



**YANDAL**  
RESOURCES LIMITED

A GOLD DEVELOPMENT COMPANY

**YRL**

ANNUAL REPORT

**2019**

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# Corporate Particulars

## **DIRECTORS**

Ms Katina Law (Chair)  
Mr David Lawrence Hughes (Lorry)  
Ms Kelly Amanda Ross

## **COMPANY SECRETARY**

Mrs Bianca Taveira

## **PRINCIPAL PLACE OF BUSINESS**

159 Stirling Highway  
Nedlands WA 6009  
Telephone +61 8 9389 9021  
[www.yandalresources.com.au](http://www.yandalresources.com.au)

## **REGISTERED OFFICE**

159 Stirling Highway  
Nedlands WA 6009

## **SHARE REGISTRY**

Boardroom Pty Limited  
Level 12  
225 George Street  
Sydney NSW 2000  
Telephone 1300 737 760

## **AUDITORS**

Rothsay Auditing  
Level 1  
Lincoln House  
4 Ventnor Avenue  
West Perth WA 6005  
Telephone + 61 8 9486 7094

## **STOCK EXCHANGE LISTING**

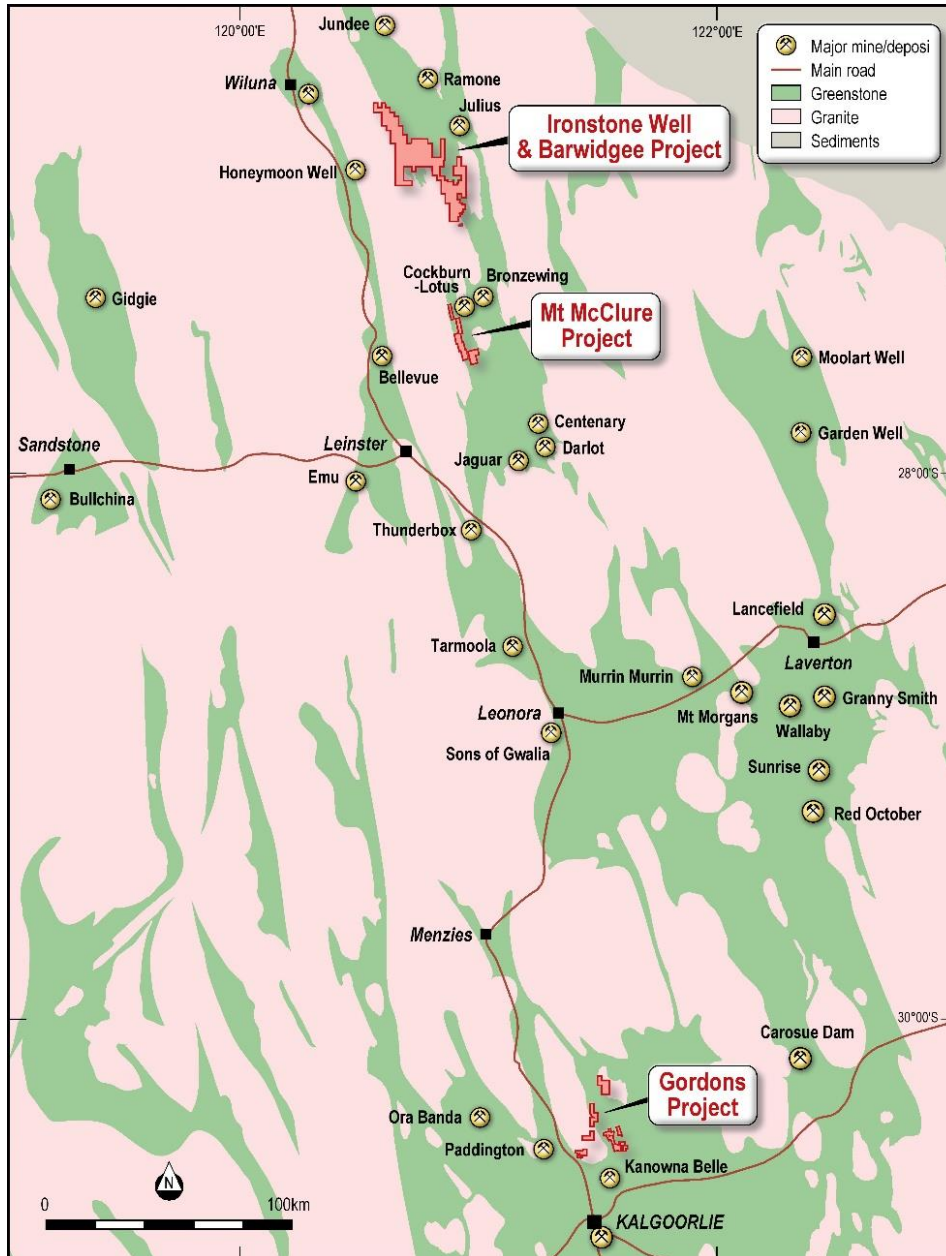
Australian Securities Exchange  
Home Exchange: Perth  
Code: YRL

# Operations Report

## REVIEW OF OPERATIONS

The principal activities of the Company are mineral exploration in the North-Eastern and Eastern Goldfields of Western Australia. The Company is targeting the discovery of large structurally controlled Archaean Lode gold or Orogenic gold mineralisation such as the nearby Jundee, Bronzewing, Cockburn-Lotus, Centenary-Darlot and Kanowna Belle gold deposits.

### Regional map of the Company's gold projects, greenstone belts, regional towns and significant gold deposits.



Exploration programs during the year accelerated significantly after the successful capital raising and ASX listing in December 2018. Geological data compilation, targeting and drill design dominated the first half of the year with Air-core and reverse circulation (“RC”) drilling and Resource compilation activities dominating the second half.

Significant gold results were returned from all prospects tested and provided the Company with strong encouragement to expand its programs. Drilling was particularly successful at the Ironstone Well project (Flushing Meadows and Flinders Park prospects) and at the Gordons project (Gordons Dam prospect). The Company completed over 15,000m of Air-core and RC drilling and in most cases improved the prospectivity and potential of the prospects to host significant gold deposits.

