016, consequently the Company does not have sufficient information to allow for the level of disclosure required for the comparative year ended 31 December 2017.

Unrecognised deferred tax assets	**31 December 2018 $**	**31 December 2017 $**
The following deferred tax assets have not been brought to account as follows:		
Tax losses - revenue (Australian)	402,929	664,554
Temporary difference – oil and gas assets	-	*
Temporary differences – financial assets	-	*
Temporary differences – provisions	-	*
	402,929	*

The deferred tax assets will only be obtained if:

i) Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
ii) The conditions for deductibility imposed by tax legislation continue to be complied with; and
iii) No changes in tax legislation adversely affect the consolidated entity in realising the benefit.

* The Company was under external administration from 28 April 2016, consequently the Company does not have sufficient information to allow for the level of disclosure required for the comparative year ended 31 December 2017.

Big Star Energy Limited does not have any franking credits at 31 December 2018 (2017: NIL).

NOTE 6 PROFIT/(LOSS) PER SHARE

Basic profit/(loss) per share amounts are calculated by dividing net profit or loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted profit/(loss) per share amounts are calculated by dividing the net profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares

	Consolidated	
The following reflects the income and share data used in the basic and diluted earnings per share computations:	**31 December 2018 $**	**31 December 2017 $**
Net profit/(loss) attributable to ordinary equity holders of the parent (used in calculating basic and diluted profit/(loss) per share)	46,697,294	(2,373,407)
Weighted average number of ordinary shares outstanding during the year used in calculating basic and dilutive EPS	240,035,632	240,000,000

In order for convertible notes to be considered dilutive, they are required to be dilutive to the continuing operations of the Consolidated Entity. There were 71,250,000 contingently issuable and anti-dilutive potential shares outstanding at 31 December 2017 that have not been included in the calculation of diluted earnings per share. Convertible Notes were compromised by the DOCA and extinguished against the Company (and transferred to the Antares Creditors Trust).

NOTE 7 CASH AND CASH EQUIVALENTS	**Consolidated 31 December 2018 $**	**31 December 2017 $**
Cash at bank and on hand	510,308	254,183

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

NOTE 7 CASH AND CASH EQUIVALENTS (CONT.)

	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Reconciliation of net profit/(loss) after tax to net operating cash flows		
Net profit/(loss) for the year	46,697,294	(2,373,407)
Non-cash Items and other adjustments:		
Profit from discontinued operations	(48,158,553)	
Impairment of oil & gas properties	316,616	86,113
Foreign exchange translation	-	63,539
DOCA settlement	(510,729)	-
Change in operating assets and liabilities:		
(Increase)/Decrease in receivables and prepayments	(18,326)	1,163
Increase in creditors and payables	(60,950)	312,187
Increase/(Decrease) in provisions	123,111	(286,637)
Net cash (outflows) from operating activities	(1,611,537)	(2,197,042)

NOTE 8 TRADE AND OTHER RECEIVABLES

	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Current		
Other receivables (i)	18,326	-
	18,326	-

(i) Other receivables include BAS refunds.

NOTE 9 OTHER ASSETS

	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Current		
Prepayment	17,873	-
Non Current		
Bonds (i)	35,421	-
	53,294	-

(i) Refundable deposits on completion of well abandonment at operated oil and gas properties.

NOTE 10 OIL AND GAS PROPERTIES

	Consolidated 31 December 2018 $	Consolidated 31 December 2017 $
Oil and gas properties		
- at cost	411,183	411,183
- accumulated amortisation & impairment	(335,875)	(86,113)
- exchange difference translation	(24,302)	(29,154)
	51,006	295,916

Oil and gas properties are denominated in $US dollars

Reconciliation
Reconciliation of carrying amounts of oil and gas properties at the beginning and end of the current financial year:

	2018	2017
Balance at start of year	295,916	411,183
Additions	-	-
Impairment	(249,762)	(86,113)
Foreign exchange translation	4,852	(29,154)
Balance at end of year	51,006	295,916

NOTE 10 OIL AND GAS PROPERTIES (CONT.)

