

ALICANTO
MINERALS LIMITED

ABN 81 149 126 858

Annual Report 2020

Contents

Corporate Directory	2
Chairperson’s Letter to Shareholders	3
Directors’ Report	4
Auditor’s Independence Declaration	35
Financial Statements	36
Directors’ Declaration	63
Independent Auditor’s Report	64
Additional Shareholder Information	68
Schedule of Mineral Tenements	70

Corporate Directory

Non-Executive Chairperson

Raymond Shorrocks

Managing Director

Peter George

Non-Executive Director

Didier Murcia AM

Company Secretary

Michael Naylor

Principal and Registered Office

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Telephone: (08) 6279 9425

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Share Registry

Automic Pty Ltd
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PERTH WA 6000

Auditors

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Level 2, 1 Walker Avenue
WEST PERTH WA 6005

Bankers

National Australia Bank
50 St Georges Terrace
PERTH WA 6000

Solicitors

HWL Ebsworth Lawyers
Level 20/240 St Georges Terrace
PERTH WA 6000

Stock Exchange Listing

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: AQI

Website Address

www.alicantominerals.com.au

Dear Shareholder

I am delighted to report to you for the first time as Chairperson of your Company. At the time of writing, I have been in the role for just three weeks. During this short period, I have been made to feel very welcome by the many Shareholders who have reached out to me offering their support and enthusiasm. I have also been inspired by what I have seen and learnt of the Company's projects and the plan to unlock their potential.

The past financial year saw Alicanto's key focus pivot from Guyana, South America to Sweden. This resulted from the Company's purchase of the Oxberg and Naverberg base metals projects in the world-class Bergslagen Mining District of Southern Sweden.

These two projects each host a combination of areas of known mineralisation, advanced prospects and early-stage drilling targets. Given that they are all located within a 15km radius, exploration will move seamlessly between the various areas and any development would see the resources pooled, we made the decision to place them under the single project heading of the Greater Falun Project.

Greater Falun covers 130sqkm of tenements in the Bergslagen region. This region also hosts world-class base and precious metals projects such as the Garpenberg mine operated by Boliden and the Zinkgruvan mine operated by Lundin.

Bergslagen is widely viewed as a Tier-I jurisdiction based on its large mineralised systems and pro-mining regime. And while mining in the region can be traced back more than 1000 years, no concerted exploration campaign has ever been undertaken in the Greater Falun area.

Towards the end of the past year, our geologists made a huge breakthrough with the realisation that contrary to long-standing belief, Falun is not a Volcanogenic Massive Sulphide (VMS) system. Instead, the dominant mineralisation is copper-gold skarn with high-grade by-products of silver, zinc and lead.

This new understanding of the mineralisation style is pivotal to our strategy and underpins the extensive drilling program which, at the time of writing, was just weeks away from starting.

The breakthrough stemmed from a review which in turn resulted from the restructuring during the year of the Alicanto team. This saw Erik Lundstam appointed as Alicanto Chief Geologist. Mr Lundstam has more than 15 years of experience with Bergslagen geological systems and was the Chief Exploration Geologist for Boliden. As part of the new team, Peter George was appointed Chief Executive and Michael Naylor as CFO and Company Secretary. Mr George, who has since joined the Board as Managing Director, was previously Resident General Manager at the Mineral Resources Wodgina Project and prior to that, COO at Keras Resources. Mr Naylor is currently a Director of Bellevue Gold (ASX: BGL) and Auteco Minerals (ASX: AUT).

Didier Murcia, who has been Chairperson of Alicanto since 2012, moved to a Non-executive role. On behalf of the Board, I would like to thank Didier for the key role he played in helping Alicanto establish its highly promising asset base in Sweden. I am delighted that Alicanto will continue to benefit from his extensive experience in corporate and legal matters as well as with major resources projects.

As we enter the new financial year with a new team and a new approach to our flagship project, I believe your Company is in an outstanding position. We have that enviable combination of a project with extensive known mineralisation in a world-class geological region and in a Tier-I mining location. But at the same time, it has not been exposed to a major, modern exploration program. This is the recipe which has created immense wealth for shareholders at so many projects in recent years.

I look forward to reporting to you as our drilling program ramps up and we apply our team's considerable skills and experience to this highly promising asset.

Yours Faithfully



Raymond Shorrocks
Non-Executive Chairperson

The Directors of Alicanto Minerals Limited submit herewith the consolidated financial statements of the Company and its controlled entities ("Group") or ("Consolidated Entity") for the year ended 30 June 2020 in order to comply with the provisions of the *Corporations Act 2001*.

1. Directors

The following persons were Directors of Alicanto Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Raymond Shorrocks	Non-Executive Chairperson (appointed 7 August 2020)
Mr Peter George	Managing Director (appointed 7 August 2020)
Mr Didier Murcia	Non-Executive Director (previously Non-Executive Chairperson 30 May 2012 to 7 August 2020)
Mr Travis Schwertfeger	Non-Executive Director (resigned 7 August 2020)
Mr Hamish Halliday	Non-Executive Director (resigned 7 August 2020)

2. Principal Activities

The principal activity of the entity during the financial year was mineral exploration. The Company commenced exploration in Sweden.

Other than the above, there were no significant changes in the nature of the entity's principal activities during the financial year.

3. Operating Results

The loss attributable to owners of the entity after providing for income tax amounted to \$1,631,079 (2019: \$3,700,020).

4. Dividends Paid or Recommended

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

5. Financial Position

The entity has \$2,431,923 in cash and cash equivalents as at 30 June 2020 (2019: \$869,558). Post year end a further \$1,425,000 before costs was raised through a capital raising. The Directors believe the cash at year end and subsequent capital raising has put the entity in a strong financial position to maintain and explore its current landholdings.

6. Business Strategies and Prospects for the Forthcoming Year

Alicanto Minerals Limited is currently interpreting synthesized historic air magnetic surveys, from across a significant portion of the company's tenements in Sweden, into a comprehensive tectonic model. An expanded IP survey at the Wolf Mountain project has been completed and is currently being interpreted by Alicanto Geologists. This is to be followed by Ground EM surveys and interpretations ahead of drilling selected targets, commencing in September 2020.

Given the election by Nord Gold SE ("Nordgold") not to exercise its option to acquire the project (ASX 12/05/2020), Alicanto is now seeking to capitalise on the 100% Nordgold funded work and is reviewing alternatives to progress the project.

Alicanto Minerals Limited will also continue to consider and evaluate new mineral exploration opportunities within Sweden, Guyana and throughout the rest of the world for further potential acquisitions which may offer value enhancing opportunities for shareholders.

Material business risks that may impact the results of future operations include further exploration results, future commodity prices and funding.

7. Significant Changes in the State of Affairs

The following significant changes in the state of affairs of the entity occurred during the financial year:

On 5 July 2019, 500,000 unlisted options were exercised with an exercise price of \$0.001.

On 29 July 2019 873 listed options were exercised with a strike price of \$0.28.

On 6 September 2019, a placement to sophisticated investors was completed raising \$910,000 through the issue of 17,500,004 shares at an offer price of \$0.052 pursuant to ASX Listing Rule 7.1 and 7.1A.

On 3 February 2020, Alicanto announced it had exercised its option to acquire 100% of shares in Zaffer (Australia) Pty Ltd ("Zaffer") which owns the Oxberg and Naverberg VMS (Volcanogenic Massive Sulphide) Projects within the highly endowed Cu-Au-Zn-Pb-Ag Bergslagen Mining District of Southern Sweden.

In accordance with the terms of the Option and Share Sale Agreement approved by Shareholders on 31 July 2019 Alicanto issued 30,000,000 ordinary fully paid shares equally to the shareholders of Zaffer, in accordance with the Agreement, escrowed for 12 months.

On 27 February 2020, a placement to sophisticated investors was completed raising \$2,500,000 through the issue of 33,333,334 ordinary shares at \$0.075 per share pursuant to ASX Listing Rule 7.1 and 7.1A through the issue of 31,000,000 shares under 7.1 and 2,333,334 shares under 7.1A placement capacity.

12 May 2020, Alicanto announced that it will retain 100% of the Arakaka Gold Project in Guyana following Nord Gold SE election not to exercise its option to acquire Arakaka. Nordgold's decision followed US\$2.8m investment in a 10,478m drilling program focussed on one small portion of the 300km² Arakaka Project. Alicanto is now reviewing its options to capitalise on the 100% Nordgold funded work.

8. Post Balance Date Events

7 August 2020, the following Board changes occurred:

- Mr Ray Shorrocks joined the board as Non-Executive Chairperson;
- Current Chief Executive Officer, Mr Peter George, joined the board as Managing Director;
- Mr Didier Murcia stepped down as Chairperson, but remained a Non-Executive Director; and
- Mr Travis Schwertfeger and Mr Hamish Halliday (Non-Executive Directors) resigned from the Board.

7 August 2020, Alicanto received firm commitments from sophisticated and professional investors to raise approximately \$1,425,000 (before costs) through the issue of up to 25,909,090 fully paid ordinary shares in the Company (Placement Shares) at an issue price of 5.5c each (Placement). Funds raised from the Placement will be used for exploration activities in Sweden and Guyana and general working capital.

In conjunction with the Placement, Alicanto announced it will issue up to 27,000,000 unquoted options to management, consultants and advisors and 10,000,000 unquoted options to Mr Shorrocks. The options will be exercisable at 10c each and will expire 5 years after the date of grant.

Subject to completion of the Placement and shareholder approval at the Company's next general meeting, the Company also intends to issue:

- Up to 10,000,000 unquoted options to advisors in consideration for corporate advisory services to the Company in four equal tranches with exercise prices of \$0.10, \$0.15, \$0.20 and \$0.25 each respectively, and an expiry date 5 years from the date of grant; and
- up to a total of 9,000,000 unquoted options exercisable at \$0.10 each and expiring 5 years from the date of grant, as follows:
 - 2 million options to Mr Didier Murcia;
 - 4 million options to corporate consultants; and
 - 3 million options to Mr Peter George.

On 14 August 2020, the placement to sophisticated and professional investors was completed by issuing 25,909,090 fully paid ordinary shares at \$0.055 per share raising \$1,425,000 before issue costs and 37,000,000 options with an exercise price of \$0.10 per option, expiry 13 August 2025.

There were no further events occurring after 30 June 2020.

9. Review of Operations

Introduction

Alicanto Minerals Limited is an emerging mineral exploration company focused on creating shareholder wealth through exploration and discovery in world class mining districts of Scandinavia. In addition to the exploration projects in Sweden the Company holds a portfolio of gold projects in Guyana, South America, including the Arakaka Project and the Ianna Gold Project.

Financial Performance and Position

The net operating loss after tax for the year ended 30 June 2020 was \$1,631,079 (2019: \$3,700,020). The loss for the period includes \$848,117 (2019: \$1,721,005) in exploration and evaluation expenditure, impairment expenses of Nil (2019: \$884,186) and share based payment expenses of \$8,517 (2019: \$638,864). As at 30 June 2020 the Company had cash of \$2,431,923 (2019: \$869,558).

Exploration Properties

Greater Falun Project



Figure 1: Location of Greater Falun Project in Sweden

The Company has a highly prospective exploration portfolio in Sweden, including the Greater Falun Project containing high grade Cu-Au-Zn-Pb-Ag in the highly endowed Bergslagen Mining District, Sweden.

Sweden is a tier 1 mining jurisdiction highly ranked on the Fraser Institute Investment Attractiveness Index with a well established mining law and highly capable workforce. Company tax rates are 20%, VAT 25% and royalties are set at 0.2% of the value of the mined ore. The projects are well serviced by established roads, rail, port and airport infrastructure. The Bergslagen Mining District has had a continuous mining history for more than 1000 years. Consequently, mining enjoys strong community and governmental support.

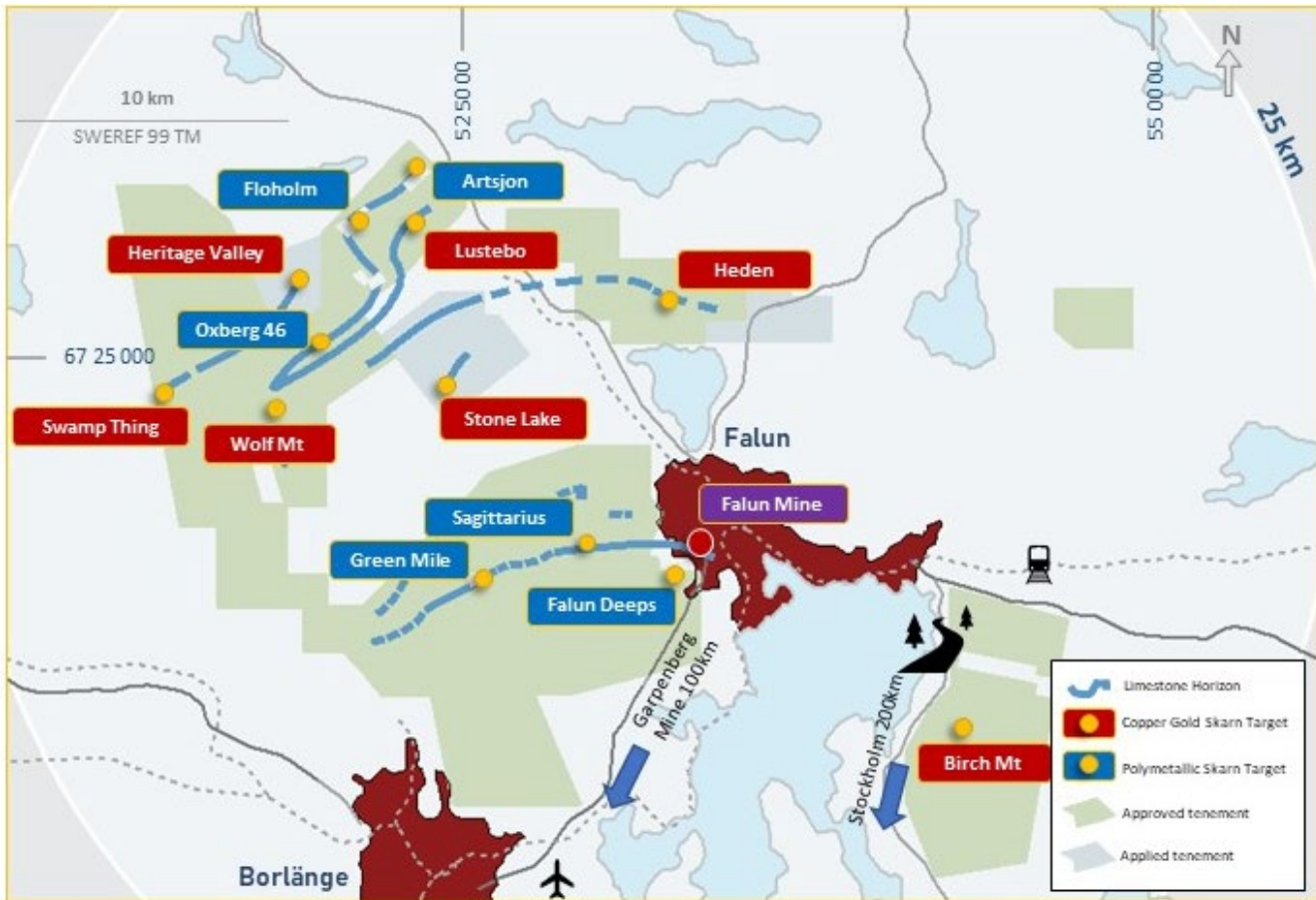


Figure 2: Location of Greater Falun Projects (Note that the Falun mine does not sit within AQI Tenements)

The Greater Falun Project is located within the prolific Bergslagen Mining District of southern Sweden, host to the world-class Garpenberg (operated by Boliden 168.5Mt @ 3.4% Zn, 1.6% Pb, 0.3 g/t Au and 98g/t Ag)³ and Zinkgruvan (operated by Lundin, 46.9Mt @ 9.0% Zn, 2.0% Cu, 3.6% Pb, 78.7g/t Ag)⁴

The Greater Falun Project is immediately along strike from the Falun Mine, closed in the 1990s, which produced 28Mt @ 5.0% Zn, 4.0% Cu, 2.0% Pb, 35g/t Ag and 4.0g/t Au.²

During the year, Alicanto identified multiple, new, undrilled, Electro Magnetic (EM) conductors prospective for high-grade Cu-Au-Zn-Pb-Ag mineralisation at the Greater Falun Project, within the Bergslagen district of Southern Sweden.

These EM Conductors are located across more than 10km of mapped Limestone Mineralised Horizon along strike of the historic, high-grade Falun Mine. These EM conductors were identified through the reprocessing of historical datasets freely available from the Swedish Geological Survey (SGU) by industry leading Geophysical Consultants, Southern Geosciences Ltd and Geovista.

Fugro TEM and Mag were flown in 2000 and Northern Lion Gold as well as Drake Resources Ltd flew Geotech's VTEM and Mag over the area in 2008. Tumi Resources also flew the northern part of Falun volcanic belt with Helicopter SkyTEM and Mag in 2007. Scandinavian Highlands have carried out SkyTEM of the Southern Naverberg area in 2006. Forty potential bedrock conductor anomalies were interpreted, and ten target zones identified. Forward modelling of target conductors was undertaken in order to generate discrete locations and orientations for drill targeting.

Airborne Magnetic surveys flown in conjunction with above mentioned surveys have together with old and a recent SGU survey, for the first time been compiled to one composite Magnetic map. Interpretation has identified a number of magnetic signatures to follow up.

In addition, some 2000 outcrops and showings have been visited and logged in the Greater Falun Project Region. Detailed studies of volcanic stratigraphy, intrusion relationships and alteration overprint paint a new, never before seen, picture.

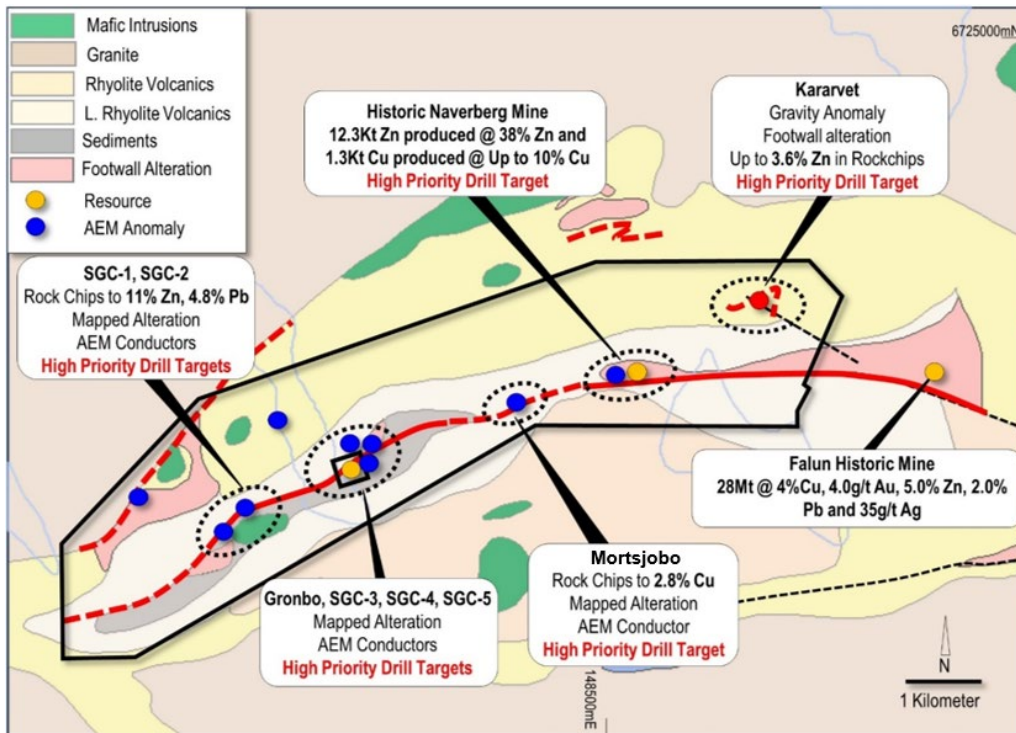


Figure 3: Initial target area plan map showing location of recently identified EM conductors and other geophysical targets. Refer to ASX release 28 August 2019 for table of rock chips and grab sample results.

For the first time in history, Alicanto combined all available geological and geophysical data from over 100 years into one data base. Combined with Alicanto’s learnings from the past twelve months, the Company has leveraged this data integration leading to new Copper-Gold and Polymetallic Skarn mineralisation drill targets.