# Operations Report

## Ironstone Well Project

The majority of exploration drilling was completed at the Flushing Meadows prospect with smaller reconnaissance programs completed at the Flinders Park, Quarter Moon and Oblique prospects.

The Flushing Meadows initial exploration programs were completed to confirm the location and grade of historic gold intercepts, provide quality assurance and quality control data followed by reconnaissance Air-core drilling along strike. Both programs returned favourable results and major Resource style RC drilling programs were undertaken which culminated in the compilation of an initial Mineral Resource Estimate ("MRE") for the deposit. The MRE was completed subsequent to the end of the financial year, released to the ASX on the 24 September 2019 and is summarised as follows;

**September 2019 Flushing Meadows Mineral Resource Estimate (0.5g/t Au Lower Grade Cut-off). For full details of the MRE (refer Yandal Resources Ltd's ASX announcement dated 24 September 2019).**

Material Type	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Oz	Tonnes	Au (g/t)	Oz	Tonnes	Au (g/t)	Oz
Laterite	10,353	1.42	473	47,824	1.13	1,730	58,177	1.18	2,203
Oxide	710,322	1.55	35,444	1,803,863	1.28	74,118	2,514,185	1.35	109,562
Transition	147,552	1.60	7,609	742,181	1.24	29,612	889,733	1.30	37,221
Fresh				1,132,379	1.15	41,795	1,132,379	1.15	41,795
<b>Total</b>	<b>868,227</b>	<b>1.56</b>	<b>43,518</b>	<b>3,726,247</b>	<b>1.23</b>	<b>147,236</b>	<b>4,594,474</b>	<b>1.29</b>	<b>190,849</b>

- The model is reported within a geological wireframe above an average depth of 130m below surface (maximum 210m) and a nominal 0.5g/t Au lower cut-off grade for all material types. Classification is according to JORC Code Mineral Resource Categories. Totals may vary due to rounded figures'

- Refer Competent Persons Statement at the end of the Operations Report.

The MRE contains a higher-grade component of 2.8Mt @ 1.63g/t Au for 147,000oz (> 1.0g/t Au lower cut-off grade) with numerous mineralisation envelopes open at depth. The majority of the MRE reports to the Inferred Resource Category and it is likely that with infill drilling to nominal spacing of 20-25m a large portion could be upgraded to the higher confidence Indicated Resource Category.

In addition, approximately 0.4Mt of material has been modelled >0.5g/t Au within the mineralisation wireframes that have insufficient data density to be included in a Resource Category. A number of these areas will be targeted for infill and extensional RC drilling early next year.

Upon evaluation of the results from Flushing Meadows and adjacent areas it became apparent that there is significant potential to discover new gold mineralisation along strike on the Barwidgee Shear as a large portion of historic exploration is considered to have been ineffective.

The Company's strategy going forward at the Ironstone Well project is to target an expansion of the Flushing Meadows gold deposit as mineralisation is open particularly at depth. There is potential to intercept further mineralisation by following up intercepts including; **10m @ 1.62g/t Au** from 98m, **2m @ 7.07g/t Au** from 34m, **18m @ 2.26g/t Au** from 91m, **23m @ 1.77g/t Au** from 47m and **26m @ 1.06g/t Au** from 38m (Refer to Yandal Resources Ltd announcement dated 14 August 2019).

Along strike and adjacent to the Flushing Meadows deposit small reconnaissance style drilling programs were conducted at the Flinders Park, Oblique and Quarter Moon prospects to confirm historic mineralisation. Good results were returned and in particular from RC drilling at Flinders Park including; **15m @ 2.03g/t Au** from 77m and **26m @ 1.69g/t Au** from 38m (Refer to Yandal Resources Ltd announcements dated 20 December 2018 and 4 July 2019).

The 12km strike zone along the Barwidgee Shear Zone between Flinders Park in the south and the Oblique prospect in the north will be a key focus area for Resource growth and discovery going forward. Historic Resources have been defined at the Oblique and Quarter Moon prospects and the mineralisation is open and under-explored providing the Company with walk up exploration targets.