Oil and gas properties consist of the Big Star project. The value of the Group's interest in oil and gas properties is dependent upon the continuance of the Group's rights to tenure of the areas of interest, the results of future exploration and the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The directors have impaired the value of the oil and gas assets due to the expiry of exploration leases resulting in the oil and gas property value of $51,006 (US$36,000) at 31 December 2018.

NOTE 11 PROPERTY, PLANT & EQUIPMENT

	Consolidated	
	31 December 2018 $	31 December 2017 $
EQUIPMENT		
IT Equipment (i)	6,032	-
Accumulated Depreciation	(2,954)	
	3,078	-

(i) IT equipment purchased in June 2018.

NOTE 12 TRADE AND OTHER PAYABLES (CURRENT)

	Consolidated	
	31 December 2018 $	31 December 2017 $
Trade creditors and accruals	238,645	486,466
Creditors Claims under Administration	-	610,151
	238,645	1,096,617

Trade creditors are non-interest bearing and generally payable within 30 – 60 days.

NOTE 13 INTEREST-BEARING LOANS AND BORROWINGS

	Consolidated	
	31 December 2018 $	31 December 2017 $
Current		
Convertible notes	-	47,500,000
	-	47,500,000

Convertible Notes

As at 31 December 2017 there was a total of 23,750,000 notes on issue with a face value of $47,500,000.

As a result of the Company entering external administration on 28 April 2016, the Convertible Notes are immediately due and payable. At the date of effectuation of the DOCA on the 23 March 2018, Convertible Notes were compromised by the DOCA and extinguished against the Company (and transferred to the Antares Creditors Trust).

NOTE 14 PROVISIONS

	Consolidated	
	31 December 2018 $	31 December 2017 $
Non-Current		
Restoration	283,367	160,256
	283,367	160,256

The Restoration provisions are denominated in $US dollars (US$200,000) (31 December 2017 (US $125,000)

Reconciliation of the movements in the restoration provision		
Balance at start of year	160,256	449,143
Additions during the year	106,263	(286,637)
Foreign exchange movements	16,848	(2,250)
Balance at end of year	283,367	160,256

NOTE 14 PROVISIONS (Continued)

The restoration obligations are expected to be incurred over a period from 1 to 15 years.

The Company has recognised a provision for restoration related to the estimated cost of restoration work required at the end of the useful life of the producing fields, including removal of facilities and equipment required or intended to be removed.

These provisions have been created based on the Company's estimate. These estimates are reviewed regularly to take into account any material changes to the assumptions. However actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of the decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil prices, which are inherently uncertain. These estimates of restoration are subject to significant estimates and assumptions which are outlined in Note 1(o).

NOTE 15 CONTRIBUTED EQUITY

	31 December 2018 $	31 December 2017 $
Issued and paid up capital:		
Fully paid ordinary shares	1,882,418	84,436,358

	12 months to 31 December 2018		12 months to 31 December 2017	
	No. of shares	$	No. of shares	$
Movement in ordinary shares on issue:				
At 1 January 2018	**240,000,000**	**84,436,358**	**240,000,000**	**84,436,358**
Consolidation (1:15) (i)	(223,999,983)	-	-	-
Issue of shares (First Placement) (ii)	150,000,000	375,000	-	-
Issue of shares (Capital raising) (iii)	165,000,000	1,650,000	-	-
Less: Capital raising costs	-	(142,582)	-	-
Write back of accumulated losses*	-	(84,436,358)	-	-
At 31 December 2018	**331,000,017**	**1,882,418**	**240,000,000**	**84,436,358**

(i) On 29 January 2018 the existing capital of the Company was consolidated on a fifteen (15) to one (1) basis

(ii) 150,000,000 First placement shares were issued to Syndicate members on the 9 April 2018 at an issue price of $0.0025 cents per placement share.

(iii) 165,000,000 New shares were issued pursuant to the Public offer on 23 May 2018 at an issue price of $0.01 cents per share.

* The directors of the Company elected to apply relief under section 258F of the Corporations Act 2001, as the Paid Up Share Capital is considered cost or is not represented by available assets.