Wolf Mountain Project

In February 2020, the Company completed its phase one maiden diamond drilling programme at the Wolf Mountain Target, with 6 holes drilled for 964.65 metres defining widespread broad and strongly altered skarn mineralisation, thought to represent the margins of a potentially large mineralised system with grades of up to 2.1% Copper, 69g/t Silver and 1.3% Zinc (ASX 16 June 2020).¹

The best results included:⁵

- Historical rock chips of up to 3.1% Copper.
- 7.2m @ 0.41% Cu from 33.7m in VB 20-04 within a 40.9m intercept of disseminated sulphides (2%) including pyrite and chalcopyrite from surface.
- 0.22m @ 2.13% Cu and 24g/t Ag from 51.95m in VB 20-02.

The maiden drilling was designed to target multiple Induced Polarisation (IP) targets coincident with surface rock chip results of up to 11.9% Copper and 2.9g/t Gold (ASX 14/11/19)¹¹ across four separate mapped mineralised trends over more than 1km strike.

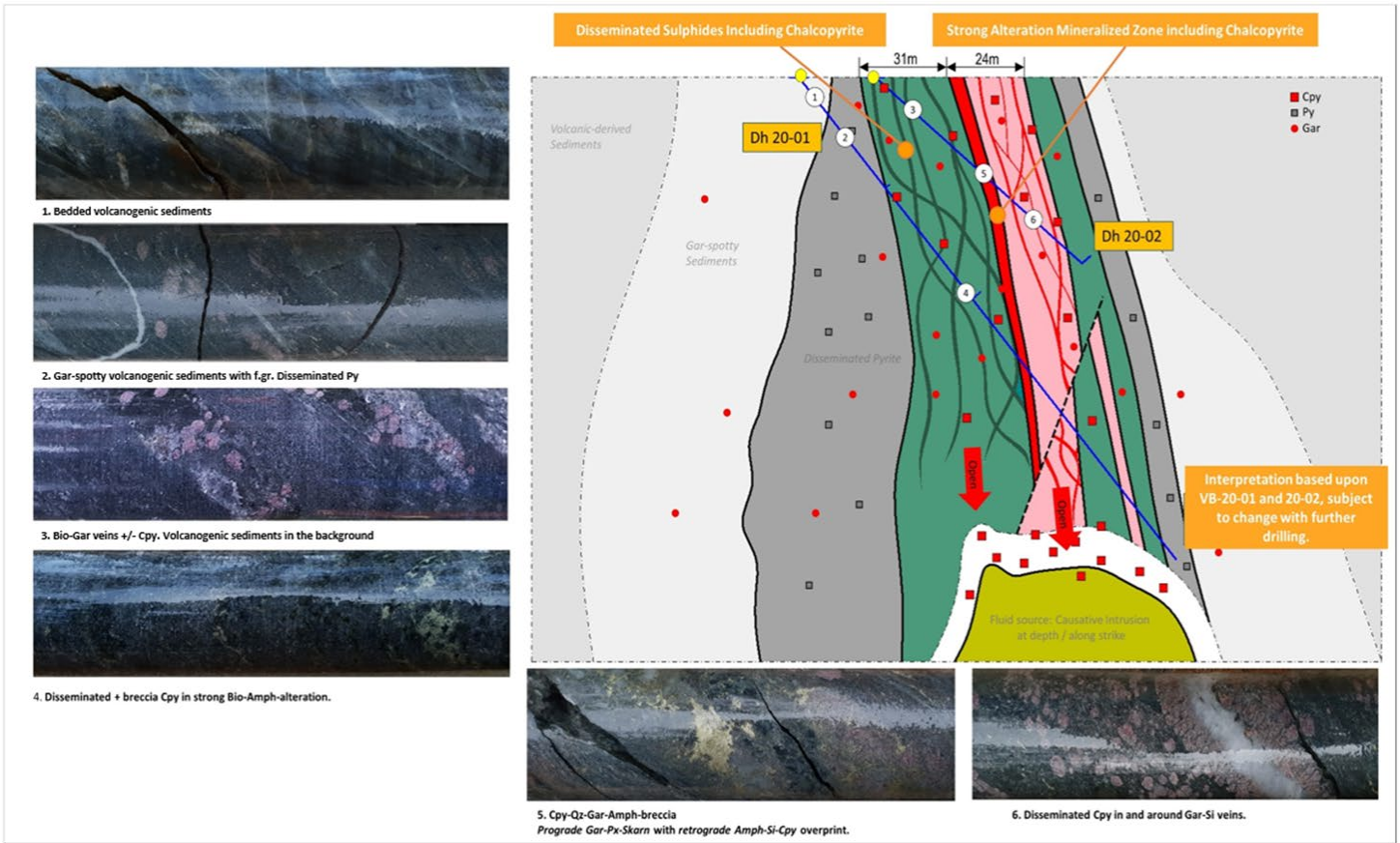


Figure 4: Diamond Drill Core photos from holes DD 20-1 and DD 20-02 and current interpretation of results on Section A-A' (Figure 5), 6723225mN, looking North (Refer to: ASX release 14/11/2019 for table of rock chips and grab sample results, ASX release 18/02/2020 for details hole VB20-01, ASX release 4/03/2020 for details hole VB20-02).

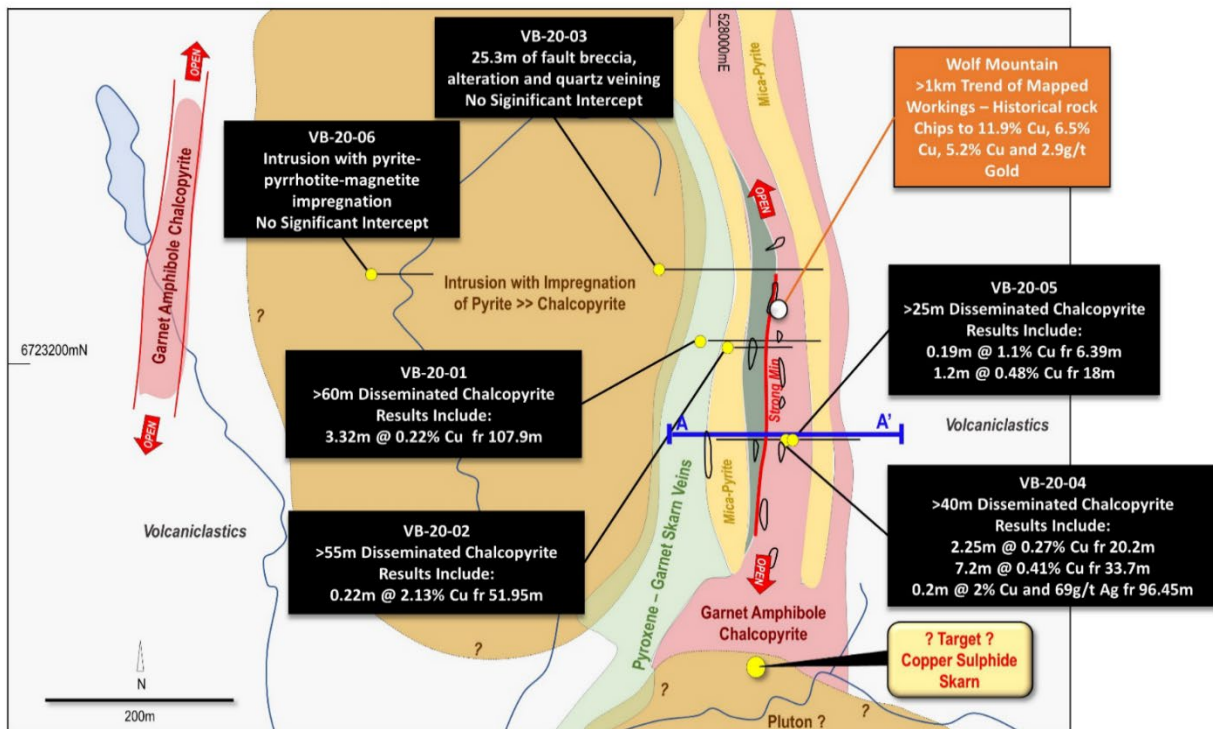


Figure 5: Wolf Mountain Target area plan map with Drill-hole collars for maiden diamond drilling and location of significant intercepts

Drilling successfully intersected significant widths of disseminated Chalcopyrite within wide zones of intense garnet-amphibole-biotite alteration, which was interpreted to represent a more distal zone of mineralisation, with the main target pluton and proximal copper sulphide skarn zone currently thought to lie to the south of the drill area.

All holes intersected widespread, zoned skarn alteration, with hole VB 20-06 intersecting a weakly to moderately pyrite-pyrrhotite-magnetite impregnated intrusion of tonalitic composition with trace chalcopyrite. This is interpreted as part of a potentially causative intrusion, not only for the mineralisation observed at Wolf Mountain, but also could provide the genetic link to all mineralisation observed in the Oxberg and Lustebo areas.

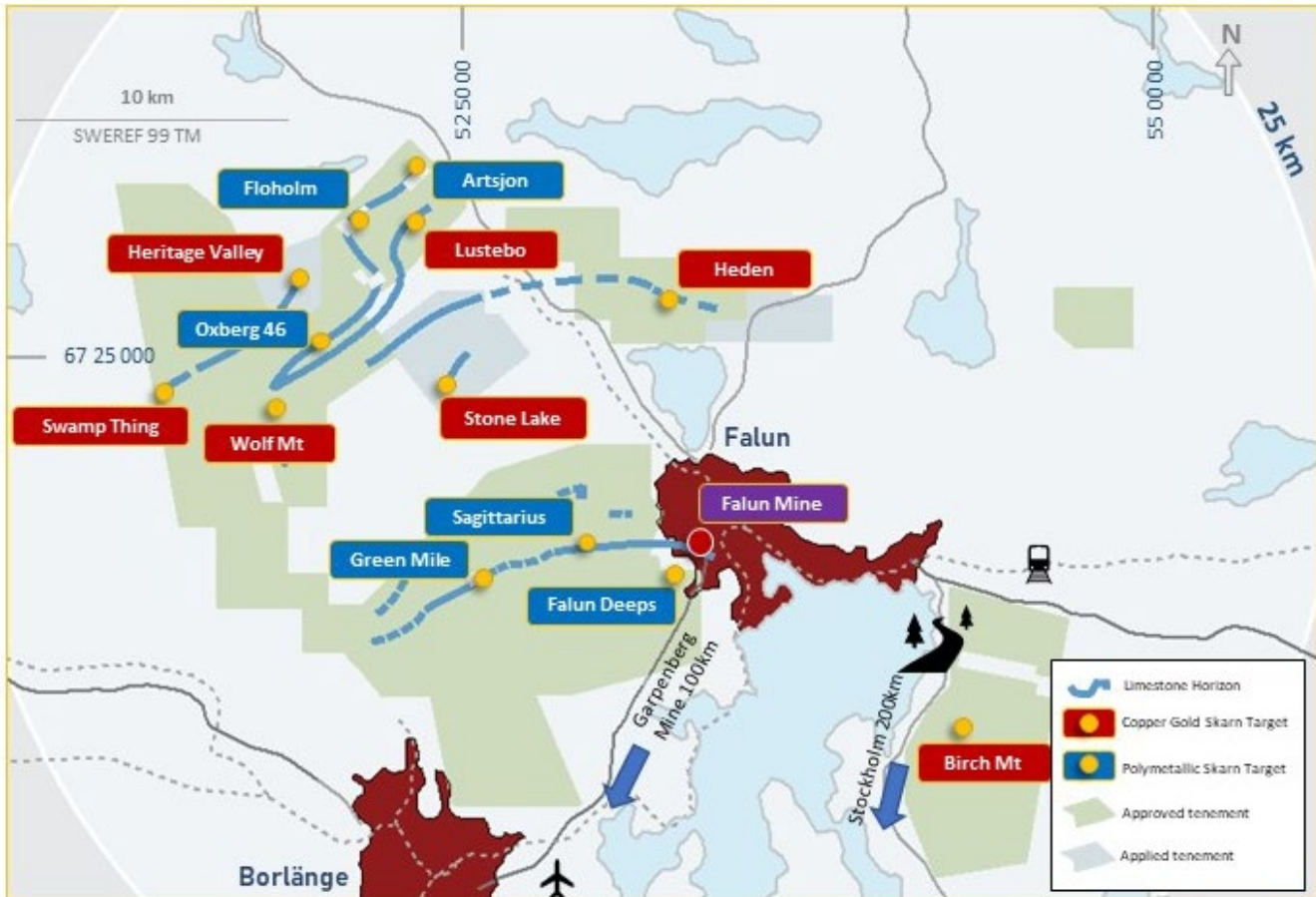


Figure 6: Greater Falun Project target Locations

Lustebo Target, Sweden

In November 2019, Alicanto received assays from a maiden reconnaissance diamond drill program at the Lustebo Prospect within the Oxberg Project Area.

Both reconnaissance style drill holes intersected shallow massive sulphides and assays confirming the high tenor of the mineralisation with exceptionally high grades up to 9.5% copper, 16g/t gold and 8.2% zinc. Results also returned significant assays for silver (up to 285g/t) & lead (up to 3.9%) (ASX 19/11/2019)¹.

Intervals from the two drill-holes included (ASX 19/11/2019)¹:

- Hole 19-01:
 - 2.5m @ 4.2g/t gold, 43g/t silver, 2.2% copper and 1.7% zinc from 151.5m, including:
 - 0.8m @ 13.1g/t gold, 126g/t silver, 6.43% copper, 1.9% lead and 4.7% zinc from 152.63m; and
 - 0.23m @ 16g/t gold, 218g/t silver, 7% copper, 3.9% lead and 8.17% zinc from 152.63m.
- Hole 19-02:
 - 2.72m @ 0.3g/t gold, 43g/t silver, 1.1% copper, 0.4% lead and 1.1% zinc from 152.68m, including:
 - 0.2m @ 0.5g/t gold, 285g/t silver, 9.5% copper, 2.6% lead and 6.5% zinc from 152.68m.

The mineralisation dips moderately to the southeast and is open and unconstrained in all directions.

This will vector follow up drilling to further continuations and repeated bodies of massive sulphide mineralisation as well as highlighting areas of structurally thickened massive sulphide bodies.

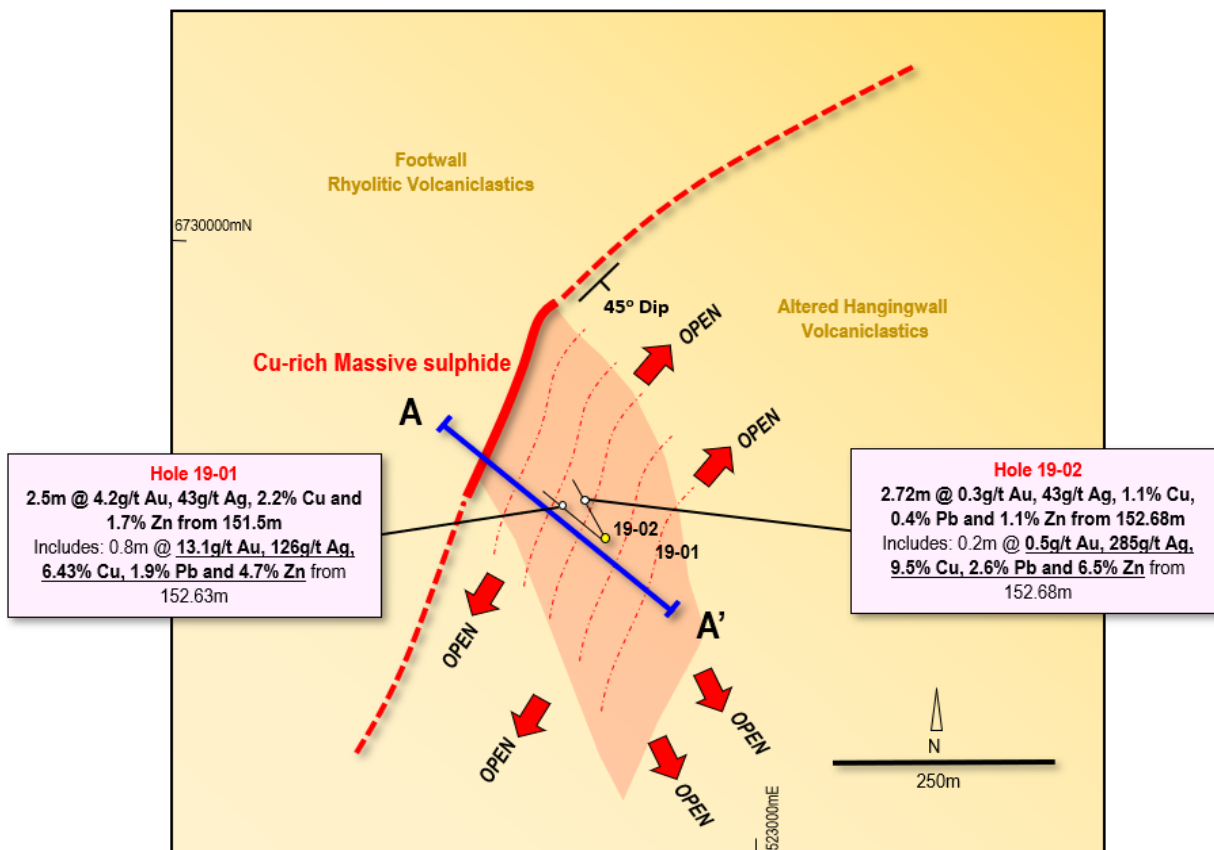


Figure 7: Lustebo Prospect plan map, Oxberg Project

Heden Target, Sweden

In June 2020, Alicanto announced that the Company had identified multiple, new, undrilled Copper-Gold Skarn Targets within 10km of Wolf Mountain in the Bergslagen district of Southern Sweden, and applied for an additional 158km² of prospective tenure, increasing the land position to 275km².

The Heden Prospect (10km to the East of Wolf Mountain) is a high priority drill target and is the best example of regional scale Copper skarn mineralisation in the Bergslagen district observed to date with⁵:

- Historical rock chips of up to 3.1% Copper.
- Coarse grained garnet and pyroxene alteration of an extensive limestone unit.
- Proximity to an interpreted causative intrusion with endoskarn alteration.

Limestone units represent a regionally important chemical trap for mineralising fluids with many of the Bergslagen regions world class base metal deposits including Garpenberg and Zinkgruvan located at these 'mineralised horizons'.

At Heden a potentially causative intrusion was also mapped in the footwall of this Limestone Mineralised Horizon, with the identification of a K-feldspar and epidote altered granitoid with Endoskarn of magnetite and Fe-pyroxene observed in the field.

The observed Causative Intrusion coupled with the identification of a regionally significant limestone trap unit with its relative pyroxene-garnet-chalcopyrite-bornite alteration percentages, corresponds to well-established skarn mineralisation models. This indicates that the Heden prospect is proximal to the target area for high-grade, high tonnage Copper-Gold skarn mineralisation and represents a new high-priority drill target for Alicanto.

Given the near surface observation of Copper-Gold skarn mineralisation and alteration at the Heden project, the company can advance directly to ground Electromagnetics (EM) surveying before drilling proposed to be completed during the fourth quarter of 2020.

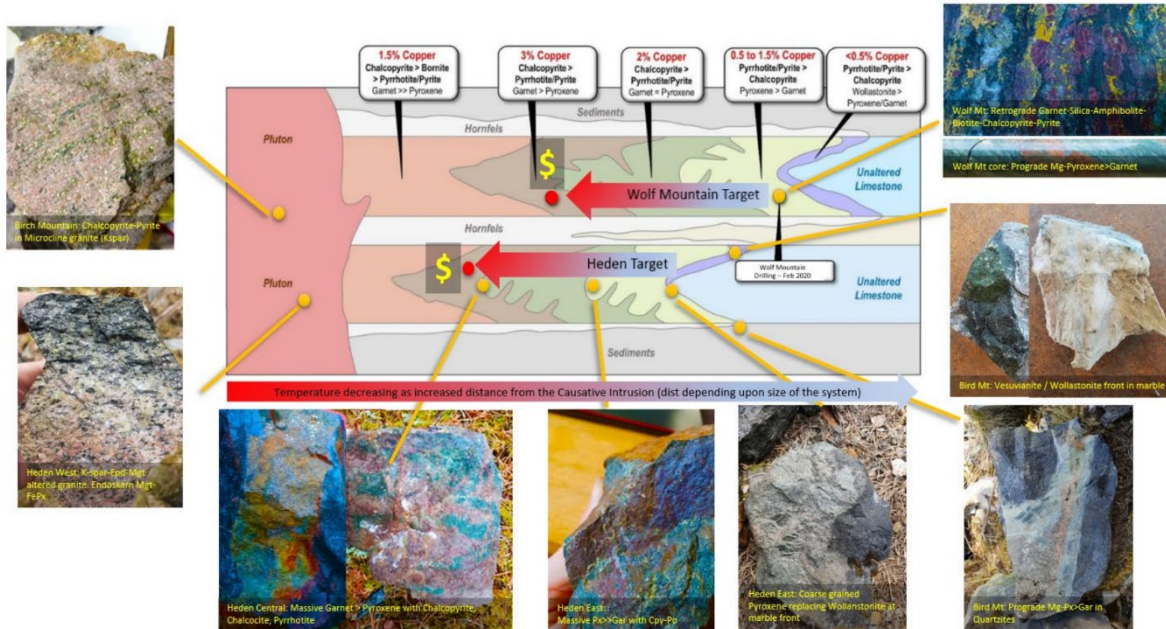


Figure 8: Schematic General Model of Copper Skarn Zonation (modified from Atkinson and Einaudi, 1978) showing interpreted location of the Heden and Wolf Mountain prospect areas relative to pluton proximal, high grade, high tonnage Copper mineralisation.