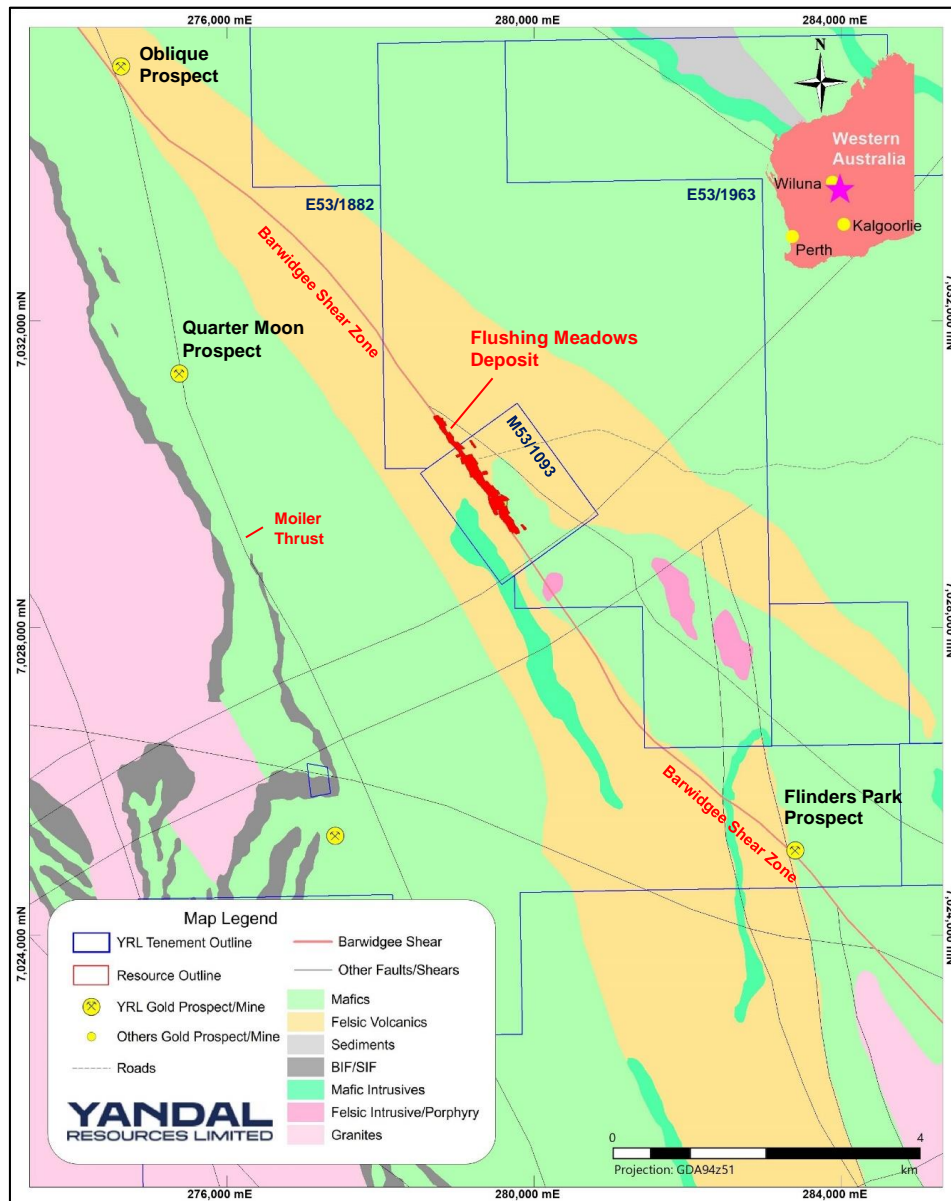
Key exploration activities completed during the year at the Ironstone Well project included;

- Exploratory and Resource RC drilling to improve geological understanding and demonstrate size potential of the Flushing Meadows deposit within the currently defined 1.8km strike zone;
- Maiden MRE for Flushing Meadows;
- Air-core drilling up to 800m along strike north west from Flushing Meadows deposit area returned significant results requiring follow-up drilling;

# Operations Report

- Reconnaissance drilling at the Flinders Park (Air-core and RC), Quarter Moon (Air-core) and Oblique (Air-core) prospects to confirm historic mineralisation and generate new targets for follow-up;
- Reinterpretation of regional airborne geophysical data and field investigations including the prospective Barwidgee Shear Zone in preparation for follow-up Air-core drilling traverses.

**Regional geology map of the Ironstone Well gold project showing mining tenements, the Barwidgee Shear Zone, the Flushing Meadows deposit area and other priority prospects.**



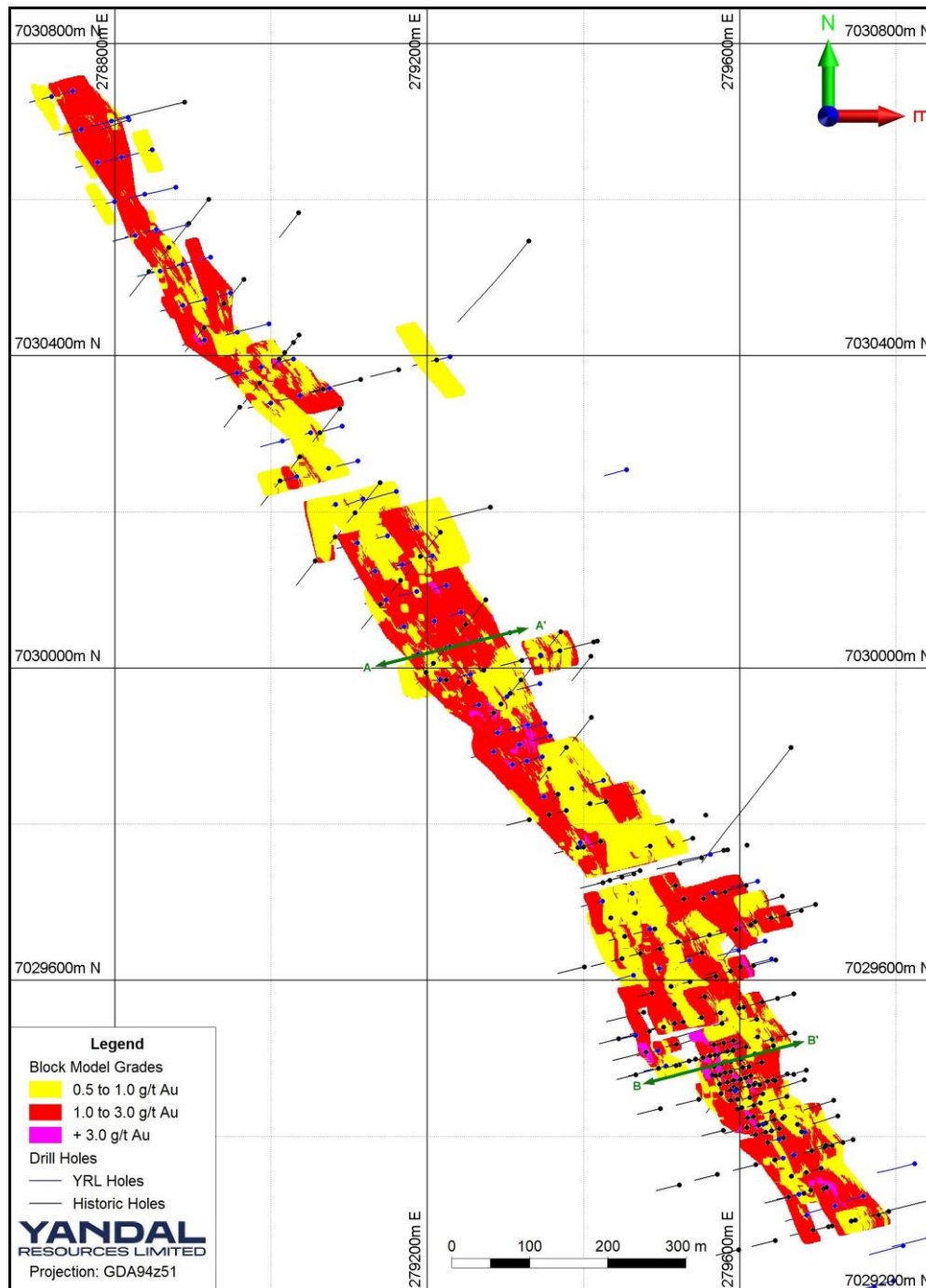
In addition, a number of early stage development activities were commenced in order to provide scoping and feasibility study data for potential mining operations. These include;