Capital management

The capital management note below reflects the capital management policies that were adopted by the directors of the Company who were in office prior to the Company entering into administration. These policies applied until the Company entered Voluntary Administration on 28 April 2016. On entering administration, the Administrators were responsible for the capital management of the Company.

The current Directors had no involvement, until their appointment on 23 March 2018, in adopting, implementing or complying with these capital management policies. These policies may or may not have been in place during the financial period.

When managing capital, the Board's objective is to ensure the Consolidated Entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management monitor capital by reviewing the level of cash on hand, future revenue streams from oil and gas reserves and assessing the impact of possible future commitments. At the date of effectuation of the DOCA on the 23 March 2018, Convertible Notes were compromised by the DOCA and extinguished against the Company (and transferred across to the Antares Creditors Trust).

	Consolidated	
	31 December 2018 $	31 December 2017 $
Total borrowings	-	47,500,000
Less cash and cash equivalents	(510,308)	(254,183)
Net debt (minimum balance is nil)	(510,308)	47,245,817
Total shareholders' funds	114,000	(48,206,774)
Total capital and debt	(396,308)	(960,957)

NOTE 16 RESERVES

	Consolidated	
	31 December 2018 $	31 December 2017 $
Option reserve (i)	1,875	5,883,438
Convertible Note reserve	-	3,921,020
FX Translation reserve	65,020	22,671,063
	66,895	32,475,521

(i) 75,000,000 options were issued to Syndicate members and their nominees on the 9 April 2018 at an issue price of $0.0025 cents per option.

Nature and purpose of reserves:

Option reserve

The option reserve is used to record the value of share based payments and other options purchased by/provided to Key Management Personnel, as part of their remuneration. There were 75,000,000 options issued in 2018 (2017: NIL).

Convertible Note reserve

The convertible note reserve is used to record the equity portion of convertible notes issued by the Company.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the conversion of the financial statement of foreign subsidiaries.

	Consolidated			
	Number	31 December 2018 $	Number	31 December 2017 $
Movement in Option reserve				
Beginning of the year		5,883,438	-	5,883,438
Issue of options		1,875	75,000,000	-
Write back of accumulated losses		(5,883,438)	-	-
End of the year		1,875	75,000,000	5,883,438

	Consolidated			
	Number	31 December 2018 $	Number	31 December 2017 $
Movement in Convertible Note reserve				
Beginning of the year	23,750,000	3,921,020	23,750,000	3,921,020
Issue of convertible notes	-	-	-	-
Write back of accumulated losses	(23,750,000)	(3,921,020)	-	-
End of the year	-	-	23,750,000	3,921,020
Movement in FX Translation reserve				
Beginning of the year		22,671,063		23,055,776
Translation of foreign currency		65,020		(384,713)
Write back of accumulated losses		(22,671,063)		-
End of the year		65,020		22,671,063

NOTE 17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk note below reflects the financial risk management and policies that were adopted by the directors of the Company who were in office prior to the Company entering into administration. These policies applied until the Company entered Voluntary Administration on 28 April 2016. On entering administration, the Administrators were responsible for the financial risk management of the Company.

The current directors had no involvement (until their appointment on 23 March 2018) in adopting, implementing or complying with these financial risk management and policies. These policies may or may not have been in place during the financial period.

NOTE 17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

Overview

The Company and the Consolidated Entity have exposure to the following risks from their use of financial instruments:

a) market risk;
b) liquidity risk; and
c) credit risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is responsible for developing and monitoring risk management policies.

The Consolidate Entity's principal financial instruments comprise cash at bank.

The main purpose of these financial instruments is to provide working capital for the Consolidated Entity's operations.

The Consolidated Entity's has various other financial instruments such as trade creditors, which arise directly from its operations.

Throughout the period under review, the Consolidated Entity's policy is that no trading in financial instruments shall be undertaken.

The main risks arising from the Consolidated Entity's financial instruments are market risk (which includes interest rate risk, foreign currency risk and commodity risk), liquidity risk and credit risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below:

(a) Market risk

Equity price risk

As at 31 December 2018 there is no material equity risk for the Company.

Interest rate risk

At balance date the Consolidated Entity's exposure to market risk for changes in interest rates relates primarily to the Company's cash at bank. As at 31 December 2018 there is no material interest rate risk for the Company.