Birch Mountain Project Area

At Birch Mountain, a strongly copper mineralised outcrop in a K-feldspar altered granite indicates potential for massive Copper-Gold skarn potential at and near the plutonic contacts. The site is thought to represent one of the better examples of a mineralised causative pluton the company has identified to date. Grab samples of float assayed up to **4.94% Copper and 0.30 g/t Gold** (ASX 18 August 2020)¹.

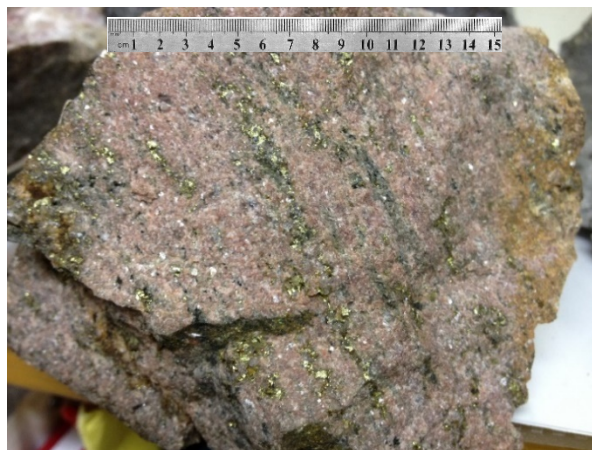


Figure 9: Birch Mountain chalcopyrite-pyrite mineralisation in K-feldspar altered granite.

Stone Lake Project Area: (under application)

In recent mapping at Stone Lake, Alicanto geologists have identified proximal massive garnet with copper mineralization in contact to a massive limestone unit. The occurring shows many similarities with Heden further to the West. Grab samples from float assayed **1.81% Copper** (ASX 18 August 2020)¹.

Given the near surface observation of Copper skarn mineralisation and alteration at the Stone Lake project, the company can advance directly to ground Electromagnetics (EM) applications before drilling proposed in the fourth quarter of 2020 (pending claim approval).



Figure 10: Stone Lake chalcopyrite-pyrrhotite-pyrite mineralisation in massive garnet skarn.

Heritage Valley Project Area: (under application)

Historically the gold endowment of the massive magnetite showings at the historic Heritage Valley magnetite mines has been known. Alicanto has identified proximal massive garnet skarn with copper and gold mineralization in float, and an associated major limestone unit. Grab sample assayed **1.19% Copper and 0.42 g/t Gold**. Historic grab samples from float has recorded up to **2.41 g/t Gold** (ASX 18 August 2020)¹.



Figure 11: Heritage Valley chalcopyrite-pyrrhotite mineralisation in semi-massive magnetite and proximal skarn.

Swamp Thing

A major limestone unit with chalcopyrite-pyrrhotite-pyrite mineralisation in medial pyroxene skarn has been located approximately 4 km West of the Wolf Mountain prospect. A grab sample from mine dump assayed **1.43% Copper** (ASX 18 August 2020)¹. Distinctive zoned Mg and Fe pyroxene skarns alternates with massive garnet skarn.



Figure 12: Swamp Thing zoned medial pyroxene and garnet skarn.

Exploration Plan

Alicanto Minerals has announced that drilling has commenced at its Greater Falun copper-gold project in the world-class Bergslagen region of Sweden. The 4,000m diamond drilling program will test new targets and seek to establish extensions to known mineralisation located in the vicinity of major copper gold systems.

The drilling will be the first thorough modern exploration campaign undertaken at Greater Falun. It will also be the first drilling since Alicanto made a major breakthrough by establishing that the dominant mineralisation is copper-gold skarn, not a Volcanogenic Massive Sulphide (VMS) system as long believed.

Systematic exploration over the Company's exploration assets will continue over the next 12 months, with the ultimate long term goal of establishing a mineral inventory capable of supporting a central processing hub.

The Company continues to review alternatives to extract value from its exploration projects in Guyana.

Arakaka Gold Project, Guyana

The Arakaka Gold Project is a district-scale exploration project that includes multiple mineralised corridors, each including multiple prospects that range from early to advanced stage exploration. These prospects cover quartz-feldspar porphyry to dioritic composition bodies intruding volcano-sedimentary Paleoproterozoic greenstone rocks of the Barama-Mazaruni supergroup which are highly prospective for large tonnage, orogenic gold deposits.

- Arakaka is in one of the oldest and most prolific gold districts in the under-explored Guiana Shield. It rivals in scale the artisanal workings of the 26.9Moz Las Cristinas/Las Brisas deposit.
- Arakaka hosts multiple regional scale structures, late basin conglomerates, extensive alteration systems, widespread, high-density veining indicative of gold systems capable of yielding multi-million-ounce bulk tonnage gold resources as well as high grade, >2m thick quartz-gold reefs.
- Tenement area of >300km²
- Previous exploration work completed by Newmont and Barrick Gold Corp. >US\$25M, provided world class datasets including extensive geochemistry, geophysics and camp/access infrastructure providing an excellent platform for discovery in next steps of exploration.
- Multiple walk-up drill targets with >1Moz Au potential include:
 - Purple Heart Area: Drill results of 13.5m @ 7.36g/t Au 1km along strike from 12m @ 1.2g/t Au and 48m @ 1.8g/t Au with no drilling between intercepts (ASX: 26 Aug 15 and 19 Jun 18)².
 - Gomes Area: Drill results of up to 19.2m @ 3.4g/t Au, 11m @ 3.4g/t Au and 16.4m @ 3.2g/t Au over 500m of strike of >2km mineralised structure identified in trenching. Mineralisation untested below 100m vertical (ASX: 9 Feb 15)².
 - Eyelash Area: Channel samples of 2m @ 33g/t Au, 0.6m @ 68.4/t and 10m @ 2.6g/t Au within >5km >100ppb Au-in-soil anomaly – undrilled (ASX: 14 Jul 15)².
 - Xenopsaris Area: 5 trenches over >4km >100ppb Au-in-Soil anomaly with results of up to 20m @ 2g/t Au, 6m @ 8.3g/t Au and 3m @ 16.4g/t Au – Largely undrilled (ASX: 27 Mar 18)².
- Established 55-man camp, vehicles, all-season road network, daily commercial flights, 15km from deep water port.
- District-scale land position with multiple mineralised corridors identified, each containing multiple drill prospects.

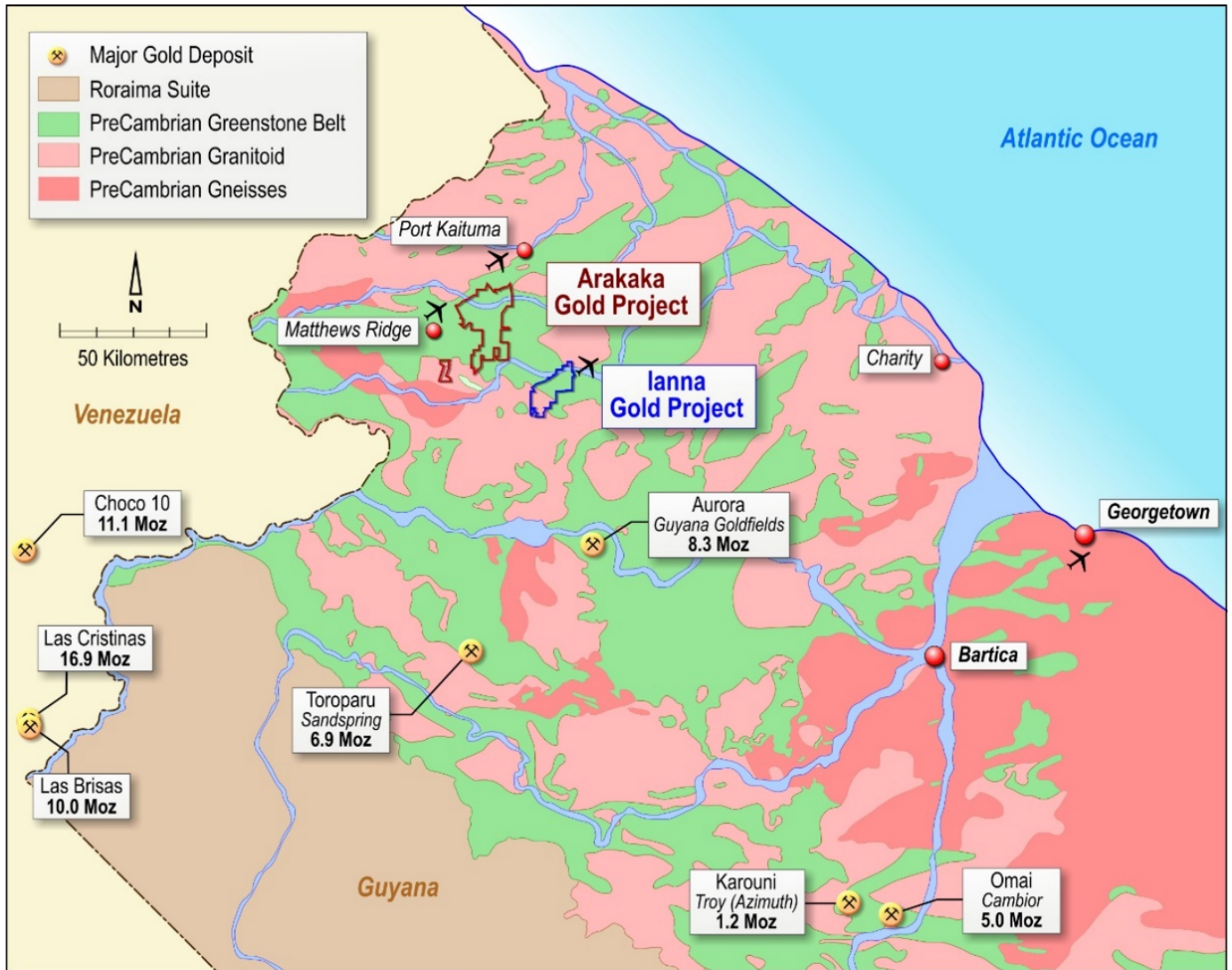


Figure 13: Location of Arakaka (NordGold JV Project) and Ianna gold project (100% Alicanto) located in the Northwest Mining District of Guyana on modified geology from the Guyana Geology and Mines Commission's Geological Map of Guyana, 1987.

2020 Exploration

Arakaka Mineralised Main trend is northwest dipping and hosts multiple saprolite pits on hill slopes over more than 12km of strike adjacent to extensive alluvial workings in the Arakaka valley which have produced >1Moz of gold over more than 100 years of operation.

Alicanto completed 51 diamond drill holes for 10,478m in late 2019 fully funded through Alicanto's Joint Venture with Nord Gold SE. Drilling covered only 1.4km of strike around the Purple Heart prospect area along the 12km extent of the Arakaka Main Trend gold anomalism returning favourable results (refer to ASX announcement dated 29 January 2020)¹, with highlights including:

- **19.05m @ 7.43g/t gold** from 260.75m in ARDD309
 - Including **0.5m @202.4g/t gold** from 263.8m
- **6.0m @ 11.15g/t gold** from 69m in ARDD316
 - Including **0.5m @111.89 g/t gold** from 71.5m
- **0.54m @ 160.13g/t gold** from 239.8m in ARDD329
- **6.5m @ 5.44 g/t gold** from 142.2m in ARDD306
 - Including **0.6m @47.44g/t** gold from 143.5m
- **2.9m @ 3.36g/t gold** from 89m in ARDD281
- **5.85m @ 1.98g/t gold** from 190.33m in ARDD282
- **0.55m @ 21.44g/t gold** from 93.45m in ARDD323
- **3.5m @ 2.39g/t gold** from Surface in ARDD299
- **0.75m @ 10.17g/t gold** from Surface in ARDD303
- **4.6m @ 2.32g/t gold** from 163.4m in ARDD304
- **5.45m @ 2.71g/t gold** from 54m in ARDD319

These results confirm the potential of the Purple Heart area to host a bulk tonnage gold deposit and support historical drilling, with limited reconnaissance drilling previously announced to ASX on 26 August 2015² and 19 June 2018² returning best results of:

- **13.5m @ 7.36g/t gold** from 87m – PHD0801
- **1.9m @ 30.66g/t gold** from 86m – PHD0802
- **10.8m @ 1.66g/t gold** from 17m – PHD0805
- **10m @ 3.10 g/t gold** from surface – ARD04
- **48m @ 1.84g/t gold** from surface – ARD05
- **20.5m @ 1.43g/t gold** from 65m – ROD0803

All drill results as well as drill hole locations are shown in Figure 14 below:

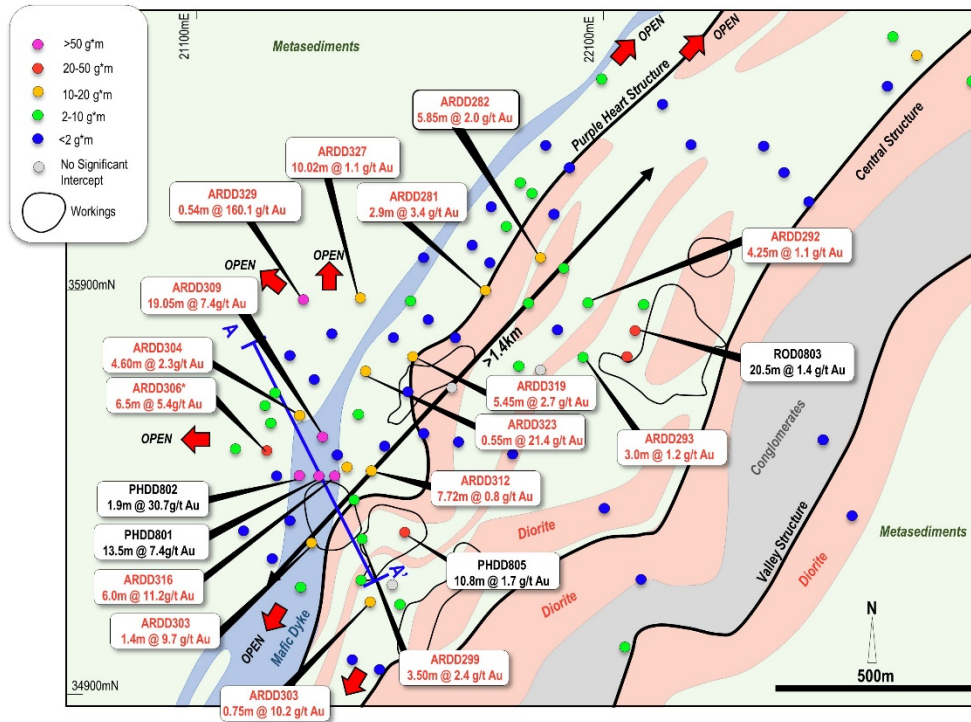


Figure 14: Purple Heart Prospect showing current geological and structural interpretation with significant drill intercepts with hole collars coloured by grams per metre.

All zones of gold anomalism on the Main Trend target are focused on shear zones located in and around diorite and porphyry intrusions of various compositions. Mineralisation ranges from bonanza style gold intercepts of visible gold in quartz veins to broad zones of disseminated mineralisation associated with arsenian-pyrite and pyrrhotite. Encouragingly both types of mineralisation are found within the same geological setting and so exhibit significant potential for bulk tonnage targets.

Multiple, shallowly north-west dipping mineralised structures have now been identified through drilling within the Purple Heart prospect area over more than 1.4km of strike extent within the 12km long Arakaka Main trend. These structures show good continuity throughout the drill area and are frequently associated with the high-strain zones partitioned to the contacts of diorite and porphyry intrusive bodies.

Recent drilling has also identified a previously unrecognised high-grade shoot component to mineralisation associated with flexures in the trace of the principal structures in the area, the Purple Heart and Central structures. Recently returned assays indicate the dimensions of these high-grade shoots to be of significant scale to lead to the potential development of significant gold resources. The high-grade shoots appear stacked and have an apparent, shallow northerly plunge that has now been traced down plunge over 500m and remaining open.

Given the very shallow plunge of the mineralised structures and high-grade gold shoots the structures have been drilled to 450m down-dip but intercepts are still within 150m of surface (see Figure 15).

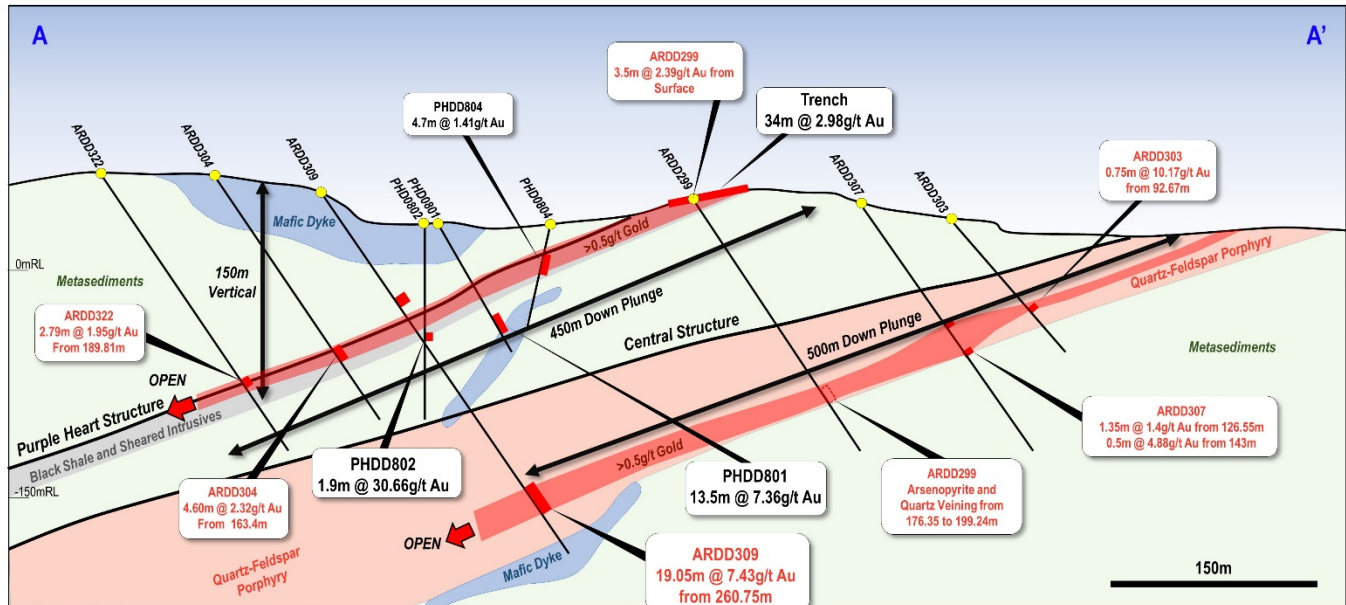


Figure 15: Purple Heart Prospect section line A to A' showing geological and structural interpretation with Significant Drill intercepts.

Drilling spaced approximately 100m apart has defined two sub-parallel, shallowly plunging, high-grade shoots in the vicinity of the Purple Heart Pit.

Drill hole ARDD309's significant intercept of 19.05m @ 7.43g/t gold from 260.75m represents the deepest drilling on the lower shoot whilst the significant intercept of 0.54m @ 160.13g/t gold in ARDD329 represents the deepest drilling on the upper shoot. Both high-grade shoots remain open at depth.