- Metallurgical test work on available RC samples from a number of depth intervals across Flushing Meadows;
- Flora and Fauna Surveys;
- Preliminary geotechnical and hydrogeological studies.

To advance the prospect further over the next year the Company intends to commence Heritage Surveys, additional Mining Lease applications, advanced metallurgical studies, mine design, a mining proposal and mine closure plan.

# Operations Report

Three-dimensional longitudinal representation of the September 2019 Flushing Meadows initial Mineral Resource Estimate block model by grade range.



## Barwidgee Project

At the Barwidgee project which is contiguous with the Ironstone Well project, exploration activities focused on small RC and Air-core drilling programs at the Rosewall prospect with database compilation and exploration targeting at a number of other prospects in the Sims Find and Coppan areas. Encouraging results were returned from Rosewall and follow-up is required. Intercepts included; **10m @ 2.41g/t Au** from 0m, **18m @ 1.00g/t Au** from 6m and **1m @ 0.55g/t Au** from 1m (Refer to Yandal Resources Ltd announcements dated 21 March and 4 July 2019).

New soil sampling programs were initiated at the end of the reporting period to the north east of Sims Find with results yet to be returned.

# Operations Report

## Mt McClure Project

The Mt McClure project contains a number of historic prospects and open pit mines within a short haulage distance on existing haul roads from the 2Mtpa Bronzewing processing facility owned by Echo Resources Ltd (ASX: EAR). During the year exploration activities were focussed on confirming historic mineralisation, defining new exploration targets and assessing the potential for the definition of Mineral Resources.

Confirmation RC drilling was completed at the Challenger Way South prospect which intersected the targeted mineralised structures however returned low grades (*Refer to Yandal Resources Ltd announcement dated 20 December 2018*). Further drilling is required as historic data suggests there is potential to define a small Mineral Resource.

Two deep RC holes for 378m were completed beneath the south end of the Success open pit and were designed to intersect potential south plunging high grade mineralisation within volcanogenic sediments. Both holes appeared to intersect the intended target horizon however, low grades were also returned including **9m @ 0.74g/t Au** from 180m and **2m @ 2.59g/t Au** from 68m (*Refer to Yandal Resources Ltd announcement dated 1 April 2019*).

Further drilling is planned at Success and at other historic mining areas within the project as historic data suggests there is potential to define significant Mineral Resources at beneath predominantly oxide open pits.

## Gordons Gold Project

The most advanced prospect within the project is Gordons Dam which is located 36km north east of Kalgoorlie-Boulder and 24km north along strike from the Kanowna Belle mining centre. To date the Company has discovered significant gold mineralisation within clays and palaeochannel sediments over a 400m strike zone. Importantly RC drilling to explore for the primary source of the oxide mineralisation returned exciting intercepts from structurally controlled mafic and porphyry rock types including; **15m @ 0.95g/t Au** from 80m, **8m @ 1.16g/t Au** from 100m and **3m @ 2.61g/t Au** from 89m. Follow-up Air-core drilling to expand the target area provided further encouragement with significant mineralisation returned from multiple bottom of hole samples including; **7m @ 0.56g/t Au** from 49m, **1m @ 0.46g/t Au** from 45m, **1m @ 0.80g/t Au** from 40m, **5m @ 2.44g/t Au** from 40m and **7m @ 0.71g/t Au** from 48m (*Refer to Yandal Resources Ltd announcement dated 6 May 2019*).

To better define the size of the target along strike a sub-audio magnetic geophysical survey was undertaken with results received in August 2019. The survey generated eight new targets and follow-up drilling programs have been designed for completion in the September quarter 2019.

In addition, a number of holes will test beneath old workings and anomalous rock chip samples at the Lady Clara and Dickens Custer prospects respectively.

### **Competent Person Statement**

*The information in this document that relates to Exploration Results, geology and data compilation is based on information compiled by Mr Trevor Saul, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy (AusIMM). Mr Saul is the Exploration Manager of Yandal Resources. He is a full-time employee of Yandal Resources and holds shares and options in the Company.*