Foreign currency risk

As a result of oil and gas exploration, development and production operations in the USA being denominated in USD, the Consolidated Entity's Statement of Financial Position can be affected significantly by movements in the USD/AUD exchange rates. The Company does not hedge this translational risk exposure.

The Consolidated Entity manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in United States Dollars, to meet current operational commitments.

At 31 December 2018 the Consolidated Entity had no forward foreign exchange contracts in place.

Commodity price risk

The Consolidated Entity is exposed to commodity price fluctuations through the sale of petroleum products denominated in US dollars – specifically the natural gas, condensate and oil prices in the USA.

The Board manages the potential risk by monitoring and stress testing the Consolidated Entity's forecast financial position to sustained periods of low and high commodity prices. During the year to 31 December 2018 and 31 December 2017 no forward contracts were entered into and there were no open positions at 31 December 2018 or 31 December 2017.

(b) Liquidity risk

The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility through the use of its cash and funding alternatives.

The Consolidated Entity manages liquidity risk by maintaining adequate funds through the monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of the settlement of financial assets and liabilities.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of any netting agreements.

	Consolidated	
	31 December 2018 $	**31 December 2017 $**
0 – 6 months	(238,645)	(48,596,617)
6 – 12 months	-	-
1 – 5 years	-	-
	(238,645)	(48,596,617)

NOTE 17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

(b) Liquidity risk (cont.)

As a result of the Company entering external administration on 28 April 2016, the Convertible Notes are immediately due and payable. At the date of effectuation of the DOCA on the 23 March 2018, Convertible Notes were compromised by the DOCA and extinguished against the Company (and transferred across to the Antares Creditors Trust).

The following table discloses the contractual maturity analysis of financial assets and liabilities as at the end of the financial year:

Consolidated as at 31 December 2018	≤ 6 months $	6 – 12 months $	1 – 5 years $	> 5 years $	Total $
Financial Assets					
Cash and cash equivalents	510,308	-	-	-	510,308
Trade and other receivables	18,326	-	-	-	18,326
	528,634	-	-	-	528,634
Financial Liabilities					
Payables	(238,645)	-	-	-	(238,645)
Convertible notes	-	-		-	-
	(238,645)	-	-	-	(238,645)
Net (outflow)	289,989	-	-	-	289,989

Consolidated as at 31 December 2017	≤ 6 months $	6 – 12 months $	1 – 5 years $	> 5 years $	Total $
Financial Assets					
Cash and cash equivalents	254,183	-	-	-	254,183
Trade and other receivables	-	-	-	-	-
	254,183	-	-	-	254,183
Financial Liabilities					
Payables*	(1,096,617)	-	-	-	(1,096,617)
Convertible notes*	(47,500,000)	-		-	(47,500,000)
	(48,596,617)	-	-	-	(48,596,617)
Net (outflow)	(48,342,434)	-	-	-	(48,342,434)

* As a result of the Company entering external administration on 28 April 2016, the Convertible Notes are immediately due and payable. At the date of effectuation of the DOCA on the 23 March 2018, Convertible Notes were compromised by the DOCA and extinguished against the Company (and transferred across to the Antares Creditors Trust).

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity.

Credit risk arises from the financial assets of the Consolidated Entity, which comprise cash and cash equivalents, trade and other receivables. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Consolidated Entity's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained. Exposure at balance date is addressed in each applicable note.

The Consolidated Entity does not hold any credit derivatives to offset its credit exposure.

The Consolidated Entity trades only with recognised, creditworthy third parties and has adopted a policy of dealing with creditworthy counterparts and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

Specific concentration of credit risk exists primarily within cash and cash equivalents and trade receivables in respect of receivables due from joint venture operators for the Consolidated Entity's share of proceeds from the sale of oil and gas by the operator, as well as cash held by joint venture operations in advance of operations being performed.

(c) Credit risk (cont.)

As at 31 December 2018 the only trade receivables and other receivable are for GST receivable.

The consolidated entity does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowance for impairment losses, represents the consolidated entity's maximum exposure to credit risk.

(d) Fair Value

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described below as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

NOTE 17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

(d) Fair Value(cont.)

