Barton Gold

Barton Gold Holdings Limited

ACN 633 442 618

Annual Report
for the year ended 30 June 2021

Barton Gold Holdings Limited
Annual Report - 30 June 2021

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Board of Directors

Mark Connelly	Independent Non-Executive Chair
Alexander Scanlon	Managing Director & Chief Executive Officer
Christian Paech	Independent Non-Executive Director
Richard Crookes	Independent Non-Executive Director
Neil Rose	Non-Executive Director
Graham Arvidson	Independent Non-Executive Director

Company Secretary

Shannon Coates

Registered & Principal Office

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West Perth WA 6005
Email: contact@bartongold.com.au
Website: www.bartongold.com.au

Auditors

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Subiaco, WA 6008

Share Registry

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Sydney NSW 2000
GPO Box 5193
Sydney NSW 2001
Website: www.automicgroup.com.au

Home Exchange

Australian Securities Exchange Ltd
Level 40
152-158 St Georges Terrace
Perth WA 6000
ASX Code: **BGD**

Dear Investor

On behalf of the board of Barton Gold Holdings Limited (Barton or the Company), I am delighted to report to you in this year's Annual Report, our first as a publicly listed company.

2021 has been a very busy year, and one of significant progress which laid the foundations for Barton's IPO and listing on the Australian Securities Exchange (ASX) on 28 June 2021. Having established this new foundation and completed an IPO to raise $15 million, Barton is very well positioned to execute its large-scale exploration strategy across Tarcoola and Tunkillia.[1]

The Company has invested in modern and innovative approaches to two historically underexplored assets, with early results indicating new exploration upside potential. Following the completion of high-resolution aeromagnetic surveys completed at the Tarcoola Project during March 2020, Barton identified multiple new priority targets for potential structural repeats of the high-grade mineralisation and deposit model encountered in the Perseverance Mine.[1]

During August 2020, Barton completed a 5,328m Tarcoola Phase 1 drilling program testing priority targets adjacent to the Perseverance Mine. This drilling intercepted southern and down dip extensions of gold mineralisation, and discovered the new Perseverance West gold zone adjacent to the mine.[1]

Barton also commissioned international seismic services company HiSeis to undertake a high-definition reprocessing of regional seismic data collected near the Tarcoola Project. During August 2020, Barton identified new regional structural model with several faults and shears across ~14km of the Project, which are analogous to the structure controlling the Perseverance Mine. [1]

This work has provided the foundation for the exploration program which the company will undertake going forward.

At Tunkillia, the Company commissioned a comprehensive analysis and remodelling of the 223 Deposit which identified several deficiencies in prior historical modeling and interpreted multiple high-grade (+5 g/t Au) zones of mineralisation bounded by mafic dykes.[1] These results have been integrated into the Company's regional modeling and will inform future satellite target ranking and investigation.

Finally, in October and November 2020 the Company updated the JORC Mineral Resource Estimates for its wholly owned projects, delivering a total attributable JORC (2012) Mineral Resource Estimate of 1.1Moz Au (28.74Mt @ 1.2 g/t Au), including 965koz Au (26.1Mt @ 1.15 g/t Au) at Tunkillia.[1]

The Company has also continued to benefit throughout the year from its stakeholder engagement, executing multiple Native Title Mining Agreements (NTMAs) for exploration at the Tarcoola and Tunkillia Projects. The Company was also notified during May 2021 that it was awarded an exploration grant for up to $300,000 co-funding of approved works at the Tarcoola Project under Round 2 of the South Australian Government's Accelerated Discovery Initiative (ADI).

We are excited to test the targets we have generated for the past 24 months, and we are excited for the upcoming 12 months as we systematically pursue the large-scale discovery potential of the Company's asset package.

On behalf of the Board, I would like to extend my thanks to our shareholders for their support and I look forward to reporting to you as we move forward.

Yours faithfully,

Mark Connelly

Non-Executive Chairman

[1] Refer to Barton Gold Holdings Limited Prospectus dated 14 May 2020.

Directors' Report

Your Directors present their report on the Consolidated Entity comprising Barton Gold Holdings Limited (the **Company** or **Barton**) and its controlled entities (the **Group**) for the financial year 1 July 2020 to 30 June 2021.

Directors

The following persons held office as Directors of Barton Gold Holdings Limited from the start of the financial year to the date of this report, unless otherwise stated.

Name	Title	Appointment
Mark Connelly	Non-Executive Chair	12 February 2021
Alexander Scanlon	Managing Director & Chief Executive Officer	14 May 2019
Christian Paech	Non-Executive Director	12 February 2021
Richard Crookes	Non-Executive Director	12 February 2021
Neil Rose	Non-Executive Director	14 May 2019
Graham Arvidson	Non-Executive Director	12 February 2021

Company Secretary

Ms Shannon Coates was appointed as Company Secretary on 7 January 2021. Mr Allister Blyth was appointed Company Secretary on 14 May 2019 and resigned 7 January 2021.

Information on Directors

Mark Connelly	Independent Non-Executive Chair
Qualifications	BBus, ECU, MAICD, AIMM, Member of SME
Experience	Mr Connelly is a senior resources executive with over 30 years' experience and a particular focus in the gold sector, holding senior roles with Newmont Mining, Inmet Mining and as COO of Endeavour Mining. Mark was the Managing Director of ASX-listed Papillon Resources prior to its 2014 USD $570m merger with B2Gold. He was also the key proponent responsible for the 2011 USD $590m merger of Adamus Resources Limited and Endeavour Mining.
Relevant interest in Barton Shares, Convertible Notes and Options at the date of this report	100,000 fully paid ordinary shares [1] 750,000 unlisted options, exercisable at $0.375 per share, expiry 15 March 2025 [1]
Special responsibilities	Member of Audit and Risk Committee
Directorships held in other ASX listed entities in the last three years	Non-executive Chair of Calidus Resources Limited (since February 2018), Chesser Resources Limited (since July 2020) and Oklo Resources Limited (since July 2019). Previously Non-executive Director of Tao Commodities Ltd (April 2018 to February 2021), Primero Group Limited (July 2018 to February 2021), West African Resources Ltd (September 2015 to May 2020), Ausdrill Limited (June 2012 to June 2018), Toro Gold plc (September 2013 to January 2018), Tiger Resources Ltd (December 2016 to June 2018) and Saracen Mineral Holdings Limited (May 2015 to November 2017).
Alexander Scanlon	**Managing Director & Chief Executive Officer**
Qualifications	BSc Finance (Hons) and BSc Economics (Hons), MS Financial Economics, MPhil Management
Experience	Mr Scanlon is a financial economist with over 15 years' experience in structured finance and mining advisory, investment and management including as founder or co-founder of multiple global resources projects. Previously Managing Director of PARQ Capital, a Director with Lusona Capital, Business Development Manager at Sirius Minerals PLC and an Executive in the Principal Investments Area at Barclays Capital.
Relevant interest in Barton Shares, Convertible Notes and Options at the date of this report	43,611,459 fully paid ordinary shares [1] 3,000,000 unlisted options, exercisable at $0.375 per share, expiry 15 March 2025 [1]
Directorships held in other ASX listed entities in the last three years	Nil

[1] Refer to Barton Gold Holdings Limited Prospectus dated 14 May 2021 for additional details.

Christian Paech	Independent Non-Executive Director
Qualifications	LLB (Hons), BCom (Accounting), GCLP, GAICD
Experience	Mr Paech is a highly regarded corporate advisor with over +25 years' experience in corporate law, M&A, litigation, risk, governance and major corporate transactions. He was most recently a member of the Senior Leadership Team at ASX-Listed Santos Limited where he was General Counsel from 2010 - 2019 and Company Secretary from 2017 - 2019. Based in Adelaide, Christian was a key advisor to the Santos Board on a wide range of transactions, joint ventures, Government policy and engagement, audit, litigation, risk management and ASX disclosure obligations.
Relevant interest in Barton Shares, Convertible Notes and Options at the date of this report	101,017 fully paid ordinary shares [1] 500,000 unlisted options, exercisable at $0.375 per share, expiry 15 March 2025 [1]
Special responsibilities	Chair of the Nomination and Remuneration Committee
Directorships held in other ASX listed entities in the last three years	Nil
Richard Crookes	**Independent Non-Executive Director**
Qualifications	BSc Geology, Dip App Finance, Fellow FINSIA, MAusIMM, MAICD
Experience	Mr Crookes is a geologist with +30 years' experience in global resources development, operations, and investment including as Chief Geologist and Mine Manager of Ernest Henry Mining (now Glencore), Executive Director of Macquarie's Metals Energy Capital (MEC) Division and founding Investment Committee member and Investment Director of EMR Capital focused on deal origination.
Interest in Barton Shares, Convertible Notes and Options at the date of this report	100,000 fully paid ordinary shares [1] 500,000 unlisted options, exercisable at $0.375 per share, expiry 15 March 2025 [1]
Special responsibilities	Chair of the Audit and Risk Committee
Directorships held in other ASX listed entities in the last three years	Non-executive Chairman of Highfield Resources Limited (since May 2013), Black Rock Mining Limited (since October 2017) and Lithium Power International Limited (since November 2018).
Neil Rose	**Non-Executive Director**
Qualifications	BCom Finance and Accounting, CA
Experience	Mr Rose is a chartered accountant with a diverse background in the commercial property and resource sectors being involved in project identification, financing and development.
Relevant interest in Barton Shares, Convertible Notes and Options at the date of this report	13,964,234 fully paid ordinary shares [1] 500,000 unlisted options, exercisable at $0.375 per share, expiry 15 March 2025 [1]
Special responsibilities	Member of Nomination and Remuneration Committee and Audit and Risk Committee
Directorships held in other ASX listed entities in the last three years	Nil

[1] Refer to Barton Gold Holdings Limited Prospectus dated 14 May 2021 for additional details.