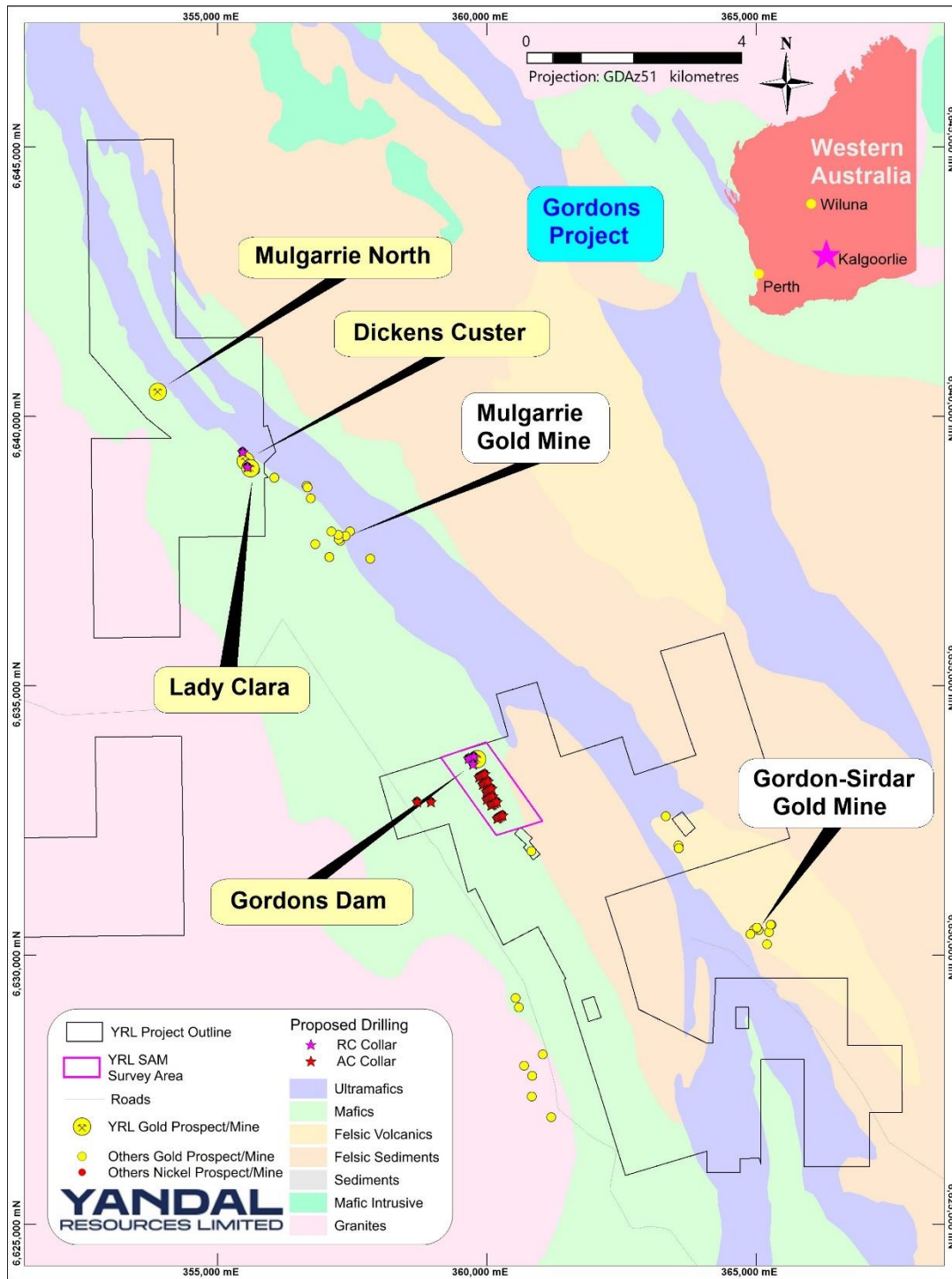
*Mr Saul has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Saul consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.*

*The information in this announcement that relates to the Flushing Meadows Mineral Resource Estimate is based on information compiled and generated by Andrew Bewsher, an employee of BM Geological Services Pty Ltd ("BMGS"). BMGS consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Bewsher has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*



# Operations Report

Regional geology map of the Gordons gold project showing individual prospects with the location of planned drill holes and the Sub Audio Magnetic geophysical survey area.



# Directors' Report

Your Directors present their report on Yandal Resources Limited for the financial year ended 30 June 2019.

## DIRECTORS

The following persons held office as Directors of Yandal Resources Limited during the financial period and up to the date of this report unless otherwise noted:

Ms Katina Law	Non-Executive Chair
Mr David Lawrence Hughes	Managing Director
Ms Kelly Amanda Ross	Non-Executive Director

## INFORMATION ON DIRECTORS AND OFFICERS

### MS KATINA LAW BCom, CPA, MBA, GAICD, NON-EXECUTIVE CHAIR (appointed 1 July 2018)

Katina Law has over 27 years' experience in the mining industry covering corporate and site based roles across several continents. She is currently the Executive Chair of Ardea Resources Ltd (ASX:ARL). She has worked with a number of ASX listed resources companies in strategic financial advisory and general management roles. Ms Law has worked on several development and evaluation projects which were later subject to corporate transactions including the Deflector gold and copper project and the King Vol polymetallic zinc project. Ms Law was Executive Director and CEO of East Africa Resources Limited from 2012 to 2015, and also held senior positions at Newmont Mining Corporation's Batu Hijau copper gold project in Indonesia and their head office in Denver, USA and at LionOre International based in Perth.

Ms Law has a Bachelor of Commerce degree from UWA, is a Certified Practising Accountant and has an MBA from London Business School. She is currently a non-executive Director of headspace National Youth Mental Health Foundation.

Current and Former Directorships held in the past three years:

Ardea Resources Limited	Non-Executive Director/Chair	Appointed 7 November 2016
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Ms Law has no other public company directorships.

### MR DAVID LAWRENCE HUGHES BSc (Geol) MAusImm, MANAGING DIRECTOR (appointed 6 April 2018)

Mr Hughes is an Economic Geologist with over 24 years' experience and was recently Executive Director of Horizon Minerals Limited formerly *Intermin Resources Ltd* (ASX: HRZ formerly IRC) and Managing Director and CEO of South Boulder Mines Ltd (now ASX: DNK and ASX: DKM) from 2008 – 2013. He has held executive and senior management positions on mining and development projects for companies including Energy Metals Ltd, CSA Global, Rio Tinto and Barrick. Mr Hughes has comprehensive mining, exploration and development experience from numerous gold mining projects in Western Australia.

Current and Former Directorships held in the past three years:

Intermin Resources Limited	Executive Director	Appointed 1 June 2016, Resigned 31 January 2018
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Mr Hughes has no other public company directorships.