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Directors consider that the carrying amount of the financial assets and liabilities recorded in the financial statements approximate their fair values.

NOTE 18 COMMITMENTS FOR EXPENDITURE AND CONTINGENCIES

There are no commitments or contingent liabilities pertaining to the Consolidated Entity as at 31 December 2018.

NOTE 19 INTEREST IN JOINT OPERATIONS

(i) At 31 December 2018 the Consolidated Entity held the following interests in oil and gas production and exploration joint operations:

Joint Operations	**Working Interest**	
	31 Dec 2018	**31 Dec 2017**
Big Star – Simmons Prospect – Texas	72.0%	72.0%

(ii) Principal activities of joint operations

Petroleum exploration and production is the principal activity of all of the joint ventures that the Consolidated Entity is a participant in at 31 December 2018. All joint operations are located onshore Texas, USA.

NOTE 20 RELATED PARTY DISCLOSURES

(i) ULTIMATE PARENT
Big Star Energy Limited is the ultimate parent company.

(ii) CONSOLIDATED ENTITY
At year end the Consolidated Entity consisted of the subsidiaries listed in the following table:

	Country of Incorporation	Class of Share	Equity interest 31 December 2018	31 December 2017
Controlled entities of Big Star Energy Limited:				
Santa Energy Pty Ltd	Australia	Ord Shares	100%	100%
Controlled entities of Santa Energy Pty Ltd:				
Antares Energy Company	USA	Common Stock	100%	100%

There are no restrictions on access to assets and liabilities of the subsidiaries

NOTE 21 EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events after balance date.

NOTE 22 AUDITOR'S REMUNERATION

The auditor of Big Star Energy Limited is Stantons International.

	Consolidated	
	31 December 2018 $	**31 December 2017 $**
Amounts received or due and receivable in relation to the entity or any other entity in the Consolidated Entity:		
- an audit or review of the financial report		
Current Year	18,000	7,500
Prior Years (2017 & prior)*	-	22,500
- tax and compliance services	-	-
	18,000	30,000

*' Stanton's international Audit and Consulting Pty Ltd are the Company's current auditors and have provided non-audit services for $9,000. In 2017, non-audit services of $8,000 were provided by Stanton's associated entity – Stantons International Securities.

NOTE 23 DIRECTOR AND EXECUTIVE DISCLOSURES

(a) Details of Key Management Personnel

Name

Ross Warner	Executive Director & Chairman – Appointed 23 March 2018
Joanne Kendrick	Managing Director – Appointed 23 March 2018
Michael Pollak	Non Executive Director – Appointed 23 March 2018

The above named directors were formally appointed as directors of the Company under the terms of DOCA on 23 March 2018, being the date the DOCA effectuated.

James Andrew Cruickshank	Chairman & Managing Director – Resigned 27 April 2016*
Gregory David Shoemaker	Director & Chief Scientist – Resigned 28 April 2016*
Vicky Ann McAppion	Director & Finance & Administration Manager – Resigned 28 April 2016*
Mark Gerard Clohessy	Non Executive Director – Resigned 28 April 2016*

* These directors formally ceased to be directors of the Company under the terms of DOCA on 23 March 2018, being the date the DOCA effectuated.

(b) Remuneration of Key Management Personnel

(i) Compensation by Category: Key Management Personnel

	Consolidated	
	2018 $	2017 $
Short-Term	131,296	-
Post Employment	8,060	-
Long-Term	-	-
Share-based Payments	-	-
	139,356	-

(ii) Loans to Key Management Personnel

During the year ended 31 December 2018 and the year ended 31 December 2017 there were no loans provided to Key Management Personnel.

(iii) Other transactions and balances with Key Management Personnel

During the year ended 31 December 2018 there was a repayment of a syndicate loan $21,857 (2017:$Nil) to United Equity Partners Pty Ltd ATF Polycorp Family Trust, an entity associated with Michael Pollak. There were no transactions with Key Management Personnel other than those described above. At 31 December 2018 and 31 December 2017 there were no balances outstanding in relation to Key Management Personnel other than those described above and in the Remuneration Report.