Graham Arvidson	Independent Non-Executive Director
Qualifications	BSc (Mech Eng), MBA, MSc (Mineral Economics), MAusIMM CPMet, MIEAust CPEng, GAICD, PMI (PMP)
Experience	Mr Arvidson is a mechanical engineer with +15 years' resource industry experience in key leadership roles including project studies, design, construction, commissioning and management / operations. Graham is the GM Operations & Maintenance for Primero Group and his experience includes early project development through to building operational teams and optimising mineral processing operations across multiple commodity classes.
Interest in Barton Shares, Convertible Notes and Options at the date of this report	172,177 fully paid ordinary shares [1] 500,000 unlisted options, exercisable at $0.375 per share, expiry 15 March 2025 [1]
Special responsibilities	Member of Nomination and Remuneration Committee
Directorships held in other ASX listed entities in the last three years	Nil
Shannon Coates	**Company Secretary**
Qualifications	LLB, BA (Jur), GAICD, GIA
Experience	Ms Coates is a qualified lawyer and Chartered Secretary with over 20 years' experience in corporate law and compliance. Ms Coates is currently Managing Director of Evolution Corporate Services, a boutique corporate advisory firm providing company secretarial and corporate advisory support to boards and various committees across a variety of industries including resources, oil and gas, manufacturing and technology.

[1] Refer to Barton Gold Holdings Limited Prospectus dated 14 May 2021 for additional details.

Meeting of Directors

The numbers of meetings of the Company's Board of Directors and of each Board committee held during the financial year ended 30 June 2021, and the numbers of meetings attended by each Director were:

	Full meetings of Directors		Audit & Risk Committee		Nominations & Remuneration Committee	
	A	B	A	B	A	B
M Connelly[1]	7	7	1	1	1	-
A Scanlon[2]	9	9	1	-	-	-
G Arvidson[2]	7	7	1	-	1	1
R Crookes[1]	7	7	1	1	1	-
C Paech[2]	7	7	1	-	1	1
N Rose	9	9	1	1	1	1

A = Number of meetings attended.
B = Number of meetings held during the time the Director held office or was a member of the committee during the year.
[1] = Messrs Connelly and Crookes attended the Nomination and Remuneration Committee meeting by invitation.
[2] = Messrs Scanlon, Arvidson and Paech attended the Audit and Risk Committee meeting by invitation.

Principal Activities

During the year, the Group focussed on a series of exploration programs at its Challenger, Tarcoola and Tunkillia projects in South Australia and in late June 2021, the Company was admitted to the Official List of the Australian Securities Exchange.

Dividends

No dividends have been declared or paid during the financial year (period of incorporation 14 May 2019 to 30 June 2020: $nil).

Operating Results and Financial Position

Loss after income tax for the year ended 30 June 2021 is $7.733 million (period of incorporation 14 May 2019 to 30 June 2020, net loss after income tax $2.714 million).

Review of Operations

Exploration

In late August 2020, the Group completed its Phase 1 drilling programme at its Tarcoola project with a total of 37 drill holes completed over 24 days of active drilling. A total of 5,328 metres of drilling was completed at Perseverance Pit, targeting extensions in the Deliverance and Eclipse (S/SW of pit) and Morning Star zones (east). Additionally, two holes were completed to test the potential immediate depth extensions of the Perseverance Pit (Perseverance Deep).

Following this drill program, a new gold zone was identified at the Perseverance Pit, titled Perseverance West. Preliminary works indicate a combination of structural and lithological controls on the mineralisation similar to those evident in the main Perseverance Pit.

Additionally, the prospectivity of the Deliverance target was confirmed with multiple new high-grade intercepts.

In early November 2020, planning for Phase 2 of the Tarcoola drill programme commenced with the key objective to increase geological knowledge and upgrade the current JORC 2012 mineral resource estimate. In early November 2020, the unmined material in the pit floor and stockpile was estimated in accordance with JORC 2012.

At the Tunkillia project, geological reviews and preliminary mining engineering studies commenced in late August 2020. This work resulted in an upgrade to the JORC 2012 mineral resource estimate announced in late October 2020.

At the Challenger project, in early November 2020, the unmined and remnant mineralisation in the Challenger underground mine was converted to a JORC 2012 Inferred mineral resource estimate.

Corporate

On 20 July 2020, the Company raised $0.500 million through the exercising of a tranche payment from a subscription agreement by a sophisticated investor with the issue of 1,246,439 fully paid ordinary shares at $0.40 per share (post share consolidation).

On 10 August 2020, the Company issued 61,875 at an issue price of $0.48 shares to a third party for services associated with geophysics (post share consolidation).

On 10 September 2020, the Company raised a further $0.502 million through an equity raise with a sophisticated investor with the issue of 1,248,184 fully paid ordinary shares at $0.40 per share (post share consolidation).

On 1 December 2020, the Company raised $0.252 million through the exercising of a tranche payment from a subscription agreement by a sophisticated investor with the issue of 459,375 fully paid ordinary shares at $0.54 per share (post share consolidation).

On 18 December 2020, the Company raised $2.4 million through the issue of 24,350 convertible notes at a subscription price of $100 each, to private and institutional investors. The convertible notes automatically converted into fully paid ordinary shares on the initial public offering (IPO) of the Company's shares on the ASX.

Interest was payable on the convertible notes at a rate of:

a) 0% per annum from the issue date to 31 March 2021;
b) 5% per annum from 1 April 2021 to 31 July 2021; and
c) 10% per annum from 1 August 2021 to maturity date.

On the Company's admission to the Official List of the Australian Securities Exchange (ASX) on 25 June 2021. The convertible notes were extinguished by the issue of 12,298,804 fully paid ordinary shares.

As part of the Company's admission to the Official List of the ASX, the Company undertook an IPO and raised $15.0 million (before costs) by issuing 60.0 million fully paid ordinary shares at an issue price $0.25 per share (post share consolidation).

During March 2021. the Company completed a 2 for 1 share consolidation, as approved by shareholders at a General Meeting held on 15 March 2021.

COVID-19 Pandemic Response

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation. At the date of this report, the pandemic, together with the various Government measures so far introduced, have not significantly affected the Company itself, as outlined below.

The Company has implemented controls as necessary to protect the health and safety of its workforce and their families while ensuring a safe environment to allow activities to continue.

The Company's COVID-19 response protocols reinforce and operate concurrently with public health advice to include:

- social distancing protocols;
- suspension of large indoor gatherings;
- cancellation of all non-essential travel;
- flexible and remote working plans for employees;
- self-isolation following international travel, development of symptoms, or interaction with a confirmed case of COVID; and
- increased focus on cleaning and sanitation.

No adjustments have been made to the Group's result as at 30 June 2021 for the impacts of COVID-19. However, the scale and duration of possible future Government measures, and their impact on the Company's activities, necessarily remains uncertain.

Environmental Regulation

The Group's operations are subject to significant environmental regulation under both Commonwealth and relevant State legislation in relation to the discharge of hazardous waste and materials arising from any exploration or mining activities and development conducted by the Group on any of its tenements. Subject to ongoing rehabilitation, the Group believes it has complied with all environmental obligations.

Heritage and Community Relations

The Company recognises the importance of establishing relationships with the Traditional Owners that are based on trust and mutual advantage and are respectful of the needs and concerns of the communities located within the regions in which it operates. The Company has agreements in place with the Traditional Owners and is committed to building strong relationships by:

- Being open and transparent in its communications;
- Improving cross-cultural awareness through training and education;
- Developing community relations management procedures that include business alliances;
- Being sensitive to the values and heritage issues of the local communities; and
- Being a good neighbour.

Significant Changes in the State of Affairs

Other than noted above, in the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

Likely Developments and Expected Results from Operations

The Group will continue explore and develop its Challenger, Tarcoola and Tunkillia projects.

Audited Remuneration Report

This report sets out the remuneration arrangements in place for Directors and senior management of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations. For the purposes of the report, Key Management Personnel (**KMP**) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Company.

Key Management Personnel Covered in this Report

The names and positions of the KMP of the Company and the Group during the financial year were:

Mark Connelly	Independent Non-Executive Chair (appointed 12 February 2021)
Alexander Scanlon	Managing Director & Chief Executive Officer
Richard Crookes	Independent Non-Executive Director (appointed 12 February 2021)
Christian Paech	Independent Non-Executive Director (appointed 12 February 2021)
Neil Rose	Non-Executive Director
Graham Arvidson	Independent Non-Executive Director (appointed 12 February 2021)

Remuneration Governance

The Nomination and Remuneration Committee is a sub-committee of the Board. It is primarily responsible for making recommendations and assisting the Board to:

- ensure that it is of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- independently ensure that the Company adopts and complies with remuneration policies that attract, retain and motivate high calibre executives and Directors to encourage enhanced performance by the Company; and
- motivate Directors and management to pursue the long-term growth and success of the Company within an appropriate framework.

Use of Remuneration Consultants

During the year the Nomination and Remuneration Committee sought advice from independent remuneration specialist, The Reward Practice, on the following:

1. Undertaking a review of the Company's Remuneration Policy; and
2. Remuneration benchmarking and incentive structure review

Such consultants were engaged by and reported directly to the Nominations and Remuneration Committee and were required to confirm in writing, their independence from the Company's senior management and other executives. Consequently, the Board of Directors is satisfied that the advice was made free from undue influence from any member of the KMP.

The advice from The Reward Practice was provided directly to the Nomination and Remuneration Committee as an input to remuneration decision-making processes. This advice was considered along with other factors by the Committee in makings its remuneration decisions and recommendations to the Board of Directors. The fees paid to The Reward Practice for this market data and advice were $20,500.