### MS KELLY AMANDA ROSS BBus, CPA, GradDipCSP, AGIS, NON-EXECUTIVE DIRECTOR (appointed 6 April 2018)

Ms Ross is a qualified accountant holding a Bachelor of Business (Accounting) and has the designation CPA from the Australian Society of Certified Practising Accountants. Ms Ross is a Chartered Secretary with over 25 years' experience in the mining industry.

Ms Ross has overseen company expansion and wealth creation during her career firstly as a senior accountant for Resolute Ltd ("Resolute") from 1987 to 2000. Ms Ross was part of the team that floated Independence Group NL (ASX: IGO), joining as CFO and Company Secretary of the Company in 2001. IGO was listed on the ASX in 2002 and in the same year purchased and recommissioned the Long Nickel Mine. Independence Group received the Digger of the Year Award in 2011 and then jointly with Anglo Gold Ashanti in 2014 for the Tropicana Gold Project. Ms Ross was a Director of IGO from 2002 to the end of 2014.

Current and Former Directorships held in the past three years:

Musgrave Minerals Ltd (ASX: MGV)	Non-Executive Director	Appointed 26 May 2010
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Ms Ross has no other public company directorships.

# Directors' Report

## MRS BIANCA TAVEIRA, COMPANY SECRETARY

Mrs Taveira is an experienced company administrator and manager who has acted as Company Secretary to a number of unlisted public and ASX listed natural resource companies for over two decades. During this time Mrs Taveira has been involved in a number of initial public offerings, reverse takeover transactions, corporate transactions and capital raisings. Mrs Taveira has a corporate and compliance background and is experienced with administration of the shareholder registry, the ASX Listing Rules, mining tenement management and the Department of Mines regulations. Mrs Taveira is currently the Company Secretary of Reward Minerals Ltd (ASX: RWD) and Horizon Minerals Limited (formerly Intermin Resources Ltd) (ASX: HRZ (formerly IRC)).

## CORPORATE INFORMATION

Yandal Resources Limited is a Company limited by shares that was incorporated on 16 April 2004 and is domiciled in Australia. The Company was converted to a public company and changed its name from Orex Mining Pty Ltd to Yandal Resources Limited on 27 March 2018. The Company listed on the Australian Stock Exchange on 14 December 2018 (ASX: YRL).

## PRINCIPAL ACTIVITIES

The principal continuing activity of the Company during the year was gold exploration.

## RESULTS OF OPERATIONS

The results for the year ended 30 June 2019 was a loss after income tax benefit of \$670,115 (2018: \$239,021 loss).

EARNINGS/(LOSS) PER SHARE	2019 ¢	2018 ¢
Basic earnings/(loss) per share	(1.69)	(10.2)
Diluted earnings/(loss) per share	(1.69)	(10.2)

## REVIEW OF OPERATIONS

Refer to the Operations Report for detailed information on the Company's exploration activities over the past year.

## SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no other significant changes to the state of affairs during the year, other than outlined in the Activities Report, and as follows:

- a) On 14 December 2018, the Company listed on the Australian Stock Exchange (ASX: YRL) and issued 25,000,000 shares at an issue price of 20 cents each raising \$5,000,000.
- b) On 20 June 2019, the Company lodged a non-renounceable pro-rata rights issue to Eligible Shareholders of approximately 13,369,587 New Shares, on the basis of 1 New Share for every 4 Shares held at an issue price of 22 cents per New Share and approximately 6,684,793 New Options on the basis of 1 free attaching New Option for every 2 New Shares issued, with each New Option having an exercise price of 27 cents and an expiry date of 30 June 2021.

## EVENTS AFTER REPORTING DATE

On 29 July 2019, the Company issued 10,969,555 Shares and 5,484,785 Unlisted Options with an exercise price of 27 cents and an expiry date of 30 June 2021, following the completion of the Rights Issue which raised approximately \$2,413,302.

On 14 August 2019, the Company issued 2,400,072 Shares and 1,200,036 Unlisted Options with an exercise price of 27 cents and an expiry date of 30 June 2021, being the remaining shortfall shares under the 1 for 4 Non-Renounceable Pro-Rata Rights Issue.

Total funds raised from above share issue is \$2,941,318 before share issue costs.

On 24 September 2019, the Company completed an initial Mineral Resource for the Flushing Meadows gold deposit.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

# Directors' Report

## FUTURE DEVELOPMENTS

In the opinion of the Directors it would prejudice the interests of the Company to provide additional information, beyond that reported in this Annual Report, relating to likely developments in the operations and the expected results of those operations in financial years ended subsequent to 30 June 2019.

## DIVIDENDS

No amount has been paid or declared by way of dividend. The Directors do not recommend that any dividend be paid.

## MEETINGS OF DIRECTORS

The number of meetings held during the year ended 30 June 2019, and the number of meetings attended by each Director were:

Director	Full Meetings of Directors	
	Eligible to Participate	Number Attended
K Law	3	3
D Hughes	3	3
K Ross	3	3

In addition to the above meetings several matters were dealt with by circular resolution.

## DIRECTOR SHARE AND OPTION HOLDINGS

As at the date of this report, the interests of the Directors in the shares of the Company were:

Director	Ordinary Shares		Options Exercise price 25 cents, expiry 31 December 2021		Options Exercise Price 27 cents, expiry 30 June 2021	
	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest
K Law	-	565,000	-	1,000,000	-	32,500
D Hughes	-	2,915,154	-	1,950,000	-	90,909
K Ross	156,251	-	500,000	-	15,626	-

## SHARES UNDER OPTION

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

Nature	Expiry Date	Exercise Price of Options	Number under Option
Unlisted options	31 December 2021	25 cents	6,450,000 *
Unlisted options	30 June 2021	27 cents	6,684,821

\* 5,950,000 options are subject to 24 months escrow.

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the Company during or since the end of the reporting period.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

# Directors' Report

## Remuneration Report (Audited)

The information provided in this remuneration report has been audited as required by section 300A of the *Corporations Act 2001*.

### A Principles Used to Determine Amount and Nature of Remuneration

All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed. Shares given to Directors and Executives are valued as the difference between the market price of those shares and the amount paid by the Director or Executive. Options are valued using the Black-Scholes or Binomial methodologies.