NOTE 24 PARENT ENTITY INFORMATION

The following information relates to the parent entity, Big Star Energy Limited at 31 December 2018. The information presented here has been prepared using accounting policies consistent with those presented in note 1.

	31 December 2018 $	31 December 2017 $
Current assets	447,278	81,816
Non-current assets	3,078	-
Total assets	450,356	81,816
Current liabilities	99,230	(48,496,617)
Non-current liabilities	-	-
Total liabilities	99,230	(48,496,617)
Net assets	**351,126**	**(48,414,801)**
Contributed equity	1,882,418	84,436,358
Reserves	1,875	10,650,184
Accumulated losses	(1,533,167)	(143,501,343)
Total equity	**351,126**	**(48,414,801)**
(Loss) for the year	(958,647)	(232,000)
Write back of accumulated losses	141,968,177	-
Total comprehensive profit/(loss) for the year	**141,968,177**	**(232,000)**

NOTE 24 PARENT ENTITY INFORMATION (CONT.)

Guarantees entered into by the parent entity in relation to debts of its subsidiaries
There are no commitments or contingencies other than those disclosed in this report.
There are no guarantees.

NOTE 25 DISCONTINUED OPERATIONS

(a) Details of operations disposed

On 28 April 2016 the Company was placed into voluntary administration and the Company operations were suspended under the Administrators. The Administrators sought expressions of interest from third parties in either acquiring the assets of the Company or reconstructing and recapitalising the Company.

The Company's creditors subsequently agreed with a proposal presented by a syndicate headed by Pager Partners for the restructure and recapitalisation of the Company at a creditors meeting on 2 December 2016. This proposal was approved by Shareholders of the Company on 23 January 2018 and the DOCA was successfully effectuated on 23 March 2018.

The syndicate headed by Pager Partners loaned $500,000 to the Deed Administrator (on behalf of the Company) for distribution under the DOCA to the Creditors Trust in return for secured and unsecured creditors releasing all claims against the Company and any charges over the Company. Certain unencumbered assets were retained by the Company including the Company's wholly owned subsidiary Antares Energy Company (which owns the Big Star Project in the Permian Basin in Dawson Country, Texas, USA).

The syndicate loaned the Company the requisite funds to pay for the costs of settling the DOCA, drafting of the DOCA, Creditors Trust Deed, Shareholder's Meetings and Shareholder Notices, Prospectus, Independent Experts Report and preparing historical audited accounts.

The termination of the DOCA is treated as the discontinuation of operations.

(b) Financial performance of operations disposed

	31 December 2018 $
Carrying value of Net Liabilities	(48,666,553)
Payment to Creditors Trust	500,000
Payment for expenses	8,000
Net gain on disposal of operations	**(48,158,553)**

(c) Assets and liabilities of discontinued operations

	31 December 2018 $
Cash and cash equivalents	69,407
Trade and other payables	(1,235,960)
Other Liabilities	(47,500,000)
Net liabilities attributable to discontinued operations	**(48,666,553)**

(d) Cash flows used in discontinued operations

	31 December 2018 $	31 December 2017 $
Net cash used in operating activities	(69,407)	-
Net cash from investing activities	-	-
Net cash used in financing activities	-	-
Net cash outflows for the year	**(69,407)**	**-**

BIG STAR ENERGY LIMITED

ABN 75 009 230 835

DIRECTORS' DECLARATION

In accordance with a resolution of Directors of Big Star Energy Limited (formerly Antares Energy Limited), the Directors' declare that:

(a) As disclosed in Note 1 to the Consolidated financial statements, although the Directors have prepared the Consolidated financial statements and Notes of Big Star Energy Limited (formerly Antares Energy Limited) to the best of their knowledge based on the information available to them, they are of the opinion that it is not possible to state that the Consolidated financial statements and Notes of Big Star Energy Limited, and the remuneration disclosures contained in the Remuneration Report for the year ended 31 December 2018 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position as at 31 December 2018 and the performance for the year ended on that date of the consolidated entity; and

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

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1(a); and

(c) As a result of the effectuation of the DOCA on 23 March 2018 and subsequent recapitalisation of the Company and as noted in note 1(a), as at the date of this Report, the Directors have reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Ross Warner
Chairman
29 March 2019