Executive Remuneration Policy and Framework

Executive remuneration consists of Total Fixed Remuneration (TFR), comprising base salary and superannuation, short-term incentives (STI's), which may include performance based equity incentives and/or a cash bonus, and long-term incentives (LTI's), which may include options or other performance based equity incentives such as performance rights, granted at the discretion of the Board on the recommendation of the Nomination and Remuneration Committee and subject to obtaining relevant shareholder approvals.

Total remuneration packages are designed to achieve the following objectives:

- Attracting and retaining key executives at important stages in the Company's progress and development and to ensure that all executive remuneration is directly and transparently linked with strategy, risk management and performance;
- Aligning STI's and LTI's with achievement of the Company's short-term and long-term strategic objectives and longer-term shareholder return;
- Setting performance targets and rewarding performance for successful exploration, appraisal, development and operations in a way which is sustainable, including in respect of health and safety, environment and community-based objectives;
- Ensuring all equity-based instruments issued to executives are performance based in accordance with recommended ASX Corporate Governance Principles and Recommendations;
- Ensuring effective benchmarking of total remuneration for executives in accordance with market practices and against a comparable and clearly defined peer group to ensure remuneration is fair and competitive including TFR as well as STI's and LTI's;
- Rewarding the achievement of individual and group performance objectives thus promoting a balance of individual performance and teamwork across the executive management team;
- Preserving cash where necessary and appropriate for exploration and project development;
- Subject to shareholder approvals, ensuring the pool of Directors fees available to non-executive Directors is adequate to attract high calibre Directors and to improve board diversity and performance; and
- Promoting independence and impartial decision making by the non-executive Directors.

Total Fixed Remuneration

Executives are offered a competitive level of TFR at market rates (for comparable peer companies), which are reviewed annually to ensure market competitiveness.

Short-Term Incentives

Senior Executives will have an STI component included in their remuneration package representing a meaningful "at risk" short-term incentive payment. The payment will be "at risk" in that it will only be payable if a set of clearly defined and measurable performance metrics or Key Performance Indicators (KPIs) have been met in the applicable performance period. The KPIs may include a combination of Company KPIs and Individual KPIs. The Board must set KPIs that are based on metrics that are measurable, transparent, and achievable, designed to motivate and incentivise the recipient to achieve high performance, and are aligned with the Company's short term objectives and shareholder value creation.

The STI, if achieved, will be paid annually in either cash or equity (or combination thereof) depending on the eligible employee's employment contract. STI opportunities will vary from employee to employee depending on role and responsibility and will be set out in employee's employment contract. The STI opportunity for:

- the Managing Director will be up to 40% of TFR
- KMPs that report to the Managing Director will be up to 30% of TFR
- Other Senior Executives up to 20% of TFR

The above STI opportunity thresholds are subject to annual review of the Board of Directors. KPIs will be set annually as part of the Annual Business Planning Cycle and are targeted to be finalised no later than the 31 July of each financial year as follows:

- KPIs for the Company and Managing Director are set and approved by the Board;
- KPIs for Senior Executives are set by the Managing Director and approved by the Board

- KPIs will be reviewed by the Board and Executive Committee to ensure that hurdles are objectively measurable and aligned with Company strategy.
- KPI achievement may be subject to 'gate way' tests as itemised for a particular KPI (for example, irrespective of performance, a safety KPI will not be deemed achieved in the event that the Company experiences a fatality).

KPI Targets and Stretch Targets will generally be aligned with the Company's strategic plan and may include HSE metrics, financial metrics, delivery of projects and growth initiatives, sustainability initiatives and improvements to Company systems and processes. KPI Targets are not the same as Budget Targets. Philosophically, employees are paid their TFR for delivering budget performance and are paid "at risk" compensation for delivering better than budget performance. Stretch performance should be a level beyond this. Targets and Stretch Targets will be developed as part of the Annual Business Planning Cycle. The Board is responsible for the determination of whether the KPI Targets or Stretch Targets have been achieved and how much of the STI will be payable for each performance period. In making such determination it may obtain external expert advice.

Long-Term Incentives

Subject to Board discretion, the Company's philosophy is to include an appropriately sized "at risk" performance based long-term equity incentive (LTI) as a component of total remuneration. The LTI is "at risk" given that performance targets as set by the Board must be met prior to vesting. These targets must be based on metrics that are measurable, transparent, and achievable, designed to motivate and incentivise the recipient to achieve high performance, and are aligned with Company objectives and long-term shareholder value creation.

The value of LTI awards will vary depending on the particular executive role and responsibilities. The LTI opportunity for:

- the Managing Director will be up to 100% of TFR
- KMPs that report to the Managing Director will be up to 70% of TFR
- Other Senior Executives up to 40% of TFR

LTI will consist of the offer of equity incentives, such as Performance Rights or Options which will be subject to certain conditions as set out in the Offer Letter. Any Performance LTI will vest in accordance with conditions set out in the Offer Letter, which are approved by the Board in accordance with applicable plan rules. Performance Rights/options are generally determined after a measurement period or set by the Board of Directors and are subject to the Company's long-term performance relative to performance measures. The Board is responsible for the determination of whether and how much of the LTIs vest in accordance with the applicable plan's rules. In making such determination it may obtain external expert advice.

Participants in the LTI plan, including executive directors and other senior executives are prohibited (without approval from the Chair) from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

At the date of this report no LTI's have been awarded.

During the year ended 30 June 2021, other than the STI awarded to Mr Scanlon, the Company has no short or long-term performance related milestones and obligations on its KMP.

Company Performance

The following table shows the performance of the Group over the past two years based on several key indicators:

		Financial years ended 30 June	
		2021	2020
Basic and diluted loss per share	$	(4.126)	(1.488)
Net loss before tax	$'000	(7,730)	(2,714)
Closing share price [1]	$	$0.20	n/a
Closing market capitalisation [1]	$'000	$35,123	n/a

[1] The Company was admitted to the Official List of the Australian Securities Exchange on 25 June 2021.

Terms of Employment

Mr Scanlon's terms of employment as Managing Director and Chief Executive Officer have been formalised in a Senior Executive Employment Contract and contain the following material terms:

Name	Fixed Remuneration	Variable Remuneration	Notice Period
Alexander Scanlon	$320,000 pa inclusive of superannuation	STI - Up to 40% of Fixed Remuneration LTI – Up to 100% of Fixed Remuneration	Requires a period of 3 months-notice by Company and Employee.

Non-Executive Directors Remuneration Policy

The Company's policy is to remunerate Non-Executive Directors a fixed fee reflecting their time commitment and responsibilities.

Fees provided to Non-Executive Directors are inclusive of superannuation and salary sacrifice, if applicable.

Fees are reviewed annually by the Board's Nomination and Remuneration Committee considering comparable roles and market data, which may be sought from an independent remuneration adviser.

Non-Executive Directors fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $500,000 per rolling 12-month period and was approved by shareholders on 18 December 2020. The Board may apportion any amount up to this maximum amount amongst the Non-Executive Directors as it determines. Directors are also entitled to be paid reasonable travel, accommodation and other expenses incurred in performing their duties as Directors.

From time to time, the Company may grant options or other equity-based incentives to Non-Executive Directors, subject to obtaining the relevant shareholder approvals. The grant of options or other equity-based incentives is designed to attract and retain suitably qualified Non-Executive Directors. Options or other equity-based incentives issued to Non-Executive Directors will not have any performance hurdles in accordance with the ASX Corporate Governance Principles and Recommendations, recognising that this may lead to bias in their decision-making and compromise their objectivity.

Details of Remuneration

The following tables show details of the remuneration received by the Directors and KMP of the Group for the current and previous financial year. No remuneration was paid for the period from incorporation 14 May 2019 to 30 June 2020.

2021	Salary and Director Fees[1]	Super-annuation[1]	STI[2]	Share-based payments[3]	Total
	$	$	$	$	$
Directors					
Mark Connelly	41,065	3,935	-	99,231	144,231
Alexander Scanlon	298,306	21,694	96,000	396,923	812,923
Richard Crookes	35,654	3,410	-	66,154	105,218
Christian Paech	43,495	4,155	-	66,154	113,804
Neil Rose	54,774	5,226	-	66,154	126,154
Graham Arvidson	54,774	5,226	-	66,154	126,154
Total	**528,068**	**43,646**	**96,000**	**760,770**	**1,428,484**

[1] Includes amounts paid from wholly owned subsidiaries.

[2] Mr Scanlon was awarded a short-term incentive (STI) payment for the successful Initial Public Offer and listing of the Company on the Australian Securities Exchange (ASX). This amount was accrued as at 30 June 2021. This short term incentive payment represents 24% of Mr Scanlon's total remuneration. Per the terms of Mr Scanlon's employment contract, he was entitled to a STI of up to 40% of his fixed remuneration, which at 100% of his fixed remuneration totalled $128,000. Mr Scanlon was awarded 75% of his entitlement, $96,000, and the remaining 25%, $32,000, was forfeited.

[3] The fair value of the options is calculated using a Black-Scholes valuation model and allocated to each reporting period starting from grant date to vesting date. The Directors options have an exercise price of $0.375 and vested upon the Company's shares being admitted to the Official List of the ASX on 25 June 2021.

Share holdings

The relevant interest of each of the key management personnel in the share capital of the Company as at 30 June 2021 was:

Name	Held at 1 July 2020	Granted as compensation	On exercise of options/rights	Other Changes[1]	Held at 30 June 2021
Mark Connelly	-	-	-	100,000	100,000
Alexander Scanlon	43,611,459 [2]	-	-	-	43,611,459 [2]
Richard Crookes	-	-	-	100,000	100,000
Christian Paech	-	-	-	101,017	101,017
Neil Rose	13,964,234 [2]	-	-	-	13,964,234 [2]
Graham Arvidson	41,668	-	-	130,509	172,177
Total	**57,617,361**	**-**	**-**	**431,526**	**58,048,887**

[1] Other changes refer to participation in the Company's Initial Public Offering and conversion of Convertible Notes.