An asset review of the Arakaka Gold project is in progress with further exploration activities to be potentially executed through alternate funding opportunities or other transactions.

Ianna Gold Project, Guyana

The Ianna Gold Project is in Guyana Northwest Mining District less than 25km southeast from the Arakaka Main Trend and Xenopsaris targets located within the Arakaka Gold Project.

The Project has excellent infrastructure, including existing camp facilities, an existing airstrip and river port landing on the property, and can be accessed by road from the Arakaka Project area.

At Ianna, Alicanto has identified three discrete corridors of mineralisation, each with strong evidence for a system potentially capable of multi-million-ounce gold resources. Drilling identified high-grade vein gold mineralisation within the extensive hydrothermal alteration associated with significant gold assays representing over 12km of strike extent potential across three mineralised structural trends within the 114km² Ianna Project Area.

Results suggest potential for high-grade shoots of mineralisation associated with the broad zones of bulk tonnage style mineralisation identified at each of the target areas assessed. Results include:

Ianna Main Intrusion

- 50m @ 2.47g/t gold at End of Hole
- 14m @ 4.27g/t gold
- 12m @ 3.84g/t gold
- 1.8m @ 10.7g/t gold from 43.3m

Eastern Extension Trend

- 16.1m @ 1.4g/t gold at end of hole
- 26.5g/t gold over 0.5m
- 6m @ 6.9g/t gold in trenching

Kings Ransom Trend

- 12m @ 3.99g/t gold in RC
- 20m @ 6.75g/t gold and 22m @ 1.9g/t gold in trenching

The broad zones of mineralisation identified provide considerable support to aggressively expand exploration activities into other prospects within the Project area with the potential to add further tenements within the Project perimeter in accordance with the option and acquisition arrangement.

In 2019 the option and acquisition arrangement for Ianna, originally announced 8 November 2016, was extended through an amendment agreement to 7th November 2020.

An asset review of the Ianna project is in progress with further exploration activities to be potentially executed through alternate funding opportunities or other transactions.

Corporate

Exercise of Zaffer Option

On 3 February 2020, Alicanto announced it had exercised its option to acquire 100% of shares in Zaffer (Australia) Pty Ltd ("Zaffer") which owns the Oxberg and Naverberg VMS (Volcanogenic Massive Sulphide) Projects within the highly endowed Cu-Au-Zn-Pb-Ag Bergslagen Mining District of Southern Sweden.

In accordance with the terms of the Option and Share Sale Agreement approved by Shareholders on 31 July 2019 Alicanto issued 30,000,000 ordinary fully paid shares equally to the shareholders of Zaffer, in accordance with the Agreement, escrowed for 12 months. In addition, a 2.5% net smelter return royalty payable by the Company to the Zaffer vendors (to be distributed to Zaffer vendors equally) on the sale of all metal recovered from the tenements, which is the subject of a separate royalty agreement.

Capital Raisings

The following capital raisings occurred during the year:

- On 6 September 2019, a placement to sophisticated investors was completed raising \$910,000 through the issue of 17,500,004 shares at an offer price of \$0.052 pursuant to ASX Listing Rule 7.1 and 7.1A.
- On 27 February 2020, a placement to sophisticated investors was completed raising \$2,500,000 through the issue of 33,333,334 ordinary shares at \$0.075 per pursuant to ASX Listing Rule 7.1 and 7.1A through the issue of 31,000,000 shares under 7.1 and 2,333,334 shares under 7.1A placement capacity.

Joint Venture with Nord Gold

12 May 2020, Alicanto announced that it will retain 100% of the Arakaka Gold Project in Guyana following Nord Gold SE election not to exercise its option to acquire Arakaka. Nordgold's decision followed US\$2.8m investment in a 10,478m drilling program focussed on one small portion of the 300km² Arakaka Project. Alicanto is now reviewing its options to capitalise on the 100% Nordgold funded work.

Mineral Resource Estimation

As at 30 June 2020, Alicanto has not completed sufficient work to warrant mineral resource estimation and has no Mineral Resource holdings for its project areas located in Guyana, resulting in a 0% increase over the previous years reported resource holdings.

Alicanto has adopted the following governance arrangements and internal controls for the preparation of mineral resource estimations for the Company to ensure any Mineral Resource or Ore Reserve estimations prepared by Alicanto are reported in accordance with the principles of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (JORC Code) and ASX Listing Rules.

Exploration activity and material results acquired in support of Mineral Resource estimation is subject to regular internal review to confirm and compile exploration results on a continuous basis for disclosure to shareholders in accordance with ASX listing rule 5.7 and in accordance with requirements of the JORC Code. Compilation of exploration results is completed or overseen by Alicanto personnel that meet the requirements of a Competent Person in accordance with the principles of the JORC Code.

Any documentation for the estimation of Mineral Resources or Ore Reserve must be prepared or overseen by a Competent Person in accordance with the principles of the JORC Code involving either Company personnel or an Independent Competent Person as deemed appropriate by Company management, with reporting of final documentation prepared in accordance with ASX listing rule(s) 5.8 and/or 5.9 as relevant to the consideration of modifying factors used in the estimation process.

10. Likely Developments and Expected Results of Operations

The Consolidated Entity will continue its mineral exploration activity at and around its exploration projects with the object of identifying commercial resources. Material business risks that may impact the results of future operations include further exploration results, future commodity prices and funding.

Further information on likely developments in the operations of the Company and the expected results of operations have not been included in the Annual Report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

11. Environmental Regulation

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all appropriate regulations when carrying out any exploration work.

12. Information on Directors, Officers and Company Secretary

Raymond Shorrocks	Non-Executive Chairperson - appointed 7 August 2020
Qualifications	BA (Hons), MBA (Finance)
Experience	Ray Shorrocks has over 27 years' experience working in the investment banking industry. He is highly conversant and experienced in all areas of mergers and acquisitions and equity capital markets, including a significant track record of transactions in the metals and mining sectors. He was past Chairperson of ASX listed Bellevue Gold Limited and Republic Gold Limited.
	Mr Shorrocks is Non-Executive Chairperson of Galilee Energy Limited and a number of private companies. Mr Shorrocks is former Director and Head of the Corporate Finance department of a major Australian investment services company based in Sydney.
Interest in Securities	1,765,355 Fully Paid Ordinary Shares 10,000,000 Options expiring 13 August 2025, Exercise Price \$0.10
Other Listed Directorships	Galilee Energy Limited (Appointed 15 January 2014) Auteco Minerals Limited (Appointed 28 January 2020) Cygnus Gold Limited (Appointed 30 June 2020)
Previous Listed Directorships	Bellevue Gold Limited (Appointed 31 December 2015, resigned 9 September 2019) International Goldfields Limited (Appointed 8 September 2016, resigned 4 January 2018) Estrella Resources Limited (Appointed 24 January 2015, resigned 1 February 2019)
Peter George	Managing Director – appointed 7 August 2020 (Previously Chief Executive Officer since 6 August 2018)
Qualifications	BEng (Mining)(WASM)
Experience	Mr George has a background in company, project and operations management with over 20 years' experience in gold, iron-ore, lithium, nickel, zinc, copper and other base metals projects across Australia and Europe, having worked with major resources companies, mining contractors/consultants and small to mid-cap miners. Most recently, Mr George held the role of Project Resident Manager at Mineral Resources Limited, where he was responsible for bringing the 200Mt+ Wodgina Lithium DSO operation into production within 49 days.
	Prior to Mineral Resources Limited, Mr George was Chief Operations Officer at Keras Resources (AIM) and was responsible for all operational aspects of the company including the rapid progress of multiple gold projects through the feasibility and approvals process and then into production. Mr George is a member of the Australasian Institute of Mining and Metallurgy, Graduate of the Australian Institute of Company Directors and holds a WA First Class Mine Managers Certificate of Competency.
Interest in Securities	8,448,128 (6,000,000 Escrowed to 3 Feb 2021) Fully Paid Ordinary Shares
Other Listed Directorships	Mr George does not hold any other directorships with any Listed entities

Didier Murcia AM	Non-Executive Director – (Previously Non-Executive Chairperson 30 May 2012 to 7 August 2020)
Qualifications	LLB, BJuris
Experience	Mr Murcia holds a Bachelor of Jurisprudence and Bachelor of Laws from the University of Western Australia, and has over 30 years' experience in corporate, commercial and resource law. Mr Murcia is Non-Executive Chairperson of Strandline Resources Limited and Non-Executive Chairperson of Centaurus Metals Limited, both of which are listed on the Australian Securities Exchange. He is also Chairperson of Perth law firm Murcia Pestell Hillard and the Honorary Consul for the United Republic of Tanzania.
Interest in Securities	In January 2014, Mr Murcia was made a Member of the Order of Australia in recognition of his significant service to the international community. 522,500 Fully Paid Ordinary Shares 750,000 0.1 cent Options expiring 30 April 2021
Other Listed Directorships	Centaurus Metals Limited (Appointed 16 April 2009) Strandline Resources Limited (Appointed 23 October 2014)
Travis Schwertfeger	Non-Executive Director – resigned 7 August 2020
Qualifications	BSc Geological Engineering, MSc Ore Deposit Geology and Evaluation, MAIG
Experience	Mr Schwertfeger has over 20 years global industry experience as a geologist with positions in exploration, production, geology, business development and project valuation. He previously held senior technical roles with Newmont Mining Corporation and has worked on projects located in South America, West Africa and Australia with similar deposit style Alicanto's Guyanese Projects. Mr Schwertfeger also has extensive corporate and management experience in both ASX and TSX-V listed mineral resource companies through previous Managing Director/CEO and corporate VP roles.
Interest in Securities on date of resignation	2,400,000 Fully Paid Ordinary Shares
Other Listed Directorships	Exore Resources Limited (Appointed 19 August 2019, resigned 25 September 2020)
Hamish Halliday	Non-Executive Director – resigned 7 August 2020
Qualifications	BSc (Geology), MAusIMM
Experience	Mr Halliday is a Geologist with a Bachelor of Science from the University of Canterbury and has over 20 years of corporate and technical experience in the mining industry. Mr Halliday has been involved in the discovery and acquisition of numerous projects over a range of commodities throughout four continents. Mr Halliday has founded and held executive and non-executive directorships with a number of successful listed exploration companies including Venture Minerals Limited and Adamus Resources Limited ('Adamus'). He was CEO of Adamus from its inception through to successful completion of a feasibility study on its gold project in Ghana which is now in production.
Interest in Securities on date of resignation	11,825,000 (6,000,000 Escrowed to 3 Feb 2021) Fully Paid Ordinary Shares 1,000,000 0.1 cent Options expiring 30 April 2021
Other Listed Directorships	Venture Minerals (Appointed 30 January 2008) Comet Resources Limited (Appointed 16 December 2014) Blackstone Minerals Limited (Appointed 30 August 2016)

Company Secretary and Chief Financial Officer

Michael Naylor BCom CA
 Appointed - 1 April 2020

Mr Naylor has 22 years' experience in corporate advisory and public company management since commencing his career and qualifying as a chartered accountant with Ernst & Young. Mr Naylor has been involved in the financial management of mineral and resources focused public companies serving on the board and in the executive management team focusing on advancing and developing mineral resource assets and business development.

Mr Naylor has worked in Australia and Canada and has extensive experience in financial reporting, capital raisings, debt financings and treasury management of resource companies.

Mr Naylor is an Executive Director at Bellevue Gold Limited and a Non-Executive Director of Auteco Minerals Limited.

13. Audited Remuneration Report

The Directors are pleased to present your Company's 2020 remuneration report which sets out remuneration information for Alicanto Minerals Limited's non-executive directors, executive directors and other key management personnel.

The remuneration report is set out under the following headings:

- A. Directors and key management personnel disclosed in this report;
- B. Remuneration governance;
- C. Use of remuneration consultants;
- D. Executive remuneration policy and framework;
- E. Group Performance, Shareholder Wealth and Executive Remuneration
- F. Non-Executive Director remuneration policy;
- G. Voting and comments made at the Company's 2019 Annual General Meeting;
- H. Details of remuneration;
- I. Details of share based compensation and bonuses;
- J. Service agreements;
- K. Equity instruments held by key management personnel;
- L. Loans to key management personnel;
- M. Other transaction with key management personnel.

A. Directors and key management personnel disclosed in this report

This report details the nature and amount of remuneration for all key management personnel of Alicanto Minerals Limited and its subsidiaries. The information provided within this remuneration report has been audited as required by section 308(C) of the Corporations Act 2001. The Individuals included in this report are:

Non-Executive Directors

Mr Raymond Shorrocks	Non-Executive Chairperson (appointed 7 August 2020)
Mr D Murcia	Non-Executive Director (appointed 7 August 2020, previously Non-Executive Chairperson 30 May 2012 to 7 August 2020)
Mr H Halliday	Non-Executive Director (resigned on 7 August 2020)
Mr T Schwertfeger	Non-Executive Director (resigned on 7 August 2020)
Mr P George	Managing Director (appointed 7 August 2020, previously Chief Executive Officer)

B. Remuneration Governance

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

As the whole Board only consists of three (3) members, the Company does not have a remuneration committee and therefore the full board acts as the remuneration committee. The Board has established a broad remuneration policy which is consistent with the Company's business objectives and designed to attract and retain high calibre individuals, align key management personnel remuneration with the creation of shareholder value and motivate executives to achieve challenging performance levels.

The business and operational environment of the Company is dynamic and ever changing and so too is the remuneration policies. As such the broader remuneration policies, whilst currently under specific and detailed review, are by nature, always under consideration by the Board.

Further information relating to the role of the Board and its responsibilities in relation to remuneration policies can be found within the Corporate Governance Statement which is available for inspection on the Company's website <http://www.alicantominerals.com.au/index.php/corporate-profile/corporate-governance>.

C. Use of remuneration consultants

The Company has not engaged or contracted remuneration consultants during the financial year.

13. Audited Remuneration Report (continued)

D. Executive remuneration policy and framework

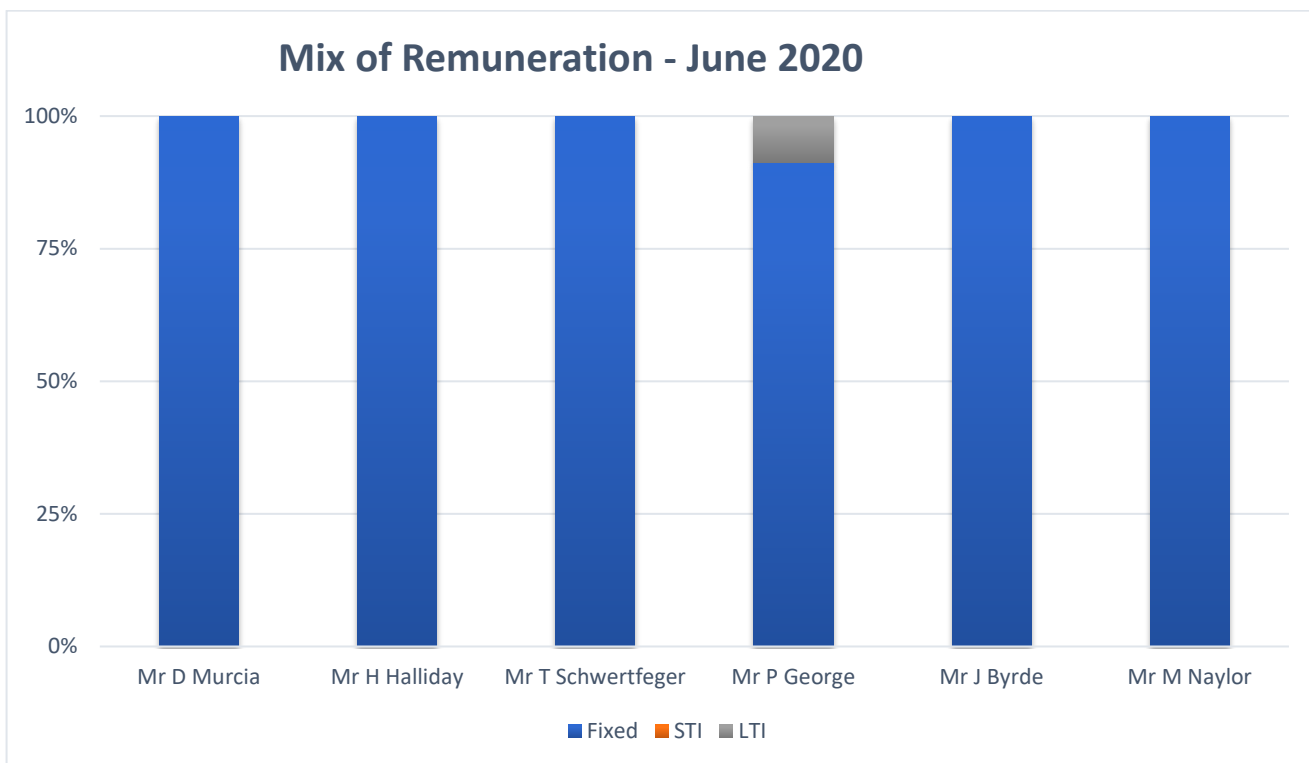
Remuneration Policy

The remuneration policy of Alicanto Minerals Limited has been designed to align executives' objectives with shareholder and business objectives by providing both fixed and discretionary remuneration components which are assessed on an annual basis in line with market rates. By providing components of remuneration that are indirectly linked to share price appreciation (in the form

of options), executive, business and shareholder objectives are indirectly aligned. The board of Alicanto Minerals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company, as well as create goal congruence between Directors and Shareholders.

In determining competitive remuneration rates, the Board review local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent data is sourced to ensure that the company's remuneration levels fall within the 50th to 75th percentile of companies in a similar industry group and with a similar market capitalisation. These ongoing reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Board also ensures that the mix of executive compensation between fixed, variable, long-term, short-term and cash versus equity is appropriate. The Company endeavours to reduce cash expenditure by providing a greater proportion of compensation in the form of equity instruments. This allows cash-flows to be directed towards exploration programs with a view to improving the quality of our projects.



Fixed Remuneration

All executives receive a base cash salary which is based on factors such as length of service and experience as well as other fringe benefits. All applicable executives also receive a superannuation guarantee contribution required by the government, which is currently 9.5% and do not receive any other retirement benefits.

Short-term Incentives (STI)

Under the Company's current remuneration policy, executives can from time to time receive short-term incentives in the form of cash bonuses. The Board can use its discretion when paying bonuses, however they have currently determined relevant industry key performance targets such as, definition and growth of existing resources, targets and on-going Executive loyalty to the Company. The Board believes that the criteria of eligibility for short-term incentives appropriately aligns shareholder wealth and executive remuneration as the completion of key performance targets have the potential to increase share price growth.

There were no cash bonuses paid out in the current financial year.

13. Audited Remuneration Report (continued)

Long-term Incentives (LTI)

Executives are encouraged by the Board to hold shares in the Company and it is therefore the objective of the Company's option scheme to provide an incentive for participants to partake in the future growth of the company and, upon becoming shareholders in the Company, to participate in the Company's profits and dividends that may be realised in future years.

The Board considers that this equity performance linked remuneration structure is effective in aligning the long-term interests of group executives and shareholders as there exists a direct correlation between shareholder wealth and executive remuneration.

E. Group Performance, Shareholder Wealth and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders directors and executives. This has been achieved by the issue of performance options to directors, executives and other key management personnel, at the discretion of the Board of Directors. The performance options are issued under the Employee Incentive Scheme and based on a mixture of short, medium and long-term incentive options. This structure rewards executives for both short-term and long-term shareholder wealth development.

F. Non-Executive Director remuneration policy

The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. Fees for non-executive directors are not linked to the performance of the group.

Typically, the Company will compare non-executive remuneration to companies with similar market capitalisations in the exploration and resource development business group. These ongoing reviews are performed to confirm that non-executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Further to ongoing reviews, the maximum aggregate amount of fees that can be paid to non-executive directors is currently \$500,000 as per the Company's constitution. No change is being requested for approval by shareholders at the Annual General Meeting. No options were issued to directors during the year. (2019: In addition to director fees, the Directors were issued options during the current financial year, which were approved by shareholders at the shareholder meetings held during the period). Options were issued to non-executives as they provide an indirect mechanism of aligning shareholder wealth and non-executive director remuneration.

The remuneration policy, setting the terms and conditions for the non-executive directors was developed and approved by the Board. In determining competitive remuneration rates, the Board reviews local and international trends among comparative companies and industry generally. Reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian non-executive reward practices.