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the annual general meeting (currently \$300,000). Fees for Non-Executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in employee option plans.

The objective of the Company's executive reward framework is set to attract and retain the most qualified and experienced Directors and Senior Executives. The Board ensures that executive reward satisfies the following criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- transparency
- capital management

### Directors' Fees

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

### Performance Based Remuneration

The Company uses both short term and long term incentive programs to balance the short and long term aspects of business performance, to reflect market practice, to attract and retain key talent and to ensure a strong alignment between the incentive arrangements of Executives and the creation and delivery of shareholder return.

Executives are encouraged by the Board to hold shares in the Company and it is therefore the Company's objective to provide incentives 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 Company executives and shareholders as there exists a direct correlation between shareholder wealth and executive remuneration.

### Company Performance, Shareholder Wealth and Directors' and Executives' Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and Executives. This is facilitated through the issue of options or performance rights to Directors and Executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

# Directors' Report

## B Details of Remuneration of Key Management Personnel of the Company

Details of the nature and amount of each element of remuneration of each Director and key management personnel of the Company for the financial year are as follows:-

2019							
Directors	Consulting Fees \$	Salary \$	Directors' Fee \$	Post Employment Superannuation \$	Share Based Payments Expense \$	Total \$	Performance Related %
K Law	-	-	21,692	2,061	93,100	116,853	79.6
D Hughes	-	200,000	-	19,000	186,200	405,200	45.8
K Ross	-	-	16,269	1,545	46,550	64,364	72.3
	-	200,000	37,961	22,606	325,850	586,417	

There were no termination benefits paid during the year to any Director or key management personnel.

## C Share-Based Compensation

### (i) Options

During the year, the Board were issued options by the Company as incentive to perform their role from the date of ASX listing. The options are linked to future performance of the Company. The fair value of the incentive options is \$325,850 as determined using the Black-Scholes valuation methodology. This amount was recognised as a share based payment, refer Note 22 to the financial statements.

The options were granted on 5 October 2018 with an expiry date of 31 December 2021 and an exercise price of \$0.25 per option.

The Director's option values are as follows:

Directors	Grant Date	No of Options Granted	Fair value per option at Grant Date	Vested at 30 June 2019	Total value of Options \$	No of options exercised	Options exercised \$	Balance of options at year end
K Law	5 Oct 2018	1,000,000	\$0.0931	1,000,000	93,100	-	-	1,000,000
D Hughes	5 Oct 2018	2,000,000	\$0.0931	2,000,000	186,200	(50,000)	12,500	1,950,000
K Ross	5 Oct 2018	500,000	\$0.0931	500,000	46,550	-	-	500,000

Fair values at grant date are independently 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 price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

## D Service Contracts

Non-Executive Directors are not employed under written contracts. Mr Hughes has entered into an executive service agreement with the Company under which he is engaged as Managing Director. Non-Executive Directors may be paid consulting fees at commercial rates calculated according to the amount of time spent on the Company's business. All Directors may receive consulting fees on an hourly basis which are paid from time to time for specialist services beyond normal duties. No Directors have received loans from the Company during the annual period.

# Directors' Report

## E Key Management Personnel Disclosures

### Key Management Personnel Interests in the Shares and Options of the Company

#### Director Shares

Interests of the Directors in the shares and options of the Company at 30 June 2019 and 30 June 2018 were:

2019	Balance at start of the year	Shares issued during the year	Options exercised during the year	Shares disposed of during the year	Balance at the end of the year
K Law (appointed 1 July 2018)	-	500,000	-	-	500,000
D Hughes	2,333,336	250,000	50,000	-	2,633,336
K Ross	-	125,000	-	-	125,000
M Ruane (resigned 1 July 2018)	11,800,010*	-	-	-	-
	<b>14,133,346</b>	<b>875,000</b>	<b>50,000</b>	<b>-</b>	<b>3,258,336</b>
<b>2018</b>					
D Hughes (appointed 6 April 2018)	-	2,333,336	-	-	2,333,336
K ROSS (appointed 6 April 2018)	-	-	-	-	-
M Ruane (appointed 29 December 2017)	-	11,800,010	-	-	11,800,010
I Gilmour (resigned 29 December 2017)	20	-	-	(20)	-
	<b>20</b>	<b>14,133,346</b>	<b>-</b>	<b>(20)</b>	<b>14,133,346</b>

\*Balance held at date of resignation

#### Director Options

The number of options over ordinary shares in the Company held during the financial year by each Key Management Personnel of Yandal Resources Limited including their personally related parties are set out below:

2019	Balance at start of the year	Options issued	Options expired during the year	Exercised during the year	Options sold	Balance at the end of the year	Vested and exercisable at the end of the year
K Law	-	1,000,000	-	-	-	1,000,000	1,000,000
D Hughes	-	2,000,000	-	(50,000)	-	1,950,000	1,950,000
K Ross	-	500,000	-	-	-	500,000	500,000
	<b>-</b>	<b>3,500,000</b>	<b>-</b>	<b>(50,000)</b>	<b>-</b>	<b>3,450,000</b>	<b>3,450,000</b>

There were no options on issue for the year ended 30 June 2018.

[End of remuneration report]

# Directors' Report

## **NON-AUDIT SERVICES**

The auditors have not provided any non-audit services to the Company in the current financial year.

## **INDEMNIFICATION AND INSURANCE OF OFFICERS OR AUDITOR**

During the financial year, the Group maintained an insurance policy which indemnifies the Directors and Officers of Yandal Resources Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Group. The Group's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

## **AUDITOR'S INDEPENDENCE DECLARATION**

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a Declaration of Independence from Rothsay Auditing, the Company's auditors, as presented on page 15 of this year's financial report.

## **ENVIRONMENTAL REGULATION**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

## **PROCEEDINGS ON BEHALF OF 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 those proceedings.

The Company was not a party to any such proceedings during the year.