[2] Refer to Barton Gold Holdings Limited Prospectus dated 14 May 2021 for additional details.

The Company completed a 2 for 1 share consolidation as approved by shareholders at a General Meeting on 15 March 2021. The holdings in the above table have been adjusted to reflect this.

Share-based payments

As outlined above, Directors may be eligible to participate in equity-based compensation schemes.

Options on issue

Under the terms and conditions of the options issued to the Directors, each option gives the holder the right to subscribe to one fully paid ordinary share. Any option not exercised before the expiry date will lapse on the expiry date.

Options have been valued using the Black-Scholes option valuation method. The following table list the inputs to the model for Director options outstanding during the period.

Dividend yield (%)	Expected volatility (%)	Risk-free rate (%)	Expected life (years)	Exercise price ($)	Grant date share price ($)	Grant date	Expiry date	Number	Fair value at grant date ($)
0%	85%	0.82%	4	$0.375	$0.25	15 Mar 21	15 Mar 25	5,750,000	$0.13

There are no participating rights or entitlements inherent in the options and the holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. All shares allotted upon the exercise of options will rank pari passu in all respects with the Company's fully paid ordinary shares.

The below table shows a reconciliation of options held by each Director during the year: [1]

Name	Opening balance vested and exercisable	Granted as compensation	Vested	Vested %	Closing balance vested and exercisable
Mark Connelly	-	750,000	750,000	100%	750,000
Alexander Scanlon	-	3,000,000	3,000,000	100%	3,000,000
Richard Crookes	-	500,000	500,000	100%	500,000
Christian Paech	-	500,000	500,000	100%	500,000
Neil Rose	-	500,000	500,000	100%	500,000
Graham Arvidson	-	500,000	500,000	100%	500,000
Total	-	5,750,000	5,750,000	100%	5,750,000

[1] Refer to Barton Gold Holdings Limited Prospectus dated 14 May 2021 for additional details.

There were no options issued, exercised, or forfeited during the period from incorporation 14 May 2019 to 30 June 2020.

Other Transactions with KMP and their Related Parties

The Company is party to private royalty agreements with Australis Royalties Pty Ltd, of which Mr Scanlon is a Director of and entities associated with Messrs Scanlon and Rose hold relevant interests, in respect of the Project and certain tenements thereof. The royalties are payable in respect of the production of certain minerals (in raw or processed form) based upon a calculation of the amount of product produced, multiplied by a percentage of that production.

There were no royalties paid or payable in the year ended 30 June 2021.

During the year ended 30 June 2021, each of Mr Arvidson and an entity associated with Mr Paech subscribed to the convertible notes issued by the Company. The entity associated with Mr Paech subscribed for 200 notes, and Mr Arvidson subscribed for 100 notes. The notes were issued at $100 each and were automatically converted into fully paid ordinary shares on the Company's Initial Public Offering on the Australian Securities Exchange.

The conversion price of the notes was based on a 20% discount to the IPO price.

Interest is payable on the convertible notes at a rate of:

a) 0% per annum from the issue date to 31 March 2021;
b) 5% per annum from 1 April 2021 to 31 July 2021; and
c) 10% per annum from 1 August 2021 to maturity date.

The effective interest rate of the convertible notes is 48% which was derived by exactly discounting the estimated cash outflow at maturity to its fair value.

There were no other transactions with KMPs or related parties during the year.

End of the Audited Remuneration Report.

Options Granted over Unissued Shares

At the date of this report, the following options were on issue:

Issue Date	Exercise Price $	Expiry	Amount
15 March 2021	$0.375	15 March 2025	6,500,000
18 June 2021	$0.3125	18 June 2024	1,500,000
18 June 2021	$0.375	18 June 2024	1,500,000
Total			**9,500,000**

These options are fully vested at 30 June 2021.

Events Subsequent to the End of the Reporting Period

On 4 August 2021, the Company announced that it had executed a $300,000 funding agreement with the South Australian Minister for Energy and Mining, following a successful application for a grant under Round 2 of the South Australian Governments Accelerated Discovery Initiative. This grant provides up to $300,000 co-funding for an approved program of works at the Company's Tarcoola Project.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Indemnification and insurance of officers and auditors

Indemnification

The Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an auditor of the Company.

Insurance premiums

Subsequent to period end, the Company has paid premiums in respect of directors' and officers' liability and legal expenses insurance contracts. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Company.

The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

Non- Audit Services

The auditor of the Company and the Consolidated Entity is BDO Audit (WA) Pty Ltd (BDO). The Company also sources its tax and other services from its Auditor. The Company has a general policy that other general accounting advice and services should not be performed by the Company's auditor. However, the Company may employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Consolidated Entity are important and closely related to their work as auditor of the Company or their knowledge of the Company.

The Audit Committee and the Board of Directors of the Company are satisfied that the provision of non-audit services by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of non-audit services provided do not compromise the independence of the auditor.

During the year, BDO, provided an Independent Limited Assurance Report required for the Company's Initial Public Offering. The total cost of these services was $18,540.

BDO also provided taxation services for the Group, with a total cost of $24,205.

There were no non-audit services provided in the period from incorporation 14 May 2019 to 30 June 2020.

Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on the following page and forms part of the directors' report for the year ended 30 June 2021.

Rounding off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made out in accordance with a resolution of the directors:

Alexander Scanlon
Managing Director

Perth, Western Australia
28 September 2021

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Australia

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF BARTON GOLD HOLDINGS LIMITED

As lead auditor of Barton Gold Holdings Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Barton Gold Holdings Limited and the entities it controlled during the period.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 28 September 2021

	Notes	2021	2020[1]
		$'000	**$'000**
Other income	5	12	42
Care and maintenance expenditure		(166)	(363)
Exploration expenditure		(3,218)	(1,831)
Administrative & other expenses	5	(3,600)	(356)
Finance expense	5	(758)	(206)
Loss before income tax		**(7,730)**	**(2,714)**
Income tax expense	6	(3)	-
Loss for the year		**(7,733)**	**(2,714)**
Items that may be reclassified to profit or loss:			
Other comprehensive income		-	-
Other comprehensive loss for the year attributable to owners of the Company		**(7,733)**	**(2,714)**
Loss per share attributable to ordinary equity holders:		Cents	Cents
Basic and diluted loss per share	7	(4.126)	(2.976)

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

(1) For the financial period 14 May 2019 to 30 June 2020.

	Notes	As at 30 June 2021 $'000	As at 30 June 2020[1] $'000
Current assets			
Cash and cash equivalents	10	14,891	1,773
Trade and other receivables		81	189
Other current assets		100	-
Assets held for sale		-	67
Total current assets		**15,072**	**2,029**
Non-current assets			
Other receivables	11	4,445	4,445
Exploration and evaluation expenditure	12	9,262	9,262
Plant and equipment	13	403	610
Total non-current assets		**14,110**	**14,317**
Total assets		**29,182**	**16,346**
Current liabilities			
Trade and other payables	14	502	649
Provisions	15	713	686
Total current liabilities		**1,215**	**1,335**
Non-current liabilities			
Provisions	15	13,694	12,984
Total non-current liabilities		**13,694**	**12,984**
Total liabilities		**14,909**	**14,319**
Net assets		**14,273**	**2,027**
Equity			
Contributed equity	18	23,510	4,741
Reserves	8	1,210	-
Accumulated losses		(10,447)	(2,714)
Total equity		**14,273**	**2,027**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.
(1) For the financial period 14 May 2019 to 30 June 2020.

	Contributed equity	Share-based payment reserve	Accumulated losses	Total equity
	$'000	$'000	$'000	$'000
Balance at 1 July 2020	**4,741**	**-**	**(2,714)**	**2,027**
Loss for the year	-	-	(7,733)	(7,733)
Total comprehensive loss for the year	-	-	(7,733)	(7,733)
Transactions with owners in their capacity as owners:				
Share-based payments	-	1,210	-	1,210
Contributions of equity, net of costs	18,769	-	-	18,769
Balance as at 30 June 2021	**23,510**	**1,210**	**(10,447)**	**14,273**
Balance at 14 May 2019[1]	-	-	-	-
Loss for the period	-	-	(2,714)	(2,714)
Total comprehensive loss for the period	-	-	(2,714)	(2,714)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of costs	4,741	-	-	4,741
Balance as at 30 June 2020	**4,741**	**-**	**(2,714)**	**2,027**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.
(1) For the financial period 14 May 2019 to 30 June 2020.

	Notes	2021 $'000	2020 $'000
Cash flows from operating activities			
Payments to suppliers and employees		(2,218)	(1,172)
Payments for exploration and evaluation expenditure		(3,028)	(725)
Interest expense		(10)	(26)
Income tax paid		(3)	-
Net cash outflow from operating activities	10	**(5,259)**	**(1,923)**
Cash flows from investing activities			
Payments for the acquisition of the assets associated with the Challenger, Tarcoola an Tunkillia projects		-	(1,130)
Proceeds from disposal of property, plant and equipment		243	85
Net cash inflow/(outflow) from investing activities		**243**	**(1,045)**
Cash flows from financing activities			
Proceeds from issues of shares, net of costs	16	15,699	4,741
Proceeds from borrowings	5	2,435	680
Repayment of borrowings		-	(680)
Net cash inflow from financing activities		**18,134**	**4,741**
Net increase (decrease) in cash and cash equivalents		13,118	1,773
Cash and cash equivalents at the beginning of the peruid		1,773	-
Cash and cash equivalents at the end of the year		**14,891**	**1,773**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.
[1] For the financial period 14 May 2019 to 30 June 2020.