G. Voting and comments made at the Company's 2019 Annual General Meeting

The Company received 85.7% of "Yes" votes on its remuneration report for the 2019 financial year (2018: 91%). The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

13. Audited Remuneration Report (continued)

H. Details of Remuneration

The Key Management Personnel of Alicanto Minerals Limited for the year ending 30 June 2020 are set out in the table below. There have been no changes to the below named key management personnel since the end of the reporting period unless noted.

	Short-Term Employee Benefits				Post Employment	Securities	Total
	Cash Salary & Fees	Incentives	Consulting fees	Other Amounts	Super-annuation	Options ³	
	\$	\$	\$	\$	\$	\$	\$
2020							
Non-Executive Directors							
Mr D Murcia	32,850	-	-	2,816	-	-	35,666
Mr H Halliday ¹	24,000	-	9,000	2,816	-	-	35,816
Mr T Schwertfeger ²	29,400	-	-	2,816	-	-	32,216
Mr R Shorrocks ³	-	-	-	-	-	-	-
Mr P George ⁴	-	-	-	-	-	-	-
Other Key Management Personnel							
Mr P George ⁴	200,000	-	-	2,816	19,000	8,517	230,333
Mr J Byrde ⁵	48,433	-	-	2,112	-	-	50,545
Mr M Naylor ⁶	15,000	-	-	704	-	-	15,704
Total Remuneration	349,683	-	9,000	14,080	19,000	8,517	400,280

¹: Mr Halliday resigned as Non-Executive Director on 7 August 2020.

²: Mr Schwertfeger resigned as Non-Executive Director on 7 August 2020.

³: Mr Shorrocks was appointed as Non-Executive Chairperson on 7 August 2020.

⁴: Mr George was appointed as Chief Executive Officer of the Company on 6 August 2018 holding this position during the year and was subsequently appointed as Managing Director on 7 August 2020.

⁵: Mr Byrde resigned as Company Secretary on 1 April 2020.

⁶: Mr Naylor was appointed as Company Secretary on 1 April 2020.

	Short-Term Employee Benefits				Post Employment	Securities	Total
	Cash Salary & Fees	Incentives	Consulting fees	Other Amounts	Super-annuation	Options ³	
	\$	\$	\$	\$	\$	\$	\$
2019							
Non-Executive Directors							
Mr D Murcia	36,135	-	-	2,658	-	-	38,793
Mr H Halliday	20,000	-	32,166	2,658	-	-	54,824
Mr T Schwertfeger ¹	81,685	-	8,900	2,658	-	-	93,243
Other Key Management Personnel							
Mr P George ²	204,273	-	-	2,658	19,406	23,064	249,401
Mr J Byrde	57,137	-	-	2,658	-	18,493	78,288
Total Remuneration	399,230	-	41,066	13,290	19,406	41,557	514,549

¹: Mr Schwertfeger resigned 26 June 2018 as Managing Director and appointed as Non-Executive Director. Includes Annual Leave entitlements for period as Managing Director.

²: Mr George was appointed as Chief Executive Officer on 6 August 2018.

³: The fair value of the options is calculated at the date of grant using a Black-Scholes model, refer to Section I for further details of options issued in the June 2018 and 2019 financial year

I. Details of share-based compensation and bonuses

Options are issued to directors and executives as part of their remuneration. The options are not always issued based on performance criteria and in the instances, they are not, they are issued to the majority of directors and executives of Alicanto Minerals Limited to increase goal congruence between executives, directors and shareholders.

Options issued – 30 June 2020

- (i) There were no options issued during the year.
- (ii) On 5 July 2019, Mr George exercised 500,000 options being part of the 1,000,000 options granted in the prior year.

13. Audited Remuneration Report (continued)

I. Details of share-based compensation and bonuses (continued)

Options issued – 30 June 2019

There were 1,000,000 unlisted options issued to Other Key Management Personnel for incentive options issued under the Employee Incentive Scheme. The options vest upon achievement of performance-based milestones as follows:

- (i) 50% of the options shall vest upon achieving an earn-in, joint venture or similar transaction in relation to its Guyana Projects.
- (ii) 50% subject to the employee remaining with the company for 24 months.

Further details of options issued to Directors and key management personnel are as follows:

	Granted No.	Fair Value at Grant Date \$	Total Remuneration Represented by Options	Exercised No.	Other changes No.	Lapsed No.
2020						
Non-Executive Directors						
Mr D Murcia	-	-	-	-	-	-
Mr H Halliday ¹	-	-	-	-	-	-
Mr T Schwertfeger ²	-	-	-	-	-	-
Mr R Shorrocks ³	-	-	-	-	-	-
Mr P George ⁴	-	-	-	-	-	-
Other Key Management Personnel						
Mr P George ⁴	-	8,517	4%	(500,000) ⁷	-	-
Mr J Byrde ⁵	-	-	-	-	-	-
Mr M Naylor ⁶	-	-	-	-	-	-

¹: Mr Halliday resigned as Non-Executive Director on 7 August 2020.

²: Mr Schwertfeger resigned as Non-Executive Director on 7 August 2020.

³: Mr Shorrocks was appointed as Non-Executive Chairperson on 7 August 2020.

⁴: Mr George was appointed as Chief Executive Officer of the Company on 6 August 2018 holding this position during the year and was subsequently appointed as Managing Director on 7 August 2020.

⁵: Mr Byrde resigned as Company Secretary on 1 April 2020.

⁶: Mr Naylor was appointed as Company Secretary on 1 April 2020.

⁷: The options exercised of 500,000 were part of the 1,000,000 options granted in prior year.

	Granted No.	Fair Value at Grant Date \$	Total Remuneration Represented by Options	Exercised No.	Other changes No.	Lapsed No.
2019						
Non-Executive Directors						
Mr D Murcia	-	-	-	-	-	-
Mr H Halliday	-	-	-	-	-	-
Mr T Schwertfeger ¹	-	-	-	-	-	-
Other Key Management Personnel						
Mr P George ²	1,000,000	23,064	9%	-	-	-
Mr J Byrde	-	18,493	24%	(300,000) ³	-	(300,000)

¹: Mr Schwertfeger resigned as Managing Director 26 June 2018 and appointed Non-Executive Director.

²: Mr George was appointed as Chief Executive Officer on 6 August 2018.

³: The options exercised of 300,000 were part of the 600,000 options granted in prior year.

13. Audited Remuneration Report (continued)

I. Details of share-based compensation and bonuses (continued)

	Grant Date	Expiry Date	% Vested in Year	Exercise Price	Number of Options
2020					
Non-Executive Directors					
Mr H Halliday ¹	-	-	-	-	-
Mr T Schwertfeger ²	-	-	-	-	-
Mr R Shorrocks ³	-	-	-	-	-
Mr P George ⁴	-	-	-	-	-
Other Key Management Personnel					
Mr P George ⁴	19 Oct 18	6 Aug 21	50%	\$0.001	500,000
Mr J Byrde ⁵	-	-	-	-	-
Mr M Naylor ⁶	-	-	-	-	-

¹: Mr Halliday resigned as Non-Executive Director on 7 August 2020.

²: Mr Schwertfeger resigned as Non-Executive Director on 7 August 2020.

³: Mr Shorrocks was appointed as Non-Executive Chairperson on 7 August 2020.

⁴: During the year Mr George held the position of Chief Executive Office and was subsequently appointed as Managing Director on 7 August 2020. The options held is the remaining balance of 1,000,000 options issued in the prior year.

⁵: Mr Byrde resigned as Company Secretary on 1 April 2020.

⁶: Mr Naylor was appointed as Company Secretary on 1 April 2020.

	Grant Date	Expiry Date	% Vested in Year	Exercise Price	Number of Options
2019					
Non-Executive Directors					
Mr D Murcia	-	-	-	-	-
Mr H Halliday	-	-	-	-	-
Mr T Schwertfeger	-	-	-	-	-
Other Key Management Personnel					
Mr P George	19 Oct 18	6 Aug 21	50%	\$0.001	1,000,000
Mr J Byrde	20 Dec 17	30 Apr 21	100%	\$0.001	300,000

The value at grant date is calculated in accordance with AASB2 Share Based Payments utilising the Black Scholes Methodology. The following factors and assumptions were used in determining the fair value of options issued to key management personnel on grant date:

Grant Date	Expiry Date	Exercise Price	Fair Value Per Option	Price of Shares on Grant Date	Estimated Volatility	Risk Free Interest Rate	Dividend Yield
2020							
	-	-	-	-	-	-	-
2019							
19 Oct 18	6 Aug 21	\$0.001	\$0.0341	\$0.035	85%	2.08%	0%

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The life of the options is based on historical exercise patterns, which may not eventuate in the future.

13. Audited Remuneration Report (continued)

J. Services Agreements

Remuneration and other key terms of employment for the Executives, Non-Executives and Other Executives of Alicanto Minerals Limited are formalised in executive service agreements. Major provisions of the agreements relating to remuneration are set out below:

Mr D Murcia, Non-executive Chairperson (resigned as Non-Executive Chairperson and appointed as Non-Executive Director 7 August 2020)

Term of Agreement – unspecified.

Normal Base fee of \$60,000 exclusive of superannuation.

From 1 July 2018 a voluntary fee reduction of 30% to 31 October 2018 reduced to \$45,990

From 1 November 2018 to 30 June 2020 reduced to \$32,850.

Eligible to participate in the Company's Employee Incentive Scheme.

No termination benefit under any circumstances.

Mr P George, Chief Executive Officer (appointed as Managing Director 7 August 2020)

Term of Agreement – unspecified

Base salary of \$262,800 inclusive of superannuation. From 1 June 2019, Mr George accepted a voluntary reduction to a Base salary of \$219,000 inclusive of superannuation. Following appointment as Managing Director on 7 August 2020 Base salary increased to \$273,750 inclusive of superannuation.

Payment of a termination benefit on early termination by the company, other than for gross misconduct, equal to 12 weeks base fee, being payment in lieu of the specified termination notice period.

In the event there is change of control a payment of 6 months base fee will become payable.

Eligible to participate in the Company's Employee Incentive Scheme.

Mr H Halliday, Non-executive Director (resigned 7 August 2020)

Term of Agreement – unspecified.

Base fee of \$20,000 Non-Executive Director and \$80,000 Management Consultant inclusive of superannuation.

From 1 July 2018, a voluntary reduction of 30% is in place for a total base fee of \$70,000.

From 1 November 2018, this reduced to \$50,000

From 1 May 2019 this reduced down to \$24,000.

Eligible to participate in the Company's Employee Incentive Scheme.

No termination benefit under any circumstances.

Mr T Schwertfeger, Non Executive Director (resigned 7 August 2020)

Non-Executive Director is on a base fee of \$36,000 per annum inclusive of superannuation is payable

From 1 October 2018, a voluntary reduction was accepted for a total fee of \$30,000.

Consulting fee of \$500 per day as required.

Eligible to participate in the Company's Employee Incentive Scheme.

No termination benefit under any circumstances.

Mr J Byrde, Company Secretary (resigned 1 April 2020)

Term of Agreement – Agreement is held with related entity and charged on an even proportion across three related entities.

Base fee of \$65,700 inclusive of Superannuation from 15 June 2019 (previously \$54,750)

Payment of a termination benefit on early termination by the company, other than for gross misconduct, equal to 3 months base fee, being payment in lieu of the specified termination notice period.

Eligible to participate in the Company's Employee Incentive Scheme.

Mr M Naylor, Company Secretary (appointed 1 April 2020)

Term of Agreement – Agreement is held with related entity and charged on a monthly basis in arrears for Mr Naylor's services as Chief Financial Officer and Company Secretary.

Base fee of \$60,000 inclusive of Superannuation from 1 April 2020 and increasing to \$90,000 from 1 July 2020.

Payment of a termination benefit on early termination by the company, other than for gross misconduct, equal to 3 months base fee, being payment in lieu of the specified termination notice period.

Eligible to participate in the Company's Employee Incentive Scheme.

13. Audited Remuneration Report (continued)

K. Equity instruments held by key management personal

Shares	Balance at the start of the year	Received on exercise of options	Other changes	Balance at the end of the year
2020				
Directors of Alicanto Minerals Limited				
Mr D Murcia	522,500	-	-	522,500
Mr T Schwertfeger	2,400,000	-	-	2,400,000
Mr H Halliday	5,825,000	-	6,000,000	11,825,000
Other key management personnel				
Mr P George ¹	-	500,000	6,084,492	6,584,492
Mr J Byrde ²	300,000	-	(300,000)	-
Mr M Naylor ³	-	-	-	-
2019				
Directors of Alicanto Minerals Limited				
Mr D Murcia	522,500	-	-	522,500
Mr T Schwertfeger	300,000	2,000,000	100,000	2,400,000
Mr H Halliday	5,825,000	-	-	5,825,000
Other key management personnel				
Mr P George ¹	-	-	-	-
Mr J Byrde	-	300,000	-	300,000

¹: During the year Mr P George held the position as Chief Executive Officer and was subsequently appointed as Managing Director on 7 August 2020 (2019: Mr P George appointed as Chief Executive Officer on 6 August 2018)

²: M J Byrde resigned on 1 April 2020

³: Mr M Naylor appointed on 1 April 2020

Unlisted options	Balance at start of the year	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
2020						
Directors of Alicanto Minerals Limited						
Mr D Murcia	750,000	-	-	-	750,000	750,000
Mr T Schwertfeger	-	-	-	-	-	-
Mr H Halliday	1,000,000	-	-	-	1,000,000	1,000,000
Other key management personnel						
Mr P George	1,000,000	-	(500,000)	-	500,000	-
Mr J Byrde	300,000	-	-	(300,000)	-	-
Mr M Naylor	-	-	-	-	-	-
2019						
Directors of Alicanto Minerals Limited						
Mr D Murcia	1,500,000	-	-	(750,000)	750,000	750,000
Mr T Schwertfeger	3,500,000	-	(2,000,000)	(1,500,000)	-	-
Mr H Halliday	3,500,000	-	-	(2,500,000)	1,000,000	1,000,000
Other key management personnel						
Mr P George	-	1,000,000	-	-	1,000,000	500,000
Mr J Byrde	700,000	-	(300,000)	(100,000)	300,000	300,000

13. Audited Remuneration Report (continued)

K. Equity instruments held by key management personal

Listed Options (\$0.28, 28 July 2019)	Balance at start of the year	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
2020						
Directors of Alicanto Minerals Limited						
Mr D Murcia	1,250	-	-	(1,250)	-	-
Mr T Schwertfeger	50,000	-	-	(50,000)	-	-
Mr H Halliday	75,000	-	-	(75,000)	-	-
Other key management personnel						
Mr P George	-	-	-	-	-	-
Mr M Harden	-	-	-	-	-	-
Mr J Byrde	-	-	-	-	-	-
M M Naylor	-	-	-	-	-	-
2019						
Directors of Alicanto Minerals Limited						
Mr D Murcia	1,250	-	-	-	1,250	1,250
Mr T Schwertfeger	50,000	-	-	-	50,000	50,000
Mr H Halliday	75,000	-	-	-	75,000	75,000
Other key management personnel						
Mr P George	-	-	-	-	-	-
Mr M Harden	62,500	-	-	(62,500)	-	-
Mr J Byrde	-	-	-	-	-	-

L. Loans to key management personnel

There were no loans made to directors of Alicanto Minerals Limited and other key management personnel of the group, including their close family members or entities related to them.

M. Other transactions with key management personnel

Mr D Murcia is a Director of Murcia Pestell Hillard a company which provides legal services on normal commercial terms and conditions. Mr H Halliday is a Non-Executive Director of Venture Minerals Limited and Blackstone Minerals which shares office and administration service costs on normal commercial terms and conditions.

	Consolidated 2020	2019
	\$	\$
Recharges from Director related entities:		
Recharge of costs by Venture Minerals Limited	31,874	41,500
Recharge of costs by Blackstone Minerals Limited	113,271	127,500
Purchases from Director related entities		
Purchases for legal services from Murcia Pestell Hilliard Lawyers	8,754	19,071
Outstanding balances arising from recharges/purchases with Director Related Parties:		
Current payables	31,131	23,058

In addition to the above, Mr George and Mr Halliday are included in the Zaffer vendors that may benefit in the future from the net 2.5% smelter royalties agreed to and as disclosed as a contingent liability on page 60 in Note 24.

End of Remuneration Report.

14. Shares under Option

Unissued ordinary shares of Alicanto Minerals Limited under option at the date of this report are as follows:

Date Options Granted	Expiry Date	Exercise Price	Number under Option
25 May 16	30 Apr 21	\$0.001	750,000
15 Mar 19	14 Mar 24	\$0.030	5,000,000
17 Jun 19	23 Jun 23	\$0.065	24,000,000
14 Aug 20	13 Aug 25	\$0.100	37,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

15. Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

16. Meetings of Directors

The number of Directors' meetings held during the financial year that each Director who held office during the financial year was eligible to attend and the number of meetings attended by each Director were:

Director	Directors Meetings	
	Number Eligible to Attend	Meetings Attended
Mr D Murcia	5	5
Mr T Schwertfeger	5	4
Mr H Halliday	5	4

17. Insurance of Officers

Alicanto Minerals Limited has paid a premium of \$14,080 (2019: \$13,290) to insure the directors and secretary of the Company and its controlled entities. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company.

18. Auditors Independent Declaration and Non-Audit Services

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 35 of the Directors' report.

In the prior year the Company engaged Stantons International Securities a related practice to provide an Independent Experts Report relating to the acquisition of Zaffer (Australia) Pty Ltd for a fee of \$24,000. These services were not provided in current year. The Board of Directors has considered the position and are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- a. all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor
- b. none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

The Auditor's audit remuneration is disclosed in Note 5.

Signed in accordance with a resolution of the Board of Directors.



Ray Shorrocks
Non-Executive Chairperson

Perth Western Australia, 29 September 2020

Competent Person's Statement

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Marcus Harden, who is a Member of The Australian Institute of Geoscientists. Mr Harden is the Chief Geologist for the Company. Mr Harden has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harden consents to their inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Harden holds securities in Alicanto Minerals Limited.

Forward Looking Statements

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors constitute, among others, continued funding, general business, economic, competitive, political and social uncertainties; the actual results of exploration activities; changes in project parameters as exploration strategies continue to be refined; renewal of mineral concessions; accidents, labour disputes, contract and agreement disputes, and other sovereign risks related to changes in government policy; changes in policy in application of mining code; political instability; as well as those factors discussed in the section entitled "Risk Factors" in the Company's rights issue prospectus. The Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, however there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

New Information or Data

The company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement.

Notes

¹ For full details of these Exploration results, refer to the said Announcement or Release on the said date. Alicanto is not aware of any new information or data that materially affects the information included in the said announcement.

² Falun Mine statistics obtained from <http://www.falugruva.se/historia/historik-falu-gruva/1900-talet-ochslutet-pa-gruvdriften/>

³ Garpenberg Mine statistics obtained from "Boliden Summary Report, Resources and Reserves, 2018" and <https://www.boliden.com/operations/mines/boliden-garpenberg>.

⁴ Zinkgruvan Mine statistics obtained from NI 43-101 Tech Report for Zinkgruvan Mine (November 2017) obtained from <https://www.lundinmining.com/>

⁵ For full details of these Exploration results, refer to ASX announcement on 16 June 2020. Alicanto is not aware of any new information or data that materially affects the information included in the said announcement.

29 September 2020

The Directors
Alicanto Minerals Limited
Suite 3, Level 3
24 Outram Street
West Perth, WA 6005

Dear Sirs

RE: ALICANTO MINERALS LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Alicanto Minerals Limited.

As Audit Director for the audit of the financial statements of Alicanto Minerals Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED



Martin Michalik
Director

Financial Statements

Contents

Consolidated Statement of Profit or Loss and Other Comprehensive Income	37
Consolidated Statement of Financial Position	38
Consolidated Statement of Changes in Equity	39
Consolidated Statement of Cash Flows	40
Notes to Consolidated Financial Statements	41
Directors' Declaration	63
Independent Auditor's Report	64

These financial statements are the consolidated financial statements of the consolidated entity consisting of Alicanto Minerals Limited and its subsidiaries. The financial statements are presented in the Australian currency.

Alicanto Minerals Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Alicanto Minerals Limited
Suite 3, Level 3,
24 Outram Street
WEST PERTH WA 6005

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities on pages 6 to 21 in the Directors' report, both of which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 29 September 2020. The Company has the power to amend and reissue the financial statements.