Stantons International Audit and Consulting Pty Ltd
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QUALIFIED INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BIG STAR ENERGY LIMITED (FORMERLY ANTARES ENERGY LIMITED)

Report on the Audit of the Financial Report

Disclaimer of Opinion

We were engaged to audit the financial report of Big Star Energy Limited (formerly Antares Energy Limited), the Company and its subsidiaries, ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

Because of the significance of the matters described in the Basis of Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an Audit Opinion on the financial report. Accordingly, we do not express an opinion on the financial report for the year ended 31 December 2018.

Basis for Disclaimer of Opinion

The company was placed into voluntary administration on 28 April 2016 and the Deed of Company Arrangement was effectuated on 23 March 2018. Consequently the collation of the financial information relating to the period under audit was not subject to the same accounting and internal controls processes, which includes the implementation and maintenance of internal controls that are relevant to the preparation and fair presentation of the financial report. Whilst the books and records of the company have been reconstructed to the maximum extent possible, we were unable to satisfy ourselves as to the completeness of the general ledger and financial records as well as the relevant disclosures in the financial report.

As stated in Note 1(b), the directors are unable to state that the financial report is in accordance with all the requirements of the Corporations Act 2001 and the Australian Accounting Standards.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1(a) of the financial report, which describes the effects of the financial report being prepared on a going concern basis. As at 31 December 2018, Big Star Energy Limited had working capital of $307,862 and had incurred a loss from continuing operations for the year of $1,461,259.

The ability of Big Star Energy Limited to continue as a going concern is subject to the successful recapitalisation of Big Star Energy Limited. In the event that the Board is not successful in recapitalising the Company and in raising further funds, Big Star Energy Limited may not be able to pay its debts as and when they become due and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report. Our conclusion is not modified in respect of this matter

Key Audit Matters

Except for the matter described in the Basis for Disclaimer of Opinion section, we have determined that there are no other key audit matters to communicate in our report.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The Directors 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of Directors for the Financial Report

The directors 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 note 1 (b), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that, where possible, the financial statements have been reconstructed to comply with International Financial Reporting Standards, though financial records are incomplete. Accordingly, the directors disclaim any responsibility for the completeness of the Financial Statements, and do not provide any statement to such effect in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Disclaimer of opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 7 of the directors’ report for the year ended 31 December 2018.

Because of the existence of the limitation on scope of our work, as described in the Basis of Disclaimer of Auditor’s Opinion, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, an opinion on the remuneration report of Big Star Energy Limited for the year ended 31 December 2018 and whether it complies with Section 300A of the Corporations Act 2001.

Responsibilities

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

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

Stantons International
Samir

Samir Tirodkar
Director

West Perth, Western Australia
29 March 2019

SHAREHOLDER INFORMATION
AS AT 13 MARCH 2019
(POST CONSOLIDATION)

Ordinary Shares

(a) Twenty Largest Shareholders

Position	Holder Name	Holding	% IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,662,128	8.66%
2	UNITED EQUITY PARTNERS PTY LTD	26,000,000	7.86%
3	ELLIOT HOLDINGS PTY LTD	20,000,000	6.04%
3	OCEANVIEW SUPER FUND PTY LTD	20,000,000	6.04%
4	MRS MICHELLE LINLEY HILBRANDS	15,000,000	4.53%
4	MR ROSS WARNER	15,000,000	4.53%
4	MS JOANNE KENDRICK	15,000,000	4.53%
5	MR MARK JOHN BAHEN & MRS MARGARET PATRICIA BAHEN	10,000,000	3.02%
6	OCEAN VIEW WA PTY LTD	6,600,000	1.99%
7	RAVENHILL INVESTMENTS PTY LTD	5,000,000	1.51%
7	PAGER PARTNERS CORPORATE ADVISORY PTY LTD	5,000,000	1.51%
7	TISIA NOMINEES PTY LTD	5,000,000	1.51%
7	MR STEPHEN JOHN DOBSON	5,000,000	1.51%
7	TROCA ENTERPRISES PTY LTD	5,000,000	1.51%
7	SYMORGH INVESTMENTS PTY LTD	5,000,000	1.51%
7	FARR Q PTY LTD	5,000,000	1.51%
7	NINETY THREE PTY LTD	5,000,000	1.51%
7	HAMMERHEAD HOLDINGS PTY LTD	5,000,000	1.51%
8	MR HUGH DAVID WARNER & MRS DIANE MICHELLE WARNER	4,500,000	1.36%
9	BURLEY WA PTY LTD	4,050,000	1.22%
10	MR CAMERON JAMES GILENKO	3,350,000	1.01%
11	SHELCO HOLDINGS PTY LTD	2,777,778	0.84%
12	MR GLEN ROBERT GURNEY & MRS DERYN ANN GURNEY	2,700,000	0.82%
13	SHELCO HOLDINGS PTY LTD	2,600,000	0.79%
14	MR DUNCAN HUYSHE GREAVES	2,500,000	0.76%
14	MR BRETT MITCHELL & MRS MICHELLE MITCHELL	2,500,000	0.76%