1 Corporate information

The consolidated financial report of Barton Gold Holdings Limited for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 28 September 2021. The Board of Directors has the power to amend the consolidated financial statements after issue.

Barton Gold Holdings Limited (the 'Company' or 'Barton') is a for-profit company limited by shares. The Company and its subsidiaries were incorporated and domiciled in Australia. The registered office and principal place of business of the Company is Suite 5 / 62 Ord Street, West Perth, WA 6005.

The amounts contained in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Instrument 2016/191. The Company is an entity to which this Instrument applies.

2 Reporting entity

The Consolidated Financial Statements comprise of the Company and its subsidiaries, (together referred to as the 'Consolidated Entity' or the 'Group').

3 Basis of preparation

The Consolidated Financial Statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The Consolidated Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are required to be measured at fair value.

a) Principal of consolidation

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

The acquisition method of accounting is used to account for business combinations by the Group.

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

b) Goods and services tax ('GST')

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 net 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.

c) Comparatives

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

The comparatives numbers to these Consolidated Financial Statements are for the period of incorporation being 14 May 2019 to 30 June 2020.

4 Segment information

Identification of reportable segments

The Group is organised into one operating segment, being exploration in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements throughout the report.

The Company operates in one reportable segment, being exploration in Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

5 Income and expenses

	2021 $'000	2020 $'000
Other income		
Profit on sale of assets	12	36
Other income	-	6
	12	**42**
Administrative expenses		
Compliance	37	2
Depreciation	115	32
Insurance	196	144
Consultants	436	51
Administration costs	72	31
Occupancy costs	7	96
Salary & wages	695	-
Share-based payments	1,210	-
IPO Listing costs	832	-
	3,600	**356**
Finance expense		
Interest accretion on rehabilitation provision	115	181
Interest accretion on convertible notes [1]	609	-
Interest expense	34	25
Finance expense	**758**	**206**

[1] On 18 December 2020, the Company raised $2.435 million through the issue of 24,350 convertible note at a subscription price of $100 to private and institutional investors. The convertible notes automatically converted into fully paid ordinary shares on the Company's initial public offering on the ASX. The conversion price of the notes is based on a 20% discount to the IPO price.

Interest is payable on the convertible notes at a rate of:

d) 0% per annum from the issue date to 31 March 2021;

e) 5% per annum from 1 April 2021 to 31 July 2021; and

f) 10% per annum from 1 August 2021 to maturity date.

The effective interest rate of the convertible notes is 48% which was derived by exactly discounting the estimated cash outflow at maturity to its fair value.

Convertible notes issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder. The conversion feature is contingent on an event such as an IPO occurring and the conversion price is not fixed but is based on the IPO/capital raising price. Consequently the note fails the fixed for fixed requirement of AASB 132 and no equity component is recognised on initial recognition.

On initial recognition the fair value of the convertible note will equate to the proceeds received as no gain or loss on initial recognition can be recognised per the requirements of the accounting standards AASB9. The financial liability will subsequently be measured at amortised cost applying the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

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6 Income tax expense

The prima facie income tax expense on pre-tax accounting losses from continuing operations reconciles to the income tax expense in the financial statements as follows:

	2021 $'000	2020 $'000
Loss from continuing operations before income tax	(7,733)	(2,714)
Tax at the Australian tax rate of 27.5% (2020: 27.5%)	(2,127)	(746)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other non-allowable items	(428)	(26)
Temporary differences not bought to account	(1,696)	(772)
Tax expense	**(3)**	-

The tax rate used in the above reconciliation is the corporate tax rate of 27.5% payable by Australian corporate entities on taxable profits under Australian Tax Law. There has been no change in this tax rate since the previous reporting period.

The Group has DTAs arising in Australia of $3.526 million (2020: $0.315 million) that are available for offset against future taxable profits of the companies in which the losses arose.

A deferred tax asset ('DTA') on the timing differences has not been recognised as they do not meet the recognition criteria as outlined in below. A DTA has not been recognised in respect of tax losses either as realisation of the benefit is not regarded as probable.

The taxation benefits will only be obtained if:

a) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
b) the Consolidated Entity continues to comply with the conditions for deductibility imposed by law; and
c) no changes in tax legislation adversely affect the consolidated entity in realising the benefits from the deductions for the loss.

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation

Barton Gold Pty Ltd and its wholly owned Australian resident entities have formed a tax-consolidated group with effect from 14 May 2019 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Barton Gold Pty Ltd. There were no carry forward revenue tax losses transferred into the tax-consolidated group at formation.

The head entity, in conjunction with other members of the tax-consolidated group, have entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity and are recognised by the Company as intercompany receivables (or payables). Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

6 Income tax expense (continued)

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

7 Loss per share

	2021 $'000	2020 $'000
Loss used in calculating basic and diluted loss per share from continuing operations	(7,733)	(2,714)

	2021 Number	2020 Number
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	187,406,067	91,189,990

Basic earnings/loss per share is determined by dividing net profit or loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period.

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

8 Share-based payments

The Company provides benefits to employees (including directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions).

The Company currently provides benefits under an Employee Incentive Scheme. This Scheme was disclosed in the Prospectus dated 14 May 2021.

Each option entitles the holder, on exercise, to one ordinary fully paid share in the Company. There is no issue price for the options. The exercise price for the options is such price as determined by the Board. An option may only be exercised after that option has vested and any other conditions imposed by the Board on exercise are satisfied. The Board may determine the vesting period, if any.

The Company has also issued options to the joint lead managers of its Initial Public Offering and issued shares to consultants in the year ending 30 June 2021.

There are no voting or dividend rights attached to the options. There are no voting rights attached to the unissued ordinary shares. Voting rights will be attached to the unissued ordinary shares when the options have been exercised.

Accounting Policy

The cost of share-based payments is recognised in share-based payments expense, together with a corresponding increase in Share-based Payments Reserve in equity, over the period in which the performance and/or service conditions are fulfilled (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. the number of awards that, in the opinion of the directors, will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

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

8 Share-based payments (continued)

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using a Black Scholes option-pricing model taking into account the terms and conditions upon which the instruments were granted.

The number and weighted average exercise prices of share options outstanding at 30 June 2021 is as follows:

	2021		2020	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	$	No.	$	No.
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	0.3651	9,500,000	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	0.3651	9,500,000	-	-
Exercisable at the end of the year	0.3651	9,500,000	-	-

There were no share-based payments during 30 June 2020. The weighted average life remaining as at 30 June 2021 is 3.4760 years (2020: nil)

Non-market performance conditions are not taken into account in the grant date fair value measurement of the services received.

Of the above options, 6,500,000 options vested upon the Company's shares being admitted to the Australian Securities Exchange and 3,000,000 vested to the joint lead managers upon successful completion of the Company's Initial Public Offering. All 9,500,000 options vested prior to 30 June 2021.

The total expenditure recognised in the statement of comprehensive income is $1,209,947 million (2020: nil).

The fair value of the options are estimated at the grant date using a Black-Scholes option-pricing model. Refer to the table below for inputs to the Black Scholes option-pricing model for options granted during the year.

	2021	2020
Share price at grant date (weighted average)	$0.2500	-
Exercise price (weighted average)	$0.3651	-
Expected volatility (weighted average)	85.00%	-
Expected life (weighted average)	3.6870	-
Expected dividends	Nil	-
Risk-free rate (weighted average)	0.6176%	-
Number	9,500,000	-
Fair value (weighted average)	$0.1274	-

On 10 August 2020, the Company issued 61,875 at an issue price of $0.48 shares to a third party for services associated with geophysics, total $29,700.

9 Asset acquisition

[1] In early June 2019, the Group entered into an agreement to acquire 100% of the mining and exploration licences associated with the Challenger, Tarcoola and Tunkillia projects, located in the South Australian central Gawler Craton area, as well as additional mining camp facilities, mill processing facilities, associated environmental bonds, environmental liabilities and outstanding royalty obligations from the Joint and Several Receivers and Managers of WPG Group. The total cash consideration paid by the Group was $0.350 million.

Further to this, in early October 2019, the Group entered into a further two agreements to acquire the associated property, plant and equipment associated with the Challenger, Tarcoola and Tunkillia projects from the Joint and Several Receivers and Managers of WPG Group. The total cash consideration paid by the Group was $0.780 million.

The Group has determined that the transaction does not constitute a business combination in accordance with AASB 3. The acquisition of the net assets meets the definition of and has been accounted for as an asset acquisition.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned carrying amounts based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for the deferred tax under AASB 112 is applied. No goodwill arises on the acquisition.

The Group elected to early adopt the following amendment in relation to the asset acquisition:

AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business (AASB 3)

The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendment will likely result in more acquisitions being accounted for as asset acquisitions.

9 Asset acquisition (continued)

Details of the fair values of assets acquired as at purchase date are as follows:

	2020 $'000
Purchase Consideration:	
Cash	1,130
Fair Value of Assets and Liabilities Acquired:	
Environmental bonds	4,445
Property, plant and equipment – held for sale	188
Property, plant and equipment	642
Acquired exploration	9,262
Trade and other payables	(336)
Provisions	(13,071)
Net identifiable assets acquired	**1,130**

10 Cash and cash equivalents

	2021 $'000	2020 $'000
Cash at bank and in hand	14,891	1,773
	14,891	**1,773**

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

Reconciliation of loss for the period to net cash flows from operations:

	2021 $'000	2020 $'000
Loss for the period	**(7,733)**	**(2,714)**
Adjustments for:		
Depreciation	115	32
Profit on sale of assets	(12)	(36)
Share-based payments	1,210	-
Non-cash rehabilitation adjustment	709	417
Interest accretion	633	181
Tax expense	3	-
Changes in operating assets and liabilities		
(Increase)/Decrease in trade and other receivables	36	(82)
(Increase)/Decrease in other current assets	(100)	-
(Decrease)/increase in trade and other payables	(120)	279
Net cash flows from operating activities	**(5,259)**	**(1,923)**

Non-cash financing activities

The Company issued 3m options to the joint lead manager for services in relation to the Company's Initial Public Offering in June 2021.