Through the use of the internet, the Company has ensured that its corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial statements and other information are available on our website: www.alicantominerals.com.au.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	Consolidated	
		2020 \$	2019 \$
Revenue from continuing operations	3(a)	296	11,880
Other income	3(b)	282,295	553,045
Administrative costs		(298,869)	(177,236)
Consultancy expense		(178,323)	(204,918)
Employee benefits expense	4(a)	(326,453)	(418,730)
Share based payment expenses	23	(8,517)	(638,864)
Occupancy expense		(23,234)	(34,883)
Compliance and regulatory expenses		(71,316)	(73,298)
Insurance expenses		(32,694)	(32,215)
Depreciation expense	4(b)	(84,047)	(74,303)
Preacquisition costs - Sweden project		(36,051)	-
Finance costs	4(c)	(6,049)	(5,307)
Impairment of Exploration and Evaluation Expenditure	10	-	(884,186)
Exploration expenditure	10, 10 (ii)	(848,117)	(1,721,005)
(Loss) before income tax		(1,631,079)	(3,700,020)
Income tax (expense)/benefit	6(a)	-	-
(Loss) attributable to owners		(1,631,079)	(3,700,020)
Other comprehensive income:			
Items that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations	15(b)	(21,571)	(5,290)
Items that will not be classified to profit or loss		-	-
Total comprehensive (loss) attributable to owners		(1,652,650)	(3,705,310)
Basic and Diluted earnings/(loss) per share (cents per share)	17	(0.8)	(2.9)

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

Consolidated Statement of Financial Position

As at 30 June 2020

	Note	Consolidated	
		2020	2019
		\$	\$
Current Assets			
Cash and cash equivalents	7	2,431,923	869,558
Trade and other receivables	8(a)	98,251	47,815
Total Current Assets		2,530,174	917,373
Non-Current Assets			
Trade and Other Receivables	8(b)	35,122	20,000
Property, plant and equipment	9	307,468	372,477
Exploration and evaluation expenditure	10	1,500,000	-
Total Non-Current Assets		1,842,590	392,477
Total Assets		4,372,764	1,309,850
Current Liabilities			
Trade and other payables	11	209,998	161,604
Provisions	12	18,388	11,273
Total Current Liabilities		228,386	172,877
Total Liabilities		228,386	172,877
Net Assets		4,144,378	1,136,973
Equity			
Contributed equity	13	19,164,805	14,496,233
Reserves	15(c)	1,981,067	2,011,155
Accumulated losses		(17,001,494)	(15,370,415)
Total Equity		4,144,378	1,136,973

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

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2020

Consolidated	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2018	12,800,082	(11,670,395)	(30,385)	1,726,082	2,825,384
Total comprehensive income for the year:					
Loss for the year	-	(3,700,020)	-	-	(3,700,020)
Foreign exchange differences	-	-	(5,290)	-	(5,290)
	-	(3,700,020)	(5,290)	-	(3,705,310)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	1,372,335	-	-	-	1,372,335
Share based payment transactions	323,816	-	-	320,748	644,564
	1,696,151	-	-	320,748	2,016,899
Balance at 30 June 2019	14,496,233	(15,370,415)	(35,675)	2,046,830	1,136,973
Balance at 1 July 2019	14,496,233	(15,370,415)	(35,675)	2,046,830	1,136,973
Total comprehensive income for the year:					
Loss for the year	-	(1,631,079)	-	-	(1,631,079)
Foreign exchange differences	-	-	(21,571)	-	(21,571)
	-	(1,631,079)	(21,571)	-	(1,652,650)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	4,651,538	-	-	-	4,651,538
Share based payment transactions	17,034	-	-	(8,517)	8,517
	4,668,572	-	-	(8,517)	4,660,055
Balance at 30 June 2020	19,164,805	(17,001,494)	(57,246)	2,038,313	4,144,378

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

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2020

	Note	Consolidated	
		2020	2019
		\$	\$
Cash Flows from Operating Activities			
Receipts from customers (inclusive of goods and services tax)		197,200	33,942
Payments to suppliers and employees		(995,027)	(919,205)
Interest received		370	11,947
Payments for exploration and evaluation		(4,644,741)	(2,156,447)
Contributions received from farm-in partners	10	4,213,803	519,103
Government grants and tax incentives		25,376	-
Net cash (outflow) from operating activities	18	(1,203,019)	(2,510,660)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	9	(12,140)	(5,622)
Acquisition of mineral tenements	10	(374,014)	-
Net cash (outflow) from investing activities		(386,154)	(5,622)
Cash Flows from Financing Activities			
Proceeds from issue of shares		3,410,744	1,454,682
Share issue transaction costs		(259,206)	(77,665)
Net cash inflow from financing activities		3,151,538	1,377,017
Net increase/(decrease)/ in cash and cash equivalents		1,562,365	(1,139,265)
Cash and cash equivalents at the start of the year		869,558	2,008,823
Cash and cash equivalents at the end of the year	7	2,431,923	869,558

Amounts relating to payments to suppliers and employees as set out above are inclusive of goods and services tax. The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the financial years presented, unless otherwise stated. These financial statements cover Alicanto Minerals Limited as a consolidated entity consisting of Alicanto Minerals Limited and its subsidiaries ('the consolidated entity' or 'the group').

(a) Basis of preparation

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

(i) Compliance with IFRS

The financial statements of Alicanto Minerals Limited also comply with Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes as presented comply with International Financial Reporting Standards (IFRS).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets.

(iii) Going Concern

The financial report has been prepared on a going concern basis. The directors believe there are sufficient grounds to believe that the business will be able to continue to pay its debts as and when they fall due. For the year ended 30 June 2020, the Group incurred a loss before tax of \$1,631,079 (2019: \$3,700,020) and recorded net cash inflows of \$1,562,365 (net cash outflows of \$1,139,265 for 2019). At 30 June 2020, the Group had total current assets of \$2,530,174 (2019: \$917,373) and total liabilities of \$228,386 (2019: \$172,877).

The Group's ability to continue as a going concern basis is dependent upon maintain sufficient funds for its operations and commitments. The Directors continue to be focused on meeting the Group's business objectives and is mindful of the funding requirements to meet these objectives. The Directors consider the basis of going concern to be appropriate based on future cash forecasts, existing cash reserves and the ability to significantly reduce activity and preserve cash if necessary. Furthermore, the Directors are also of the opinion that a capital raising could be achieved to raise additional funds if required.

Should the Group be unable to undertake the initiatives disclosed above, there is uncertainty which may cast doubt as to whether or not the Group will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Alicanto Minerals Limited as at 30 June 2020 and the results of all subsidiaries for the year then ended.

Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of subsidiaries is provided in Note 25.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statement of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(ii) Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Alicanto Minerals Limited is not involved in any joint arrangements.

(iii) Jointly operations

Alicanto Minerals Limited recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. Alicanto Minerals Limited is not involved in any joint operations.

(c) Segment reporting

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

(d) Revenue recognition

Revenue is recognised when performance obligations are satisfied, being when control upon goods or services underlying the performance is transferred to the customer.

(i) Interest income

Interest income is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(ii) Other income

Revenue from other income, rendering goods and services is measured at the fair value of consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities when control of the asset is transferred to the customer or services rendered.

(iii) Grant income

Grant income received from Governments is recognised on an accrual basis. This includes grants received from Australian Taxation Office (ATO) from the Cashflow Boost during 2020.

(e) Income tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(f) Impairment of assets

At each reporting date, the Board assesses whether there is any indication that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

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

(h) Trade and other receivables

Trade and other receivables include amounts due from customers for goods and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(i) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure is expensed as incurred other than for the capitalisation of acquisition costs.

(j) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial year in which they are incurred.

Depreciation on assets is calculated using the reducing balance method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment - office	40.0%
Furniture and equipment - office	20.0%
Plant and equipment - field	20.0%
Motor vehicles	22.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)). Gains and losses on disposals are determined by comparing proceeds received with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

(k) Intangibles

Acquired minerals rights

Acquired minerals rights comprise exploration and evaluation assets including ore reserves and minerals resources which are acquired as part of:

- business combinations recognised at fair value at the date of acquisition; and
- asset acquisitions recognised at cost.

Acquired minerals rights are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- such costs are expected to be recouped through successful development and exploitation or from sale of the area: or
- exploration and evaluation activities in the area have not, at balance date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Notes to the Consolidated Financial Statements For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(k) Intangibles (continued)

Acquired minerals rights in respect of areas of interest which are abandoned are written off in full against profit or loss in the year in which the decision to abandon the area is made. For acquired minerals rights in an area of interest that are developed, costs are classified as mine property and development from commencement of development and amortised when commercial production commences on a unit of production basis over the estimated economic reserves of the mine.

(l) Financial Instruments

Recognition, initial measurement and derecognition

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

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

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

Classification and subsequent measurement

Financial assets

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

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

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

Classifications are determined by both:

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

Financial assets at amortised cost

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

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

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

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

Notes to the Consolidated Financial Statements For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(l) Financial Instruments (continued)

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

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

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

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

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

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

Financial liabilities

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

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

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

Impairment

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

(m) Trade and other payables

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

(n) Provisions

Provisions are recognised when; the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented in payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as present value of expected future wage payments to be made. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting regardless of when the actual settlement is expected to occur.

(iii) Share-based payments

The company provides benefits to employees (including directors) of the company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of shares of Alicanto Minerals Limited ('market conditions').

(p) Contributed equity

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

(q) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

(r) Goods and services tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(s) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges, qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale financial assets are included in the fair value reserve in equity.

(iii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for the statement of profit or loss and other comprehensive income are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

(t) New accounting standards and interpretations adopted by the Group

The Group has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period. The Group had to change its accounting policies and make adjustments as a result of adopting the following Standard:

(i) AASB 16: Leases applies to annual reporting periods beginning on or after 1 January 2020.

The Group has adopted AASB 16: Leases retrospectively with the cumulative effect of initially applying AASB 16 recognised as of 1 July 2019. As a result of the changes in Group's accounting policies, current or prior year financial statements were not required to be restated as the leases were deemed to be short term and minor.

The Group as lessee

At inception of a contract the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows;

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of options to terminate the lease.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

I. Summary of Significant Accounting Policies (continued)

(t) New accounting standards and interpretations adopted by the Group (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Group as lessor

The Group does not have any property which has been leased out, and therefore not applicable.

As a result of the changes in Group's accounting policies, there were no material impacts on the Group's financial statements for the year ended 30 June 2020.

(u) Other standards not yet applicable

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements may differ from the related actual results and may have a significant effect on the carrying amount of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of acquisition costs on exploration projects

The acquisition costs in relation to the exploration and evaluation assets were impaired at the half year 31 December 2018, and whilst the Board have budgeted expenditure on the Guyana projects, they have elected not to reverse the impairment.

(b) Share based payment transactions

The group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 23.

(c) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences when management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

		Consolidated	
		2020	2019
		\$	\$
3.	Revenue		
(a)	Revenue from continuing operations		
	Equipment rental	-	6,801
	Interest received	296	5,079
	Total revenue from continuing operations	296	11,880
(b)	Other income		
	Management fees from farm-in partners	197,200	493,606
	Other income – reimbursement of exploration	-	25,497
	Other Income	85,095	33,942
	Total other income	282,295	553,045

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

	Consolidated	
	2020	2019
	\$	\$
4. Expenses		
(a) Employee benefits expense		
Salaries and wages expense	307,453	398,659
Defined contribution superannuation expense	19,000	20,071
Total employee benefits expense	326,453	418,730
(b) Depreciation expense		
Leasehold Improvements	5,511	7,105
Plant and equipment – office	7,416	7,630
Plant and equipment – field	35,782	27,922
Plant and equipment – motor vehicle	35,338	31,646
Total depreciation expense	84,047	74,303
(c) Finance costs		
Interest and finance charges paid or payable	6,049	5,307
Total finance costs	6,049	5,307
5. Auditor's Remuneration		
Remuneration of the auditor of the group		
Auditing or reviewing the financial statements	37,795	35,037
Non-assurance services ^A	-	24,000
Total auditor remuneration	37,795	59,037

Note ^A: In 2019 the Company engaged Stantons International Securities a related practice to provide an Independent Experts Report relating to the acquisition of Zaffer (Australia) Pty Ltd.

	Consolidated	
	2020	2019
	\$	\$
6. Income Tax Expense		
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
Total income tax expense	-	-
Deferred income tax expense included in income tax expense comprises:		
- (Increase) in deferred tax assets (note 6(c))	-	-
- Increase in deferred tax liabilities (note 6(d))	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax expense	(1,631,079)	(3,700,020)
Tax (tax benefit) at the tax rate of 27.5% (2019: 27.5%)	(448,546)	(1,017,505)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Share based payments	2,342	175,688
- Other non-deductible amounts	314,782	736,841
- Unrecognised tax losses	144,507	104,976
- Non-assessable income	(13,085)	-
Income tax benefit	-	-

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

	Consolidated 2020 \$	2019 \$
6. Income Tax Expense (continued)		
(c) Deferred tax assets		
Tax losses ^A	-	-
Employee benefits	-	-
Other accruals	-	-
	-	-
Set-off deferred tax liabilities (note 6(d))	-	-
Net deferred tax assets	-	-
(d) Deferred tax liabilities		
Exploration expenditure	-	-
Other	-	-
	-	-
Set-off deferred tax assets (note 6(c))	-	-
Net deferred tax liabilities	-	-
(e) Tax losses		
Unused tax losses for which no deferred tax asset has been recognized	9,455,387	8,406,095
Potential tax benefit at 26% (2019: 27.5%)	2,458,401	2,311,676
(f) Unrecognised temporary differences		
Unrecognised future deductions relating to capital raising costs	108,409	112,701
Unrecognised deferred tax asset on capital raising costs at 26% (2019: 27.5%)	28,186	30,993

A: The deferred tax asset attributable to tax losses has not been brought to account as it is not probable that the Group will make taxable profits against which the Tax Losses can be utilised.

	Consolidated 2020 \$	2019 \$
7. Cash and Cash Equivalents		
(a) Total cash and cash equivalents		
Cash at bank and in hand	2,431,923	869,558
	2,431,923	869,558
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.00% and 0.2% (2019: 0.00% and 0.75%).		
8. Trade and Other Receivables		
(a) Current		
Other receivables	92,851	41,482
Prepayments	5,400	6,333
Total current trade and other receivables	98,251	47,815
(b) Non-Current		
Deposits	35,122	20,000
Total non-current trade and other receivables	35,122	20,000
(c) Past due and impaired receivables		
As at 30 June 2020, there were no other receivables that were past due or impaired (2019: nil).		

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

	Leasehold Improvements	Plant and Equipment Office	Plant and Equipment Field	Motor Vehicles	Consolidated Total
	\$	\$	\$	\$	\$
9. Property, Plant and Equipment					
Year ended 30 June 2019					
Opening net book amount	17,761	20,203	204,619	211,259	453,842
Additions	-	3,963	1,659	-	5,622
Depreciation charge	(7,105)	(7,630)	(27,922)	(31,646)	(74,303)
Effect of exchange rates	-	-	(6,365)	(6,319)	(12,684)
Closing net book amount	10,656	16,536	171,991	173,294	372,477
At 30 June 2019					
Cost or fair value	27,615	44,996	255,398	281,357	609,366
Accumulated depreciation	(16,959)	(28,460)	(83,407)	(108,063)	(236,889)
Net book amount	10,656	16,536	171,991	173,294	372,477
Year ended 30 June 2020					
Opening net book amount	10,656	16,536	171,991	173,294	372,477
Additions	3,122	7,490	1,528	-	12,140
Depreciation charge	(5,511)	(7,416)	(35,782)	(35,338)	(84,047)
Effect of exchange rates	-	329	3,175	3,394	6,898
Closing net book amount	8,267	16,939	140,912	141,350	307,468
At 30 June 2020					
Cost or fair value	30,737	52,655	260,101	284,751	628,244
Accumulated depreciation	(22,470)	(35,716)	(119,189)	(143,401)	(320,776)
Net book amount	8,267	16,939	140,912	141,350	307,468

	Consolidated	
	2020	2019
	\$	\$
10. Exploration and Evaluation Expenditure		
(a) Non-current		
Opening balance	-	884,186
Exploration and evaluation costs	4,687,906	2,240,108
Acquisition of assets - Sweden (i)	1,500,000	-
Option payment to acquire Arakaka (ii)	374,014	-
Contributions received from farm-in partners	(4,213,803)	(519,103)
Exploration written off	-	(884,186)
Exploration expensed – Guyana (iii)	(126,893)	(1,721,005)
Exploration expensed – Sweden (iii)	(721,224)	-
Total non-current exploration and evaluation expenditure	1,500,000	-
(i)	On 3 February 2020 Alicanto Minerals Limited exercised its option to acquire 100% of shares in Zaffer (Australia) Pty Ltd (“Zaffer”) which owns the Oxberg and Naverberg VMS (Volcanogenic Massive Sulphide) Projects within the highly endowed Cu-Au-Zn-Pb-Ag Bergslagen Mining District of Southern Sweden.	
	In accordance with the terms of the Option and Share Sale Agreement approved by Shareholders on 31 July 2019 Alicanto issued 30,000,000 ordinary fully paid shares equally to the shareholders of Zaffer Australia Pty Ltd, in accordance with the Agreement, escrowed for 12 months.	
(ii)	On 12 May 2020, Alicanto announced that it will retain 100% of the Arakaka Gold Project in Guyana following Nord Gold SE election not to exercise its option to acquire Arakaka.	
(iii)	Combined exploration expenditure expensed in Guyana and Sweden totals \$848,117.	

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

10. Exploration and Evaluation Expenditure (continued)

(b) Recoverability of capitalised costs

Exploration expenditure is expensed as incurred.

Acquired minerals rights are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

Such costs are expected to be recouped through successful development and exploitation or from sale of the area; or Exploration and evaluation activities in the area have not, at balance date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

On 12 May 2020, Alicanto announced that it will retain 100% of the Arakaka Gold Project in Guyana following Nord Gold SE election not to exercise its option to acquire Arakaka. Nordgold's decision followed US\$2.8m investment in a 10,478m drilling program focussed on one small portion of the 300km² Arakaka Project. Alicanto is now reviewing its options to capitalise on the 100% Nordgold funded work.

	Consolidated	
	2020	2019
	\$	\$
11. Trade and Other Payables		
Current		
Trade payables	64,545	122,499
Other payables	145,453	39,105
Total current trade and other payables	209,998	161,604
No trade or other payables are considered past due.		
12. Provisions		
Current		
Employee entitlements	18,388	11,273
Total current provisions	18,388	11,273

	Consolidated		Consolidated	
	2020	2019	2020	2019
	Shares	Shares	\$	\$
13. Contributed Equity				
(a) Issued capital				
Ordinary shares (fully paid)	253,354,524	172,020,313	19,164,805	14,496,233
Total contributed equity	253,354,524	172,020,313	19,164,805	14,496,233
(b) Ordinary Shares				
Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.				
(c) Options				
Information relating to options including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 14.				

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

	Date	Shares	Issue Price	Total \$
13. Contributed Equity (continued)				
(d) Movements in issued capital				
Opening Balance 1 July 2018		113,720,313		12,800,082
Exercise of Options	13 Jul 18	2,000,000	\$0.0961	194,226
Placement	9 Nov 18	15,000,000	\$0.0300	450,000
Placement – Tranche 1	6 May 19	10,000,000	\$0.0250	250,000
Placement – Tranche 2	7 Jun 19	30,000,000	\$0.0250	750,000
Exercise of Options	11 Jun 19	1,300,000	\$0.0997	129,590
Less: Transaction costs				(77,665)
Closing Balance at 30 June 2019		<u>172,020,313</u>		<u>14,496,233</u>
Opening Balance 1 July 2019		172,020,313		14,496,233
Exercise of options	5 Jul 19	500,000	\$0.0010	17,534
Exercise of listed options	29 Jul 19	873	\$0.2800	244
Placement	6 Sep 19	17,500,004	\$0.0520	910,000
Zaffer acquisition shares	3 Feb 20	30,000,000	\$0.0500	1,500,000
Placement	27 Feb 20	33,333,334	\$0.0750	2,500,000
Less: Transaction costs				(259,206)
Closing Balance at 30 June 2020		<u>253,354,524</u>		<u>19,164,805</u>

Expiry date	Exercise price	Balance at start of year	Granted during the year	Exercised during the year	Cancelled/lapsed during the year	Balance at end of the year
14. Share Options						
(a) 2020 unlisted share option details						
28 July 19	\$0.230	7,060,000	-	-	(7,060,000)	-
31 July 19	\$0.130	348,000	-	-	(348,000)	-
30 Apr 21	\$0.001	1,750,000	-	-	-	1,750,000
6 Aug 21	\$0.001	1,000,000	-	(500,000)	-	500,000
14 Mar 24	\$0.030	5,000,000	-	-	-	5,000,000
17 Jun 23	\$0.065	24,000,000	-	-	-	24,000,000
		<u>39,158,000</u>	<u>-</u>	<u>(500,000)</u>	<u>(7,408,000)</u>	<u>31,250,000</u>
Weighted average exercise price		\$0.086	-	\$0.001	\$0.225	\$0.055
07 Sept 18	\$0.230	8,050,000	-	-	(8,050,000)	-
25 Mar 19	\$0.065	2,000,000	-	-	(2,000,000)	-
28 July 19	\$0.23	7,060,000	-	-	-	7,060,000
31 July 19	\$0.13	348,000	-	-	-	348,000
30 Apr 21	\$0.001	5,300,000	-	(3,300,000)	(250,000)	1,750,000
6 Aug 21	\$0.001	-	1,000,000	-	-	1,000,000
14 Mar 24	\$0.03	-	5,000,000	-	-	5,000,000
17 Jun 23	\$0.065	-	24,000,000	-	-	24,000,000
		<u>22,758,000</u>	<u>30,000,000</u>	<u>(3,300,000)</u>	<u>(10,300,000)</u>	<u>39,158,000</u>
Weighted average exercise price		\$0.15	\$0.057	\$0.001	\$0.192	\$0.086

At 30 June 2020, there were no listed options on issue.