14	MR WILLIAM MURRAY MITCHELL & MRS DIANE JOAN MITCHELL	2,500,000	0.76%
15	PIPPIN DRYSDALE PTY LTD	2,483,775	0.75%
16	MR IAN WATSON & MRS CATHERINE JANE WATSON	2,149,188	0.65%
17	TALEX INVESTMENTS PTY LTD	2,000,000	0.60%
17	LOKTOR HOLDINGS PTY LTD	2,000,000	0.60%
18	HOLLOWAY COVE PTY LTD	1,990,800	0.60%
19	BENITO TOSCANA PTY LTD	1,800,000	0.54%
20	MR THOMAS ALEXANDER BIRD	1,500,000	0.45%
20	MR JAMES TIMOTHY BAHEN	1,500,000	0.45%
	Total	**244,163,669**	**73.77%**
	TOTAL ON REGISTER	**331,000,017**	**100.00%**

(b) Distribution of Shareholdings

Spread of Holdings	Holders	Securities	% of Issued Capital
NIL holding	0	0	0.00%
1 - 1,000	140	40,303	0.01%
1,001 - 5,000	53	118,859	0.04%
5,001 - 10,000	8	52,284	0.02%
10,001 - 100,000	113	6,818,667	2.06%
100,001 - 9,999,999	257	323,969,904	97.88%
TOTAL ON REGISTER	**571**	**331,000,017**	**100%**

(c) Substantial Shareholders	**Number of Shares**	**% of Issued Shares**
HSBC Custody Nominees Aust Ltd	28,662,128	8.66%
United Equity Partners Pty Ltd	26,000,000	7.86%
Elliot Holdings Pty Ltd	20,000,000	6.04%
Oceanview Super Fund	20,000,000	6.04%

(d) Unmarketable Parcels

There were 278 members holding less than a marketable parcel of shares in the Company.

(e) Voting Rights

Voting rights of members are governed by the Company's Constitution. In summary, on a show of hands, every member present in person or by proxy shall have one vote and in the event of a poll every such member shall be entitled to one vote for each ordinary fully paid share held.

(f) Exchanges

Big Star Energy Limited is listed on the Australian Securities Exchange. Ordinary shares are listed under the **BNL** code.

LIST OF INTERESTS - AS AT 13 MARCH 2019

Texas, USA

Big Star Project

Well Name	Area	Operator	Working Interest	Net Revenue Interest*
Cline 46-1	Dawson County, TX	Antares	100%	0%
Esmond 20-1	Dawson County, TX	Antares	100%	75%
Simmons 27-2	Dawson County, TX	Callon Petroleum	72%	54%
Stuart 12-1	Dawson County, TX	Antares	100%	0%
*NRI noted as 0% where mineral lease has expired and interest in the wellbore remains.				

Hawkville Overriding Royalty Interests

Well Name	Area	Royalty Interest
Donnell 457 1&2	McMullen, TX	0.125%
Donnell C-1H	McMullen, TX	0.99345%
Donnell C-2H	McMullen, TX	0.99345%
Donnell-Mulholland Unit 1&2	McMullen, TX	0.059553%