On 10 August 2020, the Company issued 61,875 at an issue price of $0.48 shares to a third party for services associated with geophysics, total $29,700.

11 Other non-current receivables

	2021 $'000	2020 $'000
Bonds on deposit	4,445	4,445
	4,445	**4,445**

Bonds on deposit represent cash deposits in support of environmental performance bonds lodged with the South Australian, Department of Energy and Mining. Environmental performance bonds are lodged over the Challenger Gold Operations and exploration activities of $2.670 million, Tarcoola Gold Operations of $1.760 million and Tunkillia exploration activities of $0.015 million.

12 Exploration and evaluation expenditure

	2021 $'000	2020 $'000
Opening balance	9,262	-
Acquisition of Challenger, Tarcoola and Tunkillia projects	-	9,262
Closing balance	**9,262**	**9,262**

12 Exploration and evaluation expenditure (continued)

Exploration and evaluation expenditures incurred by the purchase or acquisition of the asset from a private vendor, or through government applications and licencing processes are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current: and
(ii) at least one of the following conditions is also met:
  a. the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
  b. exploration and evaluation activities in the area have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence, or otherwise, of economically recoverable reserves and active and significant operations in, or relation to, the area of interest is continuing.

Exploration and evaluation assets are initially measured at cost. Ongoing exploration costs are expensed as incurred.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Critical accounting estimates and assumptions

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related area of interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if rights to tenure of the area of interest are current and activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

13 Property, plant and equipment

	2021 $'000	**2020 $'000**
Buildings at cost	80	80
Plant and equipment at cost	467	562
Accumulated depreciation	(144)	(32)
Plant and equipment carrying value	**323**	**530**
Net carrying value	**403**	**610**

The reconciliation of property, plant and equipment is shown below:

	Buildings	**Plant & Equipment**	**Total**
Opening balance as at 1 July 2020	**80**	**530**	**610**
Asset disposal	-	(92)	(92)
Depreciation expense	-	(115)	(115)
Closing balance as at 30 June 2021	**80**	**323**	**403**
Opening balance as at 14 May 2019	-	-	-
Acquisition of assets associated with Challenger, Tarcoola and Tunkillia projects	80	562	642
Depreciation expense	-	(32)	(32)
Closing balance as at 30 June 2020	**80**	**530**	**610**

13 Property, plant and equipment (continued)

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

All such assets, except freehold land, are depreciated over their estimated useful lives on a straight line, reducing balance or production output basis, as considered appropriate, commencing from the time the asset is held ready for use.

Cost includes expenditures that are directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "Profit on Sale of Assets" in profit or loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Consolidated Entity and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

The estimated useful lives for the year are as follows:

Plant and equipment	5-10 years
Buildings	

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

14 Trade and other payables

	2021 $'000	2020 $'000
Trade and other payables	502	649
	502	**649**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured, non-interest bearing and are usually paid within 30 days of recognition.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

15 Provisions

	2021 $'000	2020 $'000
Current Rehabilitation provision	686	686
Non-Current Rehabilitation provision	13,694	12,984
	14,380	**13,669**
Annual leave provision	27	-
	14,407	**13,669**

Refer to the below table for a reconciliation of the rehabilitation provision:

	2021 $'000	2020 $'000
Opening balance	13,669	-
Acquired environmental liabilities associated with the acquisition of the Challenger, Tarcoola and Tunkillia projects	-	13,071
Unwinding of the discount	115	181
Changes in rehabilitation estimates	595	417
Closing balance	**14,380**	**13,669**

Rehabilitation provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

15 Provisions (continued)

Long-term environmental obligations are based on the Consolidated Entity's environmental management plans, in compliance with current environmental and regulatory requirements. Full provision is made based on the net present value of the estimated cost of rehabilitating and restoring the environmental disturbance that has occurred up to the reporting date. To the extent that future economic benefits are expected to arise, these costs are capitalised and amortised over the remaining lives of the mines.

Annual increases in the provision relating to the change in the net present value of the provision are recognised as finance costs (and disclosed within Borrowing and finance costs in the profit or loss). The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean-up at closure.

The amount of the provision for future restoration costs is recognised as exploration and evaluation assets or expensed during the exploration phase according to the Company's policy for exploration and evaluation assets (refer note 12). Upon the commencement of commercial production, future restoration costs are recognised as mine property assets.

Critical accounting estimates and assumptions

The Group assesses rehabilitation liabilities annually. The provision recognised is based on an assessment of the estimated cost of closure and reclamation of the areas using internal information concerning environmental issues in the exploration area, together with input from various environmental consultants, discounted to present value. Significant estimation is required in determining the provision for site rehabilitation as there are many factors that may affect the timing and ultimate cost to rehabilitate sites where mining and/or exploration activities have previously taken place. These factors include future development/exploration activity, changes in the cost of goods and services required for restoration activity and changes to the legal and regulatory framework. These factors may result in future actual expenditure differing from the amounts currently provided.

16 Contributed equity

Issued share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised, net of tax, directly in equity as a reduction of the share proceeds received.

	Date of issue	Issue Price per share	Number of shares	$'000
Fully paid ordinary shares:				
Shares issued on Incorporation	14 May 2019	$0.00	175,000,001	-
Share issue	4 Aug 2019	$0.00	3,645,834	-
Share issue	28 Nov 2019	$0.20	3,718,751	746
Share issue	13 Dec 2019	$0.22	2,027,084	452
Share issue	10 Jan 2020	$0.22	175,000	39
Share issue	19 Feb 2020	$0.20	1,866,667	374
Share issue	27 Feb 2020	$0.20	1,881,250	377
Share issue	29 May 2020	$0.20	2,492,877	500
Share issue	23 Jun 2020	$0.20	2,492,877	500
Share issue	26 Jun 2020	$0.24	7,303,722	1,753
Closing balance at 30 Jun 2020			**200,604,063**	**4,741**
Share issue	20 Jul 2020	$0.20	2,492,877	500
Share issue	10 Aug 2020	$0.24	123,750	30
Share issue	10 Sep 2020	$0.20	2,496,368	501
Share issue	1 Dec 2020	$0.27	918,750	252
Share consolidation (2:1)	15 Mar 2021	n/a	(103,317,893)	-
Conversion of convertible note	14 Jun 2021	$0.25	12,298,804	3,069
Initial public offer	18 Jun 2021	$0.25	60,000,000	15,000
Transaction costs		n/a	-	(583)
Closing balance at 30 Jun 2021			**175,616,719**	**23,510**

Ordinary shares

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

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

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

16 Contributed equity (continued)

Capital risk management

The Group's debt and capital includes ordinary share capital and debt. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior period. This strategy is to ensure that the Group is able to fund its future activities.

17 Financial risk management

The Group's activities expose it to a variety of financial risks: interest rate risk; credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, and use of financial instruments and investment of excess liquidity where appropriate.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to related parties.

Interest rate risk

The Group's exposure to market risk for changes in interest rates arise from variable interest rate exposure on cash, fixed deposits and interest-bearing liabilities.

The Group's policy is to manage its exposure to interest rate risk by holding cash in short-term, fixed rate and variable rate deposits with reputable high credit quality financial institutions. With interest bearing liabilities, consideration is also given to the potential renewal of existing positions, alternative financing and the mix of fixed and variable interest rates.

The following table summarises the financial assets and liabilities of the Group, together with the effective interest rates as at the balance date.

2021		**Fixed interest maturing in:**				**Average interest rates**	
	Floating interest rate	**< 1 year**	**1 – 5 years**	**> 5 years**	**Non-interest bearing**	**Floating**	**Fixed**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**%**	**%**
Cash and cash equivalents	14,891	-	-	-	-	0.01%	-
Trade and other receivables	-	-	-	-	81	-	-
Trade and other payables	-	-	-	-	502	-	-

2020		**Fixed interest maturing in:**				**Average interest rates**	
	Floating interest rate	**< 1 year**	**1 – 5 years**	**> 5 years**	**Non-interest bearing**	**Floating**	**Fixed**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**%**	**%**
Cash and cash equivalents	1,773	-	-	-	-	0.5%	-
Trade and other receivables	-	-	-	-	189	-	-
Trade and other payables	-	-	-	-	649	-	-

As at 30 June 2021, a movement of 1% in interest rates, with all other variables being held constant, results in an immaterial movement in post-tax loss and equity.

The movements in loss after income tax are due to higher/lower interest costs from fixed and variable rate debt and cash balances during the relevant period. Reasonably possible movements in interest rates were determined based on observations of historical movements in the past two years.

17 Financial risk management (continued)

The net exposure at balance date is representative of what the Group was and is expecting to be exposed to in the next twelve months from balance date.

Credit risk

Credit risk arises from the financial assets of the Group, and its exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of the instruments. The Group's exposure to credit risk is minimal and results only from its exposure in cash and cash equivalents. The Group holds its cash with Westpac Group, which has a long term credit rating of AA- rating from S&P Global Ratings.

Liquidity risk

The Group's objective is to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost-effective manner.