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

		2020	Consolidated	2019
		\$		\$
15.	Reserves			
(a)	Unlisted option reserve			
	Opening balance	2,046,830		1,726,082
	Unlisted options issued	-		641,263
	Unlisted option vested	8,517		-
	Exercise of options	(17,034)		(320,515)
	Closing balance	<u>2,038,313</u>		<u>2,046,830</u>
	<p>The unlisted option reserve records items recognised on valuation of director, employee and contractor share options. Information relating to options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 14.</p>			
(b)	Functional currency translation reserve			
	Opening balance	(35,675)		(30,385)
	Exchange differences arising on translation of foreign operations	(21,571)		(5,290)
	Closing balance	<u>(57,246)</u>		<u>(35,675)</u>
	<p>Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve. The reserve is recognised in the statement of profit or loss when the net investment is disposed of.</p>			
(c)	Total reserves			
	Unlisted option reserve	2,038,313		2,046,830
	Exchange differences arising on translation of foreign operations	(57,246)		(35,675)
	Closing balance	<u>1,981,067</u>		<u>2,011,155</u>

16. Financial Instruments, Risk Management Objectives and Policies

The Consolidated Entity's principal financial instruments comprise cash and cash equivalents. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the group. The Consolidated Entity also has other financial instruments such as trade and other receivables and trade and other payables which arise directly from its operations. For the year under review, it has been the Consolidated Entity's policy not to trade in financial instruments.

The main risks arising from the Consolidated Entity's financial instruments are interest rate risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

16. Financial Instruments, Risk Management Objectives and Policies (continued)

(a) Interest Rate Risk

The Groups exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

Consolidated	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest	Non-interest Bearing	2020 Total
	%	\$	\$	\$	\$
2020					
Financial assets					
Cash and cash equivalents	0.05%	3,958	-	2,427,965	2,431,923
Trade and other receivables (current)	0.00%	-	-	98,251	98,251
Trade and other receivables (non-current)	1.10%	-	20,000	15,122	35,122
		3,958	20,000	2,541,338	2,565,296
Financial Liabilities					
Trade and other payables (current)	0.00%	-	-	209,998	209,998

Consolidated	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest	Non-interest Bearing	2019 Total
	%	\$	\$	\$	\$
2019					
Financial assets					
Cash and cash equivalents	0.03%	3,958	-	865,600	869,558
Trade and other receivables (current)	0.00%	-	-	47,815	47,815
Trade and other receivables (non-current)	2.10%	-	20,000	-	20,000
		3,958	20,000	913,415	937,373
Financial Liabilities					
Trade and other payables (current)	0.00%	-	-	161,604	161,604

The maturity date for all cash, trade and other receivable and trade and payable financial instruments included in the above tables is one year or less from balance date. The maturity for the non-current trade and other receivables is between 1 and 3 years from balance date.

(b) Group Sensitivity analysis

The Consolidated Entity's main interest rate risk arises from cash and cash equivalents with variable and fixed interest rates. At 30 June 2020, the group's exposure to interest rate risk is not considered material.

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

16. Financial Instruments, Risk Management Objectives and Policies (continued)

(d) Liquidity risk

The group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, the group aims at ensuring flexibility in its liquidity profile by maintaining the ability to undertake capital raisings. Funds in excess of short term operational cash requirements are generally only invested in short term bank bills.

(e) Foreign Currency Risk

The Group is exposed to currency risk arising from exchange rate fluctuations on purchases that are denominated in currency other than the respective functional currencies of the Group entities, primarily the Australian Dollar (AUD), Guyanese Dollars (GUD) and Swedish Krona (SEK). The currencies in which these transactions are primarily denominated in are AUD, GUY, SEK and the USD.

The Group's investments in its Guyanese and Swedish subsidiaries are denominated in AUD and are not hedged as those currency positions are considered long term in nature. The Group does not have a hedging policy in place.

	Consolidated	
	2020	2019
	\$	\$
17. Earnings per Share		
(a) Earnings/(Loss)		
Earnings/(loss) used in the calculation of basic EPS	(1,631,079)	(3,700,020)
(b) Weighted average number of ordinary shares ('WANOS')		
WANOS used in the calculation of basic earnings per share:	210,444,730	128,758,369
(c) Diluted Loss Per Share		
Diluted loss per share is considered to be the same as the basic loss per share, as the potential ordinary shares on issue are anti-dilutive and have not been applied in calculating dilutive loss per share.	(0.8)	(2.9)

	Consolidated	
	2020	2019
	\$	\$
18. Cash Flow Information		
a) Reconciliation of cash flows from operating activities with loss from ordinary activities after tax:		
(Loss) from ordinary activities after income tax	(1,631,079)	(3,700,020)
Depreciation	84,047	74,303
Share based payments	(8,517)	638,864
Provision for impairment – exploration and evaluation expenditure	-	884,186
Option payment to acquire Arakaka	374,014	-
Other	(596)	-
Net exchange differences	(10,840)	7,393
Changes in assets and liabilities:		
- Increase/ (decrease) in operating receivables and prepayments	(65,557)	1,667
- (Decrease)/ increase in operating trade and other payables	55,509	(417,053)
Net cash (outflows) from Operating Activities	<u>(1,203,019)</u>	<u>(2,510,660)</u>
b) Non-cash investing and financing activities		
2020		
In accordance with the terms of the Option and Share Sale Agreement approved by Shareholders on 31 July 2019 Alicanto issued 30,000,000 ordinary fully paid shares equally to the shareholders of Zaffer Australia Pty Ltd, in accordance with the Agreement, escrowed for 12 months (refer Note 10 (a) (i)).		
2019		
There were no non-cash investing and financing activities during the year.		

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

	Consolidated 2020 \$	2019 \$
19. Commitments		
Exploration/tenure commitments		
Not longer than one year	673,346	1,107,589
Longer than one year, but not longer than five years	2,326,897	2,253,521
Longer than five years	-	-
Total exploration commitments	3,000,243	3,361,110
<p>In order to maintain rights of tenure to exploration/mining tenements subject to these agreements, the group would have the above discretionary exploration and tenure expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable per the above maturities. If the group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.</p>		

20. Segment Information

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves and the corporate/head office function in Australia.

(b) Segment information provided to the board of directors

The segment information provided to the board of directors for the reportable segments for the year ended 30 June 2020 is as follows:

	Exploration				
	Guyana \$	Australia \$	Sweden \$	Corporate \$	Total \$
2020					
Total segment revenue	-	-	-	296	296
Equipment rental	-	-	-	-	-
Interest revenue	-	-	-	296	296
Depreciation and amortisation expense	(73,438)	-	-	(10,609)	(84,047)
Total segment (loss) before income tax	(200,331)	-	(721,224)	(709,524)	(1,631,079)
Total segment assets	310,231	-	88,217	3,974,316	4,372,764
Total segment liabilities	8,102	-	80,029	140,255	228,386
2019					
Total segment revenue	6,801	-	-	5,079	11,880
Equipment rental	6,801	-	-	-	6,801
Interest revenue	-	-	-	5,079	5,079
Depreciation and amortisation expense	(61,137)	-	-	(13,166)	(74,303)
Total segment (loss) before income tax	(2,658,025)	-	-	(1,041,995)	(3,700,020)
Total segment assets	369,038	-	-	940,812	1,309,850
Total segment liabilities	9,207	-	-	163,670	172,877

Notes to the Consolidated Financial Statements For the year ended 30 June 2020

20. Segment Information (continued)

(c) Measurement of segment information

All information presented in part (b) above is measured in a manner consistent with that in the financial statements.

(d) Segment revenue

No inter-segment sales occurred during the current financial year. The entity is domiciled in Australia. A detailed breakdown of revenue from continuing operations is as follows;

	Consolidated 2020 \$	2019 \$
Equipment rental - Guyana	-	6,801
Interest received - Australia	296	5,079
Total revenue from continuing operations (Note 3a)	296	11,880

(e) Reconciliation of segment information

Total segment revenue, total segment profit/(loss) before income tax, total segment assets and total segment liabilities as presented in part (b) above, equal total entity revenue, total entity profit/(loss) before income tax, total entity assets and total entity liabilities respectively, as reported within the financial statements.

21. Events Occurring After the Balance Sheet Date

7 August 2020, the following Board changes occurred:

- Mr Ray Shorrocks joined the board as Non-Executive Chairperson;
- Current Chief Executive Officer, Mr Peter George, joined the board as Managing Director;
- Mr Didier Murcia stepped down as Chairperson, but remained a Non-Executive Director; and
- Mr Travis Schwertfeger and Mr Hamish Halliday (Non-Executive Directors) resigned from the Board.

7 August 2020, Alicanto received firm commitments from sophisticated and professional investors to raise approximately \$1,425,000 (before costs) through the issue of up to 25,909,090 fully paid ordinary shares in the Company (Placement Shares) at an issue price of 5.5c each (Placement). Funds raised from the Placement will be used for exploration activities in Sweden and Guyana and general working capital.

In conjunction with the Placement, Alicanto announced it will issue up to 27,000,000 unquoted options to management, consultants and advisors and 10,000,000 unquoted options to Mr Shorrocks. The options will be exercisable at 10c each and will expire 5 years after the date of grant.

Subject to completion of the Placement and shareholder approval at the Company's next general meeting, the Company also intends to issue:

- Up to 10,000,000 unquoted options to advisors in consideration for corporate advisory services to the Company in four equal tranches with exercise prices of \$0.10, \$0.15, \$0.20 and \$0.25 each respectively, and an expiry date 5 years from the date of grant; and
- up to a total of 9,000,000 unquoted options exercisable at \$0.10 each and expiring 5 years from the date of grant, as follows:
 - 2 million options to Mr Didier Murcia;
 - 4 million options to corporate consultants; and
 - 3 million options to Mr Peter George.

On 14 August 2020, the placement to sophisticated and professional investors was completed by issuing 25,909,090 fully paid ordinary shares at \$0.055 per share raising \$1,425,000 before issue costs and 37,000,000 options with an exercise price of \$0.10 per option, expiry 13 August 2025.

There were no further events occurring after 30 June 2020.

Notes to the Consolidated Financial Statements For the year ended 30 June 2020

22. Related Party Transactions

- (a) **Parent entity**
The ultimate parent entity within the group is Alicanto Minerals Limited.
- (b) **Subsidiaries**
Interests in subsidiaries are set out in note 25.
- (c) **Key management personnel compensation**

	Consolidated 2020	2019
	\$	\$
Short-term employee benefits	372,763	453,586
Post-employment benefits	19,000	19,406
Share-based payments	8,517	41,557
Total key management personnel compensation	400,280	514,549

Details of remuneration disclosures are provided in the remuneration report on pages 24 to 32.

- (d) **Transactions with Director Related Parties**
The following transactions occurred with related parties:

	Consolidated 2020	2019
	\$	\$
Recharges from director related entities:		
Recharge of costs by Venture Minerals Limited	31,874	41,500
Recharge of costs by Blackstone Minerals Limited	113,271	127,500
Purchases from director related entities		
Purchases for legal services from Murcia Pestell Hilliard Lawyers	8,754	19,071
Outstanding balances arising from recharges/purchases with Director Related Parties:		
Current payables	31,131	23,058

In addition to the above, Mr George and Mr Halliday are included in the Zaffer vendors that may benefit in the future from the net 2.5% smelter royalties agreed to and as disclosed as a contingent liability on page 60 in Note 24.

- (e) **Terms and conditions of related party transactions**
Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

23. Share Based Payments

- (a) **Fair value of listed options granted**
The fair value of listed options granted is calculated as the market value prevailing at the date on which the options are authorised for issue. No listed options were issued this year.
- (b) **Fair value of unlisted options granted**
2020
No unlisted options were issued during the year.
2019
30,000,000 unlisted options were issued, with the weighted average fair value of the options granted during the year being \$0.021 (2018: \$0.0551). The price was calculated by using the Black-Scholes Option Pricing Model applying the following inputs:

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

23. Share Based Payments (continued)

	2020	2019
Weighted average exercise price:	-	\$0.057
Weighted average life of the option:	-	4.9 Years
Weighted average underlying share price:	-	\$0.037
Expected share price volatility:	-	80.0%
Risk free interest rate between:	-	1.19%
Discount factor for lack of marketability	-	Nil

Peer volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The life of the options is based on historical exercise patterns, which may not eventuate in the future. Total share-based payment transactions recognised during the year are as set out in (d) below. Details of other options movements and balances are set out in note 14.

(c) Fair value of ordinary shares issued

During the year, there were no fully paid ordinary shares issued during the year as share based payments. Total fair value of the shares issued was \$Nil (2019: \$Nil).

(d) Reconciliation of share based payments

	2020	Consolidated 2019
	\$	\$
Options issued to directors, employees and consultants	8,517	638,864
	8,517	638,864

24. Contingent Liabilities

Guyana

Alicanto, through its subsidiaries has entered into a number of agreements on the exploration tenure at the Arakaka Project and there are contingent liabilities that exist as follows;

- i) Purchase of alluvial rights should the company wish to progress to development which is to a maximum of US\$2.2 million in cash.
- ii) Net smelter royalties of up to 2.5%.

As per the Ianna Project Acquisition as finalised and announced on the ASX on 8 November 2016, the company has a contingent liability that exists as follows:

- i) Can elect to acquire the property for a lump sum of US\$3.0m or;
- ii) A lump sum payment of US\$1.35m and a net smelter royalty of up to 2.0%; and
- iii) If an NSR is issued as consideration upon completion of the Project Acquisition ("completion"), the Company will retain a Right of Re-purchase of the NSR for 24 months after completion, and at Alicanto's election can acquire either a 50% portion of the NSR by paying US\$2.0m or a 100% portion of the NSR by paying \$US\$3m.

As announced on the ASX on 1 September 2017, the Company entered into several option agreements granting the Company exclusive rights to explore and acquire a 100% beneficial interest in mining permits doubling the Ianna Project Landholding. The various agreements with ongoing payments at the Company's elections total approximately A\$150,000 over the next 12 months.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2020

24. Contingent Liabilities (continued)

Sweden

On 3 February 2020, Alicanto announced it had exercised its option to acquire 100% of shares in Zaffer (Australia) Pty Ltd (“Zaffer”) which owns the Oxberg and Naverberg VMS (Volcanogenic Massive Sulphide) Projects within the highly endowed Cu-Au-Zn-Pb-Ag Bergslagen Mining District of Southern Sweden, the transaction which was approved by shareholders on 31 July 2019.

Pursuant to the Acquisition Agreement, Zaffer has agreed to enter into a royalty deed with the Zaffer Vendors in which it will pay the Zaffer Vendors a royalty on net smelter returns in respect of sales of products extracted from the Tenements. As such a contingent liability exists as follows:

- i) Net smelter royalties of 2.5% will be paid to the Zaffer Vendors for extracted zinc, lead, copper, gold, cobalt, nickel and iron that is able to be recovered from the Tenements and is capable of being sold or otherwise disposed of.

There are no further contingent liabilities outstanding at the end of the year.

25. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity Holding ^A	
			2020 %	2019 %
Alicanto Minerals WA Pty Ltd ^B	Australia	Ordinary	100	100
StrataGold Guyana Inc.	Guyana	Ordinary	100	100
Calrissian (Guyana) Resources Inc.	Guyana	Ordinary	100	100
Manticore Resources (Guyana) Inc.	Guyana	Ordinary	80	80
Banner (Guyana) Inc. ^B	Guyana	Ordinary	100	100
Zaffer Australia Pty Ltd	Australia	Ordinary	100	-
Zaffer Sweden AB	Sweden	Ordinary	100	-

A: The proportion of ownership interest is equal to the proportion of voting power held.

B: Alicanto Minerals WA Pty Ltd, Banner (Guyana) Inc and Manticore Resources (Guyana) Inc. were dormant during the financial year.

Notes to the Consolidated Financial Statements
For the year ended 30 June 2020

	Company	
	2020	2019
	\$	\$
26. Parent Entity Information		
(a) Assets		
Current assets	2,453,744	900,655
Non-current assets	1,535,674	40,157
Total assets	3,989,418	940,812
(b) Liabilities		
Current liabilities	140,255	163,670
Non-current liabilities	-	-
Total liabilities	140,255	163,670
(c) Equity		
Contributed equity	19,164,805	14,496,233
Reserves	2,038,313	2,046,830
Accumulated losses	(17,353,955)	(15,765,921)
Total equity	3,849,163	777,142
(d) Total comprehensive income/(loss) for the year		
(Loss) for the year	(1,588,034)	(3,294,142)
Other comprehensive income for the year	-	-
Total comprehensive (loss) for the year	(1,588,034)	(3,294,142)
(e) Capital commitments		
Not longer than one year	-	-
Longer than one year, but not longer than five years	-	-
Longer than five years	-	-
Total capital commitments	-	-
(f) Guarantees		
The parent entity has not guaranteed any loans for any entity during the year.		
(g) Contingent Liabilities		
The parent entity has no contingent liabilities at the end of the financial year.		

Director's Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 36 to 62 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 financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- (b) the audited remuneration disclosures set out on pages 24 to 32 of the Directors' report comply with section 300A of the *Corporations Act 2001*; and
- (c) 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
- (d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

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

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

A handwritten signature in black ink, appearing to read 'RS' followed by a long horizontal line and a final 'S'.

Ray Shorrocks
Non-Executive Chairperson

Perth, Western Australia, 29 September 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ALICANTO MINERALS LIMITED**

Report on the Audit of the Financial Report

Opinion

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

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

We have defined the matter described below to be key audit matter to be communicated in our report. 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. This matter was 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 this matter.

Key Audit Matters	How the matter was addressed in the audit
<p>Acquisition of Mineral Tenements</p> <p>During the year the Company exercised the option to acquire Mineral Tenements owned by Zaffer (Australia) Pty Ltd, through the issue of ordinary shares.</p> <p>The acquisition of the Zaffer (Australia) Pty Ltd tenements was considered to be a key audit matter due to:</p> <ul style="list-style-type: none"> • the significance of the transaction (\$1.5 million) representing approximately 34% of total assets; and • the judgement required in the determination of whether the acquisition was a business combination (and therefore accounted for under AASB 3 <i>Business Combinations</i> ("AASB 3")) or as an acquisition of Tenements and accounted for under AASB 2 <i>Share-Based Payment</i> ("AASB 2"). <p>The Company accounted for the acquisition of the tenements as an asset acquisition under the AASB 2.</p>	<p>Inter alia, our audit procedures included the following:</p> <ol style="list-style-type: none"> i. Examining the "Option and Share Sale Agreement" to assess whether the acquisition qualified as a business combination (and thus should be accounted for under AASB 3) or whether it was an acquisition of assets (accounted for under AASB 2); ii. Assessing the determination made by the Group whether the transaction is an asset acquisition or a business combination; iii. An assessment of the valuation assumptions used in determining the fair value of the securities issued as consideration for the acquisition; and iv. Assessing the adequacy of the financial report disclosures contained in Note 10.

Other Information

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance opinion 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 Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or 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.