The Group's treasury function continually reviews the Group's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

2021	**< 1 year $'000**	**1 – 5 years $'000**	**Total $'000**
Cash and cash equivalents	14,891	-	14,891
Trade and other receivables	81	-	81
Trade and other payables	(502)	-	(502)
Net inflow	**14,470**	**-**	**14,470**
2020			
Cash and cash equivalents	1,773	-	1,773
Trade and other receivables	189	-	189
Trade and other payables	(649)	-	(649)
Net inflow	1,313	-	1,313

18 Subsidiaries

The Consolidated Financial Statements include the financial statements of Barton Gold Holdings Limited and the subsidiaries listed in the following table:

Name of entity	**Note**	**Country of incorporation**	**Class of shares**	**Equity % 2021**	**Equity % 2020**
PARQ Capital Royalty Management (AUS) 2 Pty Ltd[3]	1	Australia	Ordinary	**-**	100
PARQ Capital Asset Management (AUS) 2 Pty Ltd[3]	1	Australia	Ordinary	**-**	100
Barton Gold Holdings Australia Pty Ltd	1	Australia	Ordinary	**100**	100
Barton Gold Limited	2	Australia	Ordinary	**100**	100
Roma Resources SA Pty Ltd	2	Australia	Ordinary	**100**	100
Tunkillia 2 Pty Ltd	2	Australia	Ordinary	**100**	100
Tarcoola 2 Pty Ltd	2	Australia	Ordinary	**100**	100
Challenger 2 Pty Ltd	2	Australia	Ordinary	**100**	100
Jumbuck Equipment Pty Ltd	1	Australia	Ordinary	**100**	100

1. Incorporation date 31 July 2019
2. Incorporation date 14 May 2019
3. Dormant entities disposed on 7 December 2020.

19 Parent entity information

	2021 $'000	**2020 $'000**
Current assets	14,749	1,866
Non-current assets	-	-
Current liabilities	384	496
Non-current liabilities	-	-
Issued capital	23,557	4,741
Reserves	1,210	-
Accumulated losses	(10,402)	(3,371)
Total equity	**14,365**	**1,370**
Loss for the period	(7,031)	(3,371)
Total comprehensive loss for the period	(7,031)	(3,371)

The Parent Company has no material contingent liabilities and no guarantees in place.

20 Remuneration of auditors

During the period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2021 $	2020 $
Auditing of financial reports	68,685	32,635
Preparation of Investigative Accountants Report	18,540	-
Tax advisory services	24,205	-
	111,430	**32,635**

The auditor of the parent entity is BDO (WA) Pty Ltd.

21 Commitments

The Group has no commitments.

22 Contingent assets and liabilities

The Group had no contingent assets or liabilities at 30 June 2021 (2020: nil).

23 Key management personnel disclosures

Details of key management personnel

The names and positions of the KMP of the Company and the Group for the year ending 30 June 2021 (comparative period 14 May 2019 to 30 June 2020) were:

Mark Connelly	Independent Non-Executive Chair
Alexander Scanlon	Managing Director
Christian Paech	Independent Non-Executive Director
Richard Crookes	Independent Non-Executive Director
Neil Rose	Non-Executive Director
Graham Arvidson	Independent Non-Executive Director

Compensation of key management personnel

	2021 $	2020 $
Short-term employee benefits	624,068	-
Share-based payments	760,770	-
Post-employment benefits	43,646	-
	1,428,484	**-**

There were no loans or other transactions with key management personnel during the year ended 30 June 2021.

24 Related party transactions

Parent entity

The Parent Entity within the Group is Barton Gold Holdings Limited.

Loans to subsidiaries

Loans between entities in the wholly owned Group are non-interest bearing, unsecured and are payable upon reasonable notice having regard to the financial situation of the entity.

Other transactions with related parties

The Company is party to private royalty agreements with Australis Royalties Pty Ltd, of which Mr Scanlon is a Director and of which entities associated with Messrs Scanlon and Rose hold relevant interests, in respect of the Company's current projects and certain tenements thereof. The royalties are payable in respect of the production of certain minerals (in raw or processed form) based upon a calculation of the amount of product produced, multiplied by a percentage of that production.

There were no royalties paid or payable in the year ended 30 June 2021.

During the year ended 30 June 2021, each of Mr Arvidson and an entity associated with Mr Paech subscribed to the convertible notes issued by the Company. The entity associated with Mr Paech subscribed for 200 notes, and Mr Arvidson subscribed for 100 notes. The notes were issued at $100 each and were automatically converted into fully paid ordinary shares on the Company's Initial Public Offering on the Australian Securities Exchange.

The conversion price of the notes was based on a 20% discount to the IPO price.

Interest is payable on the convertible notes at a rate of:

a) 0% per annum from the issue date to 31 March 2021;
b) 5% per annum from 1 April 2021 to 31 July 2021; and
c) 10% per annum from 1 August 2021 to maturity date.

24 Related party transactions (continued)

The effective interest rate of the convertible notes is 48% which was derived by exactly discounting the estimated cash outflow at maturity to its fair value.

25 Events occurring after the reporting period

On 4 August 2021, the Company announced that it had executed a $300,000 funding agreement with the South Australian Minister for Energy and Mining, following a successful application for a grant under Round 2 of the South Australian Governments Accelerated Discovery Initiative. This grant provides up to $300,000 co-funding for an approved program of works at the Company's Tarcoola Project.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

26 Changes in accounting policy

In the year ended 30 June 2021, the directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period.

As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

27 New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

In the Directors' opinion:

(a) the Consolidated Financial Statements and notes are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the Consolidated Entity's financial position for year ended 30 June 2021 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) the financial statements and notes thereto are in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

The Directors have been given the declarations as required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.

Alexander Scanlon
Managing Director

Perth, Western Australia
28 September 2021

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INDEPENDENT AUDITOR'S REPORT

To the members of Barton Gold Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Barton Gold Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and

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

Basis for opinion

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

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

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

Key audit matters

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

Accounting for share based payments

Key audit matter	*How the matter was addressed in our audit*
During the financial year ended 30 June 2021, the Group issued shares for services and issued options to key management personnel and the joint lead managers of the IPO. Refer to Note 8 of the financial report for a description of the accounting policy, the significant estimates and judgements applied to these arrangements and for disclosure of the arrangements. Share-based payments are a complex accounting area and due to the complex and judgemental estimates used in determining the fair value of the share-based payments in accordance with AASB 2 Share Based Payment, we consider the Group's calculation of the share-based payments expense to be a key audit matter.	Our procedures included, but were not limited to: • Reviewing market announcements, the Prospectus issued on 14 May 2021 and board minutes to ensure all share based payments have been recognised; • Reviewing the relevant supporting documentation to obtain an understanding of the contractual nature and terms and conditions of the share-based payments arrangements; • Evaluating management's methodology for calculating the fair value of the share-based payments, including assessing the valuation inputs using internal specialists where appropriate; and • Assessing the adequacy of the related disclosures in Note 8 of the financial report.

Carrying value of exploration and evaluation asset

Key audit matter	***How the matter was addressed in our audit***
The carrying value of capitalised exploration and evaluation assets as at 30 June 2021 is disclosed in Note 12 of the financial report. The Group has adopted the accounting policy to capitalise acquisition costs relating to exploration and evaluation expenditure and expense ongoing exploration activities. As the carrying value of exploration and evaluation assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset should be subject to impairment testing. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 12 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 13 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Barton Gold Holdings Limited, for the year ended 30 June 2021, 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.

BDO Audit (WA) Pty Ltd

Phillip Murdoch

Director

Perth, 28 September 2021

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 31 August 2021.

Issued Equity Capital

	Ordinary Shares	Options
Number of holders	685	14
Number on issue	175,616,719	9,500,000

Voting Rights

Voting rights, on a show of hands, are one vote for every registered holder of Ordinary Shares and on a poll, are one vote for each share held by registered holders of Ordinary Shares. Options do not carry any voting rights.

Distribution of Holdings of Equity Securities

Fully Paid Ordinary Shares

Holding ranges	Number of Equity Security Holders	
	Ordinary Shares	Units
1 – 1,000	11	3,583
1,001 – 5,000	77	255,422
5,001 – 10,000	122	1,010,387
10,001 – 100,000	331	14,749,987
100,001 and over	144	159,597,340
Total	**685**	**175,616,719**

Unlisted options exercisable at $0.3125 and expiring 18 June 2024

Holding ranges	Number of Equity Security Holders	
	Options	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	0	0
100,001 and over	3[1]	1,500,000
Total	**3**	**1,500,000**

1. *Taycol Nominees Pty Ltd <211 A/C> holds 712,333 options, comprising 47.49% of this class; Sprott Capital Partners LP holds 431,500 options, comprising 28.77% of this class; and Cannacord Genuity (Australia) Limited holds 356,167 comprising 23.74% of this class.*

Unlisted options exercisable at $0.375 and expiring 18 June 2024

Holding ranges	Number of Equity Security Holders	
	Options	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	0	0
100,001 and over	3[1]	1,500,000
Total	**3**	**1,500,000**

1. *Taycol Nominees Pty Ltd <211 A/C> holds 712,333 options, comprising 47.49% of this class; Sprott Capital Partners LP holds 431,500 options, comprising 28.77% of this class; and Cannacord Genuity (Australia) Limited holds 356,167 comprising 23.74% of this class.*

Unlisted options exercisable at $0.375 and expiring 15 March 2025

Holding ranges	Number of Equity Security Holders	
	Options	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	0	0
100,001 and over	8	6,500,000
Total	**Total**	**6,500,000**

Unmarketable Parcels

The number of shareholders holding less than a marketable parcel (being 2,564 Shares as at 31 August 2021) based on a closing market price of $0.195 was 45.

Substantial Shareholders

	Number of Ordinary Shares	Percentage (%)
Gocta Holdings Pty Ltd[1]	43,611,459	24.83
Six Fingers Pty Ltd <Six Fingers Discretion A/C>[1]	13,974,649	7.96
Telarah Holdings Pty Ltd <Telarah Trust A/C>[1]	13,964,234	7.95
Gatej Pty Ltd	13,932,984	7.93

[1] As lodged on ASX on 28 June 2021.