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

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

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

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

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

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

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report.

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

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

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

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 32 of the directors' report for the year ended 30 June 2020. 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

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Alicanto Minerals Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

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

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
29 September 2020

Additional Shareholder Information

Corporate Governance Statement

In accordance with ASX Listing Rule 4.10.3 the company's Corporate Governance Statement can be found on the company's website, refer to <http://www.alicantominerals.com.au/site/About-Us/corporate-governance>.

Shareholding

The distribution of members and their holdings of equity securities in the holding company as at 23 September 2020 were as follows:

Number Held as at 23 September 2020	Class of Equity Securities Fully Paid Ordinary Shares
1 - 1,000	40
1,001 - 5,000	93
5,001 - 10,000	198
10,001 - 100,000	531
100,001 and above	275
	1,137

Holders of less than a marketable parcel: 58, based on a closing price of \$0.17 per share.

Substantial Shareholders

The names of the substantial shareholders listed on the company's register as at 23 September 2020

Shareholder	Percentage	Number
Symorgh Investments Pty Ltd, Erik Lundstam, Lenore Radonjic, Hamish Halliday and Chaffers Gold	10.69%	30,000,000
Symorgh Investments Pty Ltd <Symorgh Super Fund A/C>	6.67%	18,726,058
J P Morgan Nominees Australia Pty Limited	5.26%	14,775,210

Voting Rights

In accordance with the holding company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll, every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held. Option holders are not entitled to vote.

Options

	Exercise price	Expiry date	Number of options	Number of holders
Unlisted options	\$0.001	30 April 2021	750,000	1
Unlisted options	\$0.03	14 March 2024	5,000,000	1
Unlisted options	\$0.065	17 June 2023	24,000,000	3
Unlisted options	\$0.100	13 August 2025	37,000,000	6

Number Held as at 23 September 2020	Class of Equity Securities Options
1 - 1,000	-
1,001 - 5,000	-
5,001 - 10,000	-
10,001 - 100,000	-
100,001 and above	11
	11

Additional Shareholder Information (continued)

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid shareholders as at 23 September 2020 are as follows:

Shareholder	Number	% Held of Issued Ordinary Capital
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	14,775,210	5.26%
SYMORGH INVESTMENTS PTY LTD <SYMORGH SUPER FUND A/C>	14,229,392	5.07%
CAMPBELL KITCHENER HUME & ASSOCIATES PTY LTD <C K H SUPERFUND A/C>	10,000,000	3.56%
MR HAMISH PETER HALLIDAY	9,000,000	3.21%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,049,585	2.51%
MR PHILIP JOHN CAWOOD	6,300,000	2.24%
MR ERIK LUNDSTAM	6,000,000	2.14%
SYMORGH INVESTMENTS PTY LTD <SYMORGH A/C>	6,000,000	2.14%
MRS LENORE THERESA RADONJIC	6,000,000	2.14%
CHAFFERS GOLD PTY LTD <VALHALLA INVESTMENT A/C>	6,000,000	2.14%
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	5,962,278	2.12%
SYMORGH INVESTMENTS PTY LTD <SYMORGH A/C>	4,496,666	1.60%
CITICORP NOMINEES PTY LIMITED	4,398,229	1.57%
TALEX INVESTMENTS PTY LTD	4,090,000	1.46%
KOBIA HOLDINGS PTY LTD	3,700,000	1.32%
MR DAMON WILLIAM BRUCE DORMER <NADDA A/C>	3,673,333	1.31%
BLU BONE PTY LTD	3,666,667	1.31%
MR MARK JOHN BAHEN & MRS MARGARET PATRICIA BAHEN <SUPERANNUATION ACCOUNT>	3,500,000	1.25%
FAR EAST CAPITAL LIMITED	3,152,820	1.12%
MR NICHOLAS JOHN HILL & MISS RACHELLE SARAH TERZIC	2,489,329	0.89%
MR MARCUS HARDEN	2,391,650	0.85%
PONDEROSA INVESTMENTS WA PTY LTD <THE PONDEROSA INVESTMENT A/C>	2,333,333	0.83%
DIDCAL PTY LTD <ABCHAPMAN FAMILY SUPER A/C>	2,333,333	0.83%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,162,817	0.77%
Totals: Top 24 holders of Ordinary Fully Paid Shares	133,704,642	47.62%
Total Remaining Holders Balance	147,058,972	52.38%

Restricted Securities

There were 30,000,000 fully paid ordinary shares that are escrowed for 12 months. These are due from release from escrow on the 3rd of February 2021.

Company Secretary

Michael Naylor

On-Market Buy Back

The Company has not initiated an on-market buy back.

Tenement Listing

As at 23 September 2020

Project	Location	Tenement	Interest as at 23 September 2020
Arakaka	Guyana	Y-33/000/04, PPMS/680/04	100%
Arakaka	Guyana	Y-33/001/04, PPMS/681/04	100%
Arakaka	Guyana	Y-31/000/04, PPMS/463/04	100%
Arakaka	Guyana	Y-31/001/04, PPMS/464/04	100%
Arakaka	Guyana	J-81/000/02, PPMS/884/02	100%
Arakaka	Guyana	J-81/001/02, PPMS/885/02	100%
Arakaka	Guyana	J-81/002/02, PPMS/886/02	100%
Arakaka	Guyana	51/002/94, Ituni #1	100%
Arakaka	Guyana	51/003/94, Ituni #2	100%
Arakaka	Guyana	51/324/74, May	100%
Arakaka	Guyana	53/2014/731	100%
Arakaka	Guyana	53/2014/732	100%
Arakaka	Guyana	53/2014/733	100%
Arakaka	Guyana	P-128/000/02P-126/MP/000/13	100%
Arakaka	Guyana	P-128/003/02P-60/MP/000/12	100%
Arakaka	Guyana	P-128/004/02P-61/MP/000/12	100%
Arakaka	Guyana	P-109/001/2000P-63/MP/000/12	100%
Arakaka	Guyana	P-8/000/94P-33/MP/000/11	100%
Arakaka	Guyana	P-8/001P-33/MP/001/11	100%
Arakaka	Guyana	P-8/002P-33/MP/002/11	100%
Arakaka	Guyana	P-17/000P-34/MP/000/11	100%
Arakaka	Guyana	P-109/004/2000P-88/MP/003/12	100%
Arakaka	Guyana	P-17/001P-151/MP/000/14	100%
Arakaka	Guyana	P-109/000/2000P-88/MP/000/12	100%
Arakaka	Guyana	P-109/002/2000P-88/MP/001/12	100%
Arakaka	Guyana	P-109/003/2000P-88/MP/002/12	100%
Arakaka	Guyana	P-109/005/2000P-88/MP/004/12	100%
Arakaka	Guyana	P-128/001/02P-149/MP/000/13	100%
Arakaka	Guyana	P-128/002/02P-149/MP/001/13	100%
Arakaka	Guyana	51/2005/235, Dennis #1	100%
Arakaka	Guyana	51/2005/236, Dennis #2	100%
Arakaka	Guyana	51/2005/237, Dennis #3	100%
Arakaka	Guyana	51/2005/238, Dennis #4	100%
Arakaka	Guyana	51/1983/034, Wintime	100%
Arakaka	Guyana	51/1983/035, Intime	100%
Arakaka	Guyana	51/1984/028, Ester aka Esta	100%
Arakaka	Guyana	S-182/MP/000/2014 PPMS/631/07	100%
Arakaka	Guyana	S-78/MP/000/2012 PPMS/629/07	100%
Arakaka	Guyana	P-9/000, PPMS/76/94	100%
Arakaka	Guyana	P-9/001, PPMS/77/94	100%
Arakaka	Guyana	P-9/002, PPMS/78/94	100%
Arakaka	Guyana	PPMS/76/94 P-39/MP/000/11	100%
Arakaka	Guyana	PPMS/77/94 P-39/MP/001/11	100%
Arakaka	Guyana	PPMS/78/94 P-39/MP/002/11	100%
Arakaka	Guyana	Y-1/MP/000/06, MP 91/2007	100%
Arakaka	Guyana	K-1004/MP/000/2017 MP085/2017	100%
Arakaka	Guyana	K-1004/MP/001/2017 MP086/2017	100%
Arakaka	Guyana	PL 10/2014, GSI4: S-62	100%
Arakaka	Guyana	PL 11/2014, GSI4: S-63	100%
Arakaka	Guyana	P-175/MP/000/2015	80% ₁
Arakaka	Guyana	P-175/MP/001/2015	80% ₁
Arakaka	Guyana	P-175/MP/002/2015	80% ₁
Arakaka	Guyana	P-184/MP/000/2015	80% ₁
Arakaka	Guyana	PL-09/2011, GSI4: B-22	80% ₁
Arakaka	Guyana	PL-10/2011, GSI4: B-23	80% ₁
Arakaka	Guyana	P-633/000, PPMS/1190/2015	80% ₁
Arakaka	Guyana	P-633/001, PPMS/1191/2015	80% ₁

Tenement Listing (continued)

As at 23 September 2020

Project	Location	Tenement	Interest as at 23 September 2019
Arakaka	Guyana	P-633/002, PPMS/1192/2015	80% ₁
Arakaka	Guyana	P-633/003, PPMS/1193/2015	80%
Arakaka	Guyana	P-633/004, PPMS/1194/2015	80%
Arakaka	Guyana	P-633/005, PPMS/1195/2015	100%
Arakaka	Guyana	P-642/000, PPMS/123/2016	100%
Arakaka	Guyana	51/1989/104	100%
Arakaka	Guyana	51/1989/105	100%
Arakaka	Guyana	51/1989/106	100%
Arakaka	Guyana	53/2011/519	100%
Arakaka	Guyana	53/2011/520	100%
Arakaka	Guyana	53/2011/521	100%
Arakaka	Guyana	51/1983/038	100%
Arakaka	Guyana	51/1984/023	100%
Arakaka	Guyana	51/2010/311	100%
Arakaka	Guyana	51/2010/312	100%
Arakaka	Guyana	51/2010/313	100%
Arakaka	Guyana	51/1979/020 (No. 56812)	100%
Arakaka	Guyana	51/1988/058 (No. 84091)	100%
Arakaka	Guyana	51/1990/025	100%
Arakaka	Guyana	51/1990/026	100%
Arakaka	Guyana	53/2004/036	100%
Arakaka	Guyana	53/2004/037	100%
Arakaka	Guyana	53/2004/038	100%
Arakaka	Guyana	53/2008/004	100%
Arakaka	Guyana	53/2008/005	100%
Arakaka	Guyana	53/2008/006	100%
Arakaka	Guyana	53/2008/007	100%
Arakaka	Guyana	53/2008/008	100%
Arakaka	Guyana	53/2008/009	100%
Arakaka	Guyana	53/2008/010	100%
Arakaka	Guyana	53/2008/011	100%
Arakaka	Guyana	53/2011/518	100%
Arakaka	Guyana	51/1992/149	100%
Arakaka	Guyana	51/1992/150	100%
Arakaka	Guyana	51/2010/325	100%
Arakaka	Guyana	51/2010/326	100%
Arakaka	Guyana	51/2010/327	100%
Arakaka	Guyana	51/2010/329	100%
Arakaka	Guyana	51/2010/330	100%
Arakaka	Guyana	51/2010/331	100%
Arakaka	Guyana	51/2010/332	100%
Arakaka	Guyana	51/1982/028	100%
Arakaka	Guyana	51/1986/020	100%
Arakaka	Guyana	51/1986/021	100%
Arakaka	Guyana	51/1986/022	100%
Arakaka	Guyana	51/1986/023	100%
Arakaka	Guyana	51/1986/024	100%
Arakaka	Guyana	51/1986/043	100%
Arakaka	Guyana	51/1987/093	100%
Arakaka	Guyana	51/1987/094	100%
Arakaka	Guyana	51/1987/101	100%
Arakaka	Guyana	51/1987/102	100%
Arakaka	Guyana	51/1987/110	100%
Arakaka	Guyana	51/1988/104	100%
Arakaka	Guyana	51/1989/259	100%
Arakaka	Guyana	51/1993/005	100%
Arakaka	Guyana	51/1993/006	100%
Arakaka	Guyana	51/1993/007	100%

Tenement Listing (continued)

As at 23 September 2020

Project	Location	Tenement	Interest as at 23 September 2020
Arakaka	Guyana	51/1993/008	100%
Arakaka	Guyana	51/1981/019	100%
Arakaka	Guyana	51/1981/020	100%
Arakaka	Guyana	51/1981/021	100%
Arakaka	Guyana	51/1981/022	100%
Arakaka	Guyana	51/1981/023	100%
Arakaka	Guyana	PPMS/1068/2002	100%
Arakaka	Guyana	PPMS/1069/2002	100%
Arakaka	Guyana	PPMS/1060/2002	100%
Arakaka	Guyana	PPMS/1062/2002	100%
Arakaka	Guyana	PPMS/1070/2002	100%
Arakaka	Guyana	PPMS/1071/2002	100%
Arakaka	Guyana	J-1007/MP/000/16	100%
Arakaka	Guyana	J-1007/MP/001/16	100%
Arakaka	Guyana	J-1007/MP/002/16	100%
Arakaka	Guyana	J-1007/MP/003/16	100%
Arakaka	Guyana	J-1007/MP/004/16	100%
Arakaka	Guyana	J-1007/MP/005/16	100%
Arakaka	Guyana	J-1007/MP/006/16	100%
Arakaka	Guyana	J-1007/MP/007/16	100%
Arakaka	Guyana	J-1007/MP/008/16	100%
Arakaka	Guyana	51/2004/184	100%
Arakaka	Guyana	51/2005/019	100%
Arakaka	Guyana	51/2004/185	100%
Arakaka	Guyana	51/2005/020	100%
Arakaka	Guyana	51/2002/031	100%
Arakaka	Guyana	51/1994/118	100%
Arakaka	Guyana	51/2002/33	100%
Arakaka	Guyana	51/2002/34	100%
Arakaka	Guyana	51/2002/35	100%
Arakaka	Guyana	51/2002/36	100%
Arakaka	Guyana	51/1994/112	100%
Arakaka	Guyana	51/2002/32	100%
Arakaka	Guyana	51/1994/111	100%
Arakaka	Guyana	51/2001/09	100%
Arakaka	Guyana	51/2005/01	100%
Arakaka	Guyana	51/2005/02	100%
Arakaka	Guyana	51/2005/03	100%
Arakaka	Guyana	51/2005/04	100%
Arakaka	Guyana	51/2005/05	100%
Arakaka	Guyana	51/2005/06	100%
Arakaka	Guyana	51/2005/07	100%
Arakaka	Guyana	Rose 8	100%
Arakaka	Guyana	Rose 9	100%
Arakaka	Guyana	51/2002/27	100%
Arakaka	Guyana	51/1981/022	100%
Arakaka	Guyana	51/1981/023	100%
lanna	Guyana	B-19/MP/000	100% ₂
lanna	Guyana	D-15/MP/000	100% ₂
lanna	Guyana	D-16/MP/000	100% ₂
lanna	Guyana	R-31/MP/002	100% ₂
lanna	Guyana	R-31/MP/003	100% ₂
lanna	Guyana	R-31/MP/004	100% ₂
lanna	Guyana	R-31/MP/005	100% ₂
lanna	Guyana	R-31/MP/000	100% ₂
lanna	Guyana	R-31/MP/001	100% ₂
lanna	Guyana	J-10/MP/000	100% ₂

Tenement Listing (continued)

As at 23 September 2020

Project	Location	Tenement	Interest as at 23 September 2019
lanna	Guyana	J-14/MP/000	100% ₂
lanna	Guyana	J-14/MP/001	100% ₂
lanna	Guyana	J-14/MP/002	100% ₂
lanna	Guyana	B-19/MP/000	100% ₂
lanna	Guyana	Baggie	100% ₂
lanna	Guyana	Owen #1	100% ₂
lanna	Guyana	Owen	100% ₂
lanna	Guyana	Emillio	100% ₂
lanna	Guyana	Anita	100% ₂
lanna	Guyana	Joy #2	100% ₂
lanna	Guyana	Joy #3	100% ₂
lanna	Guyana	Patsy	100% ₂
lanna	Guyana	Patsy #1	100% ₂
lanna	Guyana	Karen	100% ₂
lanna	Guyana	Karen #1	100% ₂
lanna	Guyana	Sherry	100% ₂
lanna	Guyana	Sherry #1	100% ₂
lanna	Guyana	Sherry #2	100% ₂
lanna	Guyana	Tracy	100% ₂
lanna	Guyana	Queen	100% ₂
lanna	Guyana	Queen #1	100% ₂
lanna	Guyana	Nick	100% ₂
lanna	Guyana	Nick #1	100% ₂
lanna	Guyana	Ray	100% ₂
lanna	Guyana	Ray #1	100% ₂
lanna	Guyana	Jeff	100% ₂
lanna	Guyana	Sherry #2	100% ₂
lanna	Guyana	Tracy	100% ₂
lanna	Guyana	Queen	100% ₂
lanna	Guyana	Queen #1	100% ₂
lanna	Guyana	Nick	100% ₂
lanna	Guyana	Nick #1	100% ₂
lanna	Guyana	Ray	100% ₂
lanna	Guyana	Ray #1	100% ₂
lanna	Guyana	Jeff	100% ₂
lanna	Guyana	Sist	100% ₃
lanna	Guyana	Camy	100% ₃
lanna	Guyana	Shelda	100% ₃
lanna	Guyana	Commie #2	100% ₃
lanna	Guyana	Irean	100% ₃
lanna	Guyana	Chester #2	100% ₃
lanna	Guyana	King Ransom #1	100% ₃
lanna	Guyana	King Ransom #2	100% ₃
lanna	Guyana	King Ransom #3	100% ₃
lanna	Guyana	King Ransom #4	100% ₃
lanna	Guyana	King Ransom #5	100% ₃
lanna	Guyana	King Ransom #6	100% ₃
lanna	Guyana	King Ransom #7	100% ₃
lanna	Guyana	King Ransom #8	100% ₃
lanna	Guyana	King Ransom #9	100% ₃
lanna	Guyana	King Ransom 1	100% ₃
lanna	Guyana	King Ransom 2	100% ₃
lanna	Guyana	King Ransom 3	100% ₃
lanna	Guyana	King Ransom 4	100% ₃
lanna	Guyana	King Ransom 5	100% ₃
lanna	Guyana	B-505/001	100% ₃
lanna	Guyana	Yo	100% ₃

Tenement Listing (continued)

As at 23 September 2020

Project	Location	Tenement	Interest as at 23 September 2019
lanna	Guyana	Lyn	100% ₃
lanna	Guyana	Pam	100% ₃
lanna	Guyana	Lady Amy1	100% ₃
lanna	Guyana	Lady Amy2	100% ₃
lanna	Guyana	Lady Amy3	100% ₃
lanna	Guyana	Lady Amy4	100% ₃
lanna	Guyana	Karen #2	100% ₃
lanna	Guyana	Karen #3	100% ₃
lanna	Guyana	Karen #4	100% ₃
lanna	Guyana	Karen #5	100% ₃
lanna	Guyana	Lady Crystal	100% ₃
lanna	Guyana	Lady Crystal#1	100% ₃
lanna	Guyana	Lady Crystal#2	100% ₃
lanna	Guyana	B-85/MP/000	100% ₃
Tassawini	Guyana	V-04/MP/000, MP 47/98	100%
Tassawini	Guyana	V-5/MP/000, MP 23/01	100%
Tassawini	Guyana	V-5/MP/001, MP 24/01	100%
Tassawini	Guyana	V-5/MP/002, MP 25/01	100%
Naverberg	Sweden	Naverberg nr 1, 2,3,4,5,6	100%
Oxberg	Sweden	Oxberg 101	100%
Dunderberget	Sweden	Dunderberget nr 1,2	100%
Sommarberget	Sweden	Sommarberget nr 1	100%
Harmsarvet	Sweden	Harmsarvet 1	100%
Heden	Sweden	Heden 2	100%
Fågelberget	Sweden	Fågelberget 1	100%
Bjorkberget	Sweden	Bjorkberget 1	100%
Uvbranna	Sweden	Uvbranna 1	100%

¹ Interest held subject to Option Agreement announced 5 February 2016.

² Exclusive rights to acquire subject to terms of Option & Acquisition Agreement announced 8 November 2016 including option payments and minimum expenditure requirements to maintain option.

³ Interest held subject to Option Agreements announced 1 September 2017.

Notes

E: Exploration License
 PL: Prospecting License
 PPMS: Prospecting License Medium Scale
 MP: Mining Permit