On Market Buy Back

There is no current on-market buy-back.

Restricted Securities

The Company has the following restricted securities on issue.

Class	Number of Securities	Escrow Period
Fully Paid Ordinary Shares	119,227	Until 14 June 2022
Fully Paid Ordinary Shares	89,657,496	Until 28 June 2023
Unlisted options exercisable at $0.3125 and expiring 18 June 2024	1,500,000	Until 28 June 2023
Unlisted options exercisable at $0.375 and expiring 18 June 2024	1,500,000	Until 28 June 2023
Unlisted options exercisable at $0.375 and expiring 15 March 2025	6,500,000	Until 28 June 2023

Top 20 Shareholders

Rank	Name	Number of Ordinary Shares	Percentage (%)
1	Gocta Holdings Pty Ltd	43,611,459	24.83
2	Six Fingers Pty Ltd <Six Fingers Discretion A/C>	13,974,649	7.96
3	Telarah Holdings Pty Ltd <Telarah A/C>	13,964,234	7.95
4	GateJ Pty Ltd <The Gabal A/C>	13,932,984	7.93
5	J P Morgan Nominees Australia Pty Limited	8,600,000	4.90
6	Primero Group Ltd	7,481,250	4.26
7	Citicorp Nominees Pty Limited	4,704,111	2.68
8	BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	3,376,112	1.92
9	HSBC Custody Nominees (Australia) Limited	3,330,000	1.90
10	Juan Herraez Balanzat	3,311,981	1.89
11	Magliano Pty Ltd	2,000,000	1.14
12	Diversified Minerals Pty Ltd	2,000,000	1.14
13	Andrew Campbell Bales	1,822,917	1.04
14	DBD Holdings (SA) Pty Ltd <DBD Holdings A/C>	1,698,959	0.97
15	CS Third Nominees Pty Limited <HSBC Cust Nom AU Ltd 13 A/C>	1,299,911	0.74
16	CS Fourth Nominees Pty Limited < HSBC Cust Nom AU Ltd 11 A/C>	1,299,213	0.74
17	Norup & Wilson Pty Ltd <Norup & Wilson Unit A/C>	1,025,000	0.58
18	Alkat Pty Ltd <Bowen Welsh (BWT) A/C>	1,010,168	0.58
19	I & C Hartmann Investments Pty Ltd <I & C Hartmann Family A/C>	950,000	0.54
20	Jetosea Pty Ltd	876,000	0.50
	TOTAL	**130,268,948**	**74.18**

Corporate Governance

The Company's 2021 Corporate Governance Statement is available for in the Corporate Governance section of the Company's website: https://bartongold.com.au/corporate/governance/

This document is reviewed regularly to address any changes in governance practices and the law.

Use of Funds

The Company confirms that since admission to the ASX on 28 June 2021, it has used its cash and assets in a form convertible to cash that it had at the time of admission in a way consistent with its business objectives.

Tenement	Location	Nature of Interest	Interest as at 30 June
Tunkillia 2 Pty Ltd			
EL6639	South Australia	Granted	100%
EL5901	South Australia	Granted	100%
EL6499	South Australia	Granted	0%
Tarcoola 2 Pty Ltd			
EL6167	South Australia	Granted	100%
EL6210	South Australia	Granted	100%
ML6455	South Australia	Granted	100%
Challenger 2 Pty Ltd			
EL6625	South Australia	Granted	100%
EL6012	South Australia	Granted	100%
EL6173	South Australia	Granted	100%
EL6502	South Australia	Granted	100%
EL6532	South Australia	Granted	100%
ML6103	South Australia	Granted	100%
ML6457	South Australia	Granted	100%
MPL63	South Australia	Granted	100%
MPL65	South Australia	Granted	100%
MPL66	South Australia	Granted	100%
EL5998	South Australia	Granted	90%
EL6569	South Australia	Granted	90%

Mineral Resources Annual Statement and Review

The Company carries out an annual review of its Mineral Resources as required by the ASX Listing Rules. The review was carried out as at 30 June 2021. The estimates for Mineral Resources were prepared and disclosed under the JORC Code 2012 and reported in the Company's Prospectus dated 14 May 2021.

Estimation Governance Statement

The Company ensures that all Mineral Resource estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource estimates are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons.

The Company reports its Mineral Resources on an annual basis in accordance with JORC Code 2012. For FY21, the Company report is at the date of its Prospectus, 14 May 2021.

Total Mineral Resource Inventory as at 14 May 2021

Project	Zone	Indicated			Inferred			Total		
		MT	g/t Au	Koz Au	MT	g/t Au	Koz Au	MT	g/t Au	Koz Au
Tunkillia* 100%	Oxide	4.8	1.27	195	1.7	0.92	50	6.5	1.17	245
	Fresh	12.7	1.14	465	6.9	1.15	255	19.6	1.14	720
		17.5	1.17	660	8.6	1.11	305	26.1	1.15	965
Tarcoola* 100%	Perseverance Pit	0.07	1.7	3.8	0.07	1.1	2.4	0.14	1.4	6.2
	Low grade stockpile – oxide	-	-	-	0.17	1.2	6.9	0.17	1.2	6.9
	Low grade stockpile - fresh	-	-	-	0.06	1.4	2.7	0.06	1.4	2.7
		0.07	1.7	3.8	0.30	1.2	12.0	0.37	1.3	15.8
Challenger* 100%	Above 215 RL Fault	-	-	-	0.32	4.1	42.6	0.32	4.1	42.6
	Challenger Deeps (below 90m RL)	-	-	-	0.21	3.5	23.0	0.21	3.5	23.0
		-	-	-	0.53	3.9	65.6	0.53	3.9	65.6
WGJV*^ (~20-22%)	Golf Bore	0.6	1.0	18	3.2	1.0	100	3.8	1.0	119
	Campfire Bore	-	-	-	2.8	1.2	109	2.8	1.2	109
	Greenewood	0.1	1.4	7	0.8	1.6	39	0.9	1.6	46
	Monsoon	-	-	-	0.6	0.8	17	0.6	0.8	17
	Typhon	-	-	-	0.3	1.9	16	0.3	1.9	16
	Mainwood	-	-	-	0.4	1.1	12	0.4	1.1	12
		0.7	1.1	25	7.99	1.1	294	8.7	1.1	319
		17.7	**1.2**	**669**	**11.03**	**1.2**	**441**	**28.74**	**1.20**	**1,110**

*Figures subject to rounding; tonnages are dry metric tonnes; all Mineral Resources classified as 'inferred' are approximate; cut-off grades applied are 0.4 g/t Au (Tunkillia), 0.4 g/t Au (Tarcoola), 2.0 g/t Au (Challenger), 0.5 g/t Au (WGCJV).

^ WGCJV: The Company has a present gold rights interest of 21.99% in Monson and Typhoon and 19.79% in Gold Bore, Campfire Bore, Greenewood and Mainwood. Accordingly, the Company's approximate attributable Mineral Resources inventory from the WGCJV is 63,900 ounces Au.

The Company is not aware of any new information or data that materially affects the information included in the Annual Statement with regard to Mineral Resources and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Competent Persons (Tarcoola)

The information in this report that relates to the estimate of Mineral Resources for the Tarcoola Project is based upon, and fairly represents, information and supporting documentation compiled by Dr Andrew Fowler MAusIMM CP (Geo). Dr Fowler is an employee of Mining Plus Pty Ltd and has acted as an independent consultant on Barton Gold's Tarcoola Project, South Australia. Dr Fowler is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience with the style of mineralisation, the deposit type under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code).

Dr Fowler consents to the inclusion in this presentation of the matters based upon this information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results for the Tarcoola Project (including drilling, sampling, geophysical surveys and geological interpretation) is based upon, and fairly represents, information and supporting documentation compiled by Mr Colin Skidmore BSc Hons (Geology) MAppSc. Mr Skidmore is an employee of Mining Plus Pty Ltd and has acted as an independent consultant on Barton Gold's Tarcoola Project, South Australia. Mr Skidmore is a Member of the Australian Institute of Geoscientists (AIG) and has sufficient experience with the style of mineralisation, the deposit type under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr Skidmore consents to the inclusion in this presentation of the matters based upon this information in the form and context in which it appears.

Competent Person (Tunkillia)

The information in this report that relates to the estimate of Mineral Resources for the Tunkillia Project including drilling, sampling and geological interpretation is based upon, and fairly represents, information and supporting documentation compiled by Dr Andrew Fowler MAusIMM CP (Geo). Dr Fowler is an employee of Mining Plus Pty Ltd and has acted as an independent consultant on Barton Gold's Tunkillia Project, South Australia. Dr Fowler is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience with the style of mineralisation, the deposit type under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Dr Fowler consents to the inclusion in this presentation of the matters based upon this information in the form and context in which it appears.

Competent Person (Challenger)

The information in this report that relates to the estimate of Mineral Resources for the Challenger Mine is based upon, and fairly represents, information and supporting documentation compiled by Mr Dale Sims, a Competent Person, who is a Chartered Professional Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Geoscientists (AIG). Mr Sims is the principal of Dale Sims Consulting Pty Ltd and an independent consultant engaged by Barton Gold for this work and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr Sims consents to the inclusion in this presentation of the matters based upon this information in the form and context in which it appears.

Competent Person (Western Gawler Craton Joint Venture)

The information in this report that relates to Exploration Results and the estimate of Mineral Resources for the Western Gawler Craton Joint Venture is based upon, and fairly represents, information and supporting documentation compiled by Mr Richard Maddocks who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Maddocks is an independent consultant geologist with Auranmore Consulting who prepared the information, and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves" (the JORC Code). Mr Maddocks consents to the inclusion in this presentation of the matters based upon this information in the form and context in which it appears.