This report is made in accordance with a resolution of the Directors and signed for on behalf of the Directors by:

**MR LORRY HUGHES**

Director

**27 September 2019**

Perth, WA



# Auditor's Independence Declaration



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005  
P.O. Box 8716, Perth Business Centre WA 6849  
Phone (08) 9486 7094 [www.rothsayresources.com.au](http://www.rothsayresources.com.au)

The Directors  
Yandal Resources Limited  
159 Stirling Highway  
Nedlands WA 6009

Dear Directors

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2019 financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'G Swan', with a long horizontal flourish extending to the right.

Graham Swan FCA (Lead auditor)

Rothsay Auditing

Dated 27 September 2019



# Independent Audit Report



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005  
P.O. Box 8716, Perth Business Centre WA 6849  
Phone (08) 9486 7094 www.rothsayresources.com.au

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF YANDAL RESOURCES LTD**

### **Report on the Audit of the Financial Report**

#### ***Opinion***

We have audited the financial report of Yandal Resources Ltd (“the Company”) which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors’ declaration of the Company.

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

- (i) giving a true and fair view of the Company’s financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### ***Basis for Opinion***

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

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

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

#### ***Key Audit Matters***

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



# Independent Audit Report continued



## ***Key Audit Matters***

### **Cash and cash equivalents**

The Company's cash and cash equivalents make up 60% of total assets by value and are considered to be the key driver of the Company's operations and exploration activities. We do not consider cash and cash equivalents to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. However due to the materiality in the context of the financial statements as a whole, they are considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.

Our procedures over the existence of the Company's cash and cash equivalents included but were not limited to:

- Documenting and assessing the processes and controls in place to record cash transactions;
- Testing a sample of cash payments to determine they were bona fide payments, were properly authorised and recorded in the general ledger; and
- Agreeing 100% of cash holdings to independent third party confirmations.

We have also assessed the appropriateness of the disclosures included in notes 1 and 4 to the financial report.

### **Exploration and evaluation expenditure**

The Company incurred significant exploration and evaluation expenditure during the year. We do not consider exploration and evaluation expenditure to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. However due to the materiality in the context of the financial statements as a whole, they are considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.

Our procedures in assessing the exploration and evaluation expenditure included but were not limited to the following:

- We obtained evidence that the Company has valid rights to explore in the areas represented by the exploration and evaluation expenditure by confirming a sample of the Company's tenement holdings;
- We enquired of management and reviewed work programs on exploration and evaluation on the mineral resources in the Company's areas of interest and cross referenced these discussions to ASX announcements and where applicable minutes of directors' meetings;
- We tested a sample of exploration and evaluation expenditure to supporting documentation to ensure they were bona fide payments; and

# Independent Audit Report continued



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

We communicate with the directors regarding, amongst 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.

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 the key audit matters. We describe those 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 communications.

## **Report on the Remuneration Report**

### ***Opinion on the Remuneration Report***

We have audited the remuneration report included in the directors' report for the year ended 30 June 2019.

In our opinion the remuneration report of Yandal Resources Ltd for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

### ***Responsibilities***

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

A handwritten signature in blue ink that reads 'Rothsay'.

**Rothsay Auditing**

A handwritten signature in blue ink that reads 'Graham Swan'.

**Graham Swan FCA  
Partner**

Dated 27 September 2019

# Directors' Declaration

The Directors of the Company declare that:

- (a) The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the financial position and performance of the Company; and
  - (ii) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements.
- (b) The financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1 and other mandatory professional reporting requirements.
- (c) The Directors have been given the declarations required by s.295A of the *Corporations Act 2001*.
- (d) There are reasonable grounds to believe that Company will be able to pay its debts as and when they become due and payable.

This Declaration is made in accordance with a resolution of the Board of Directors and is signed for on behalf of the Directors by:

**MR LORRY HUGHES**  
Director

**27 September 2019**  
Perth, WA

# Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue from continuing operations	2	86,773	-
Gain on debt forgiveness		-	95,752
<b>Total</b>		<b>86,773</b>	<b>95,752</b>
Exploration expenditure written off	2	(35,614)	(207,719)
Professional fees		(91,026)	(24,923)
Administration fees		(112,391)	(11,723)
Employee benefits expenses		(75,344)	(90,408)
Share based payments	22(a)	(418,950)	-
Depreciation expenses		(3,253)	-
Travel expenses		(20,310)	-
<b>Profit/(loss) before income tax</b>		<b>(670,115)</b>	<b>(239,021)</b>
Income tax (expense)/benefit	3	-	-
<b>Profit/(loss) after income tax for the year</b>		<b>(670,115)</b>	<b>(239,021)</b>
Other comprehensive income/(loss):			
Items that will be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Other comprehensive income/(loss) for the year		-	-
<b>Total comprehensive income/(loss) attributable to Members of Yandal Resources Limited</b>		<b>(670,115)</b>	<b>(239,021)</b>
Basic profit/(loss) cents per share	13	(1.69)	(10.2)
Diluted profit/(loss) cents per share	13	(1.69)	(10.2)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# Statement of Financial Position as at 30 June 2019

	Note	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,545,670	52,064
Trade and other receivables	5	65,589	11,559
Other	6	5,968	55,700
<b>Total Current Assets</b>		<b>3,617,227</b>	<b>119,323</b>
<b>NON-CURRENT ASSETS</b>			
Capitalised exploration expenditure	7	2,207,224	436,743
Property, plant and equipment	8	24,340	-
<b>Total Non-Current Assets</b>		<b>2,231,564</b>	<b>436,743</b>
<b>Total Assets</b>		<b>5,848,791</b>	<b>556,066</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	277,162	57,201
<b>Total Current Liabilities</b>		<b>277,162</b>	<b>57,201</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	10	-	164,000
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>164,000</b>
<b>Total Liabilities</b>		<b>277,162</b>	<b>221,201</b>
<b>Net Assets</b>		<b>5,571,629</b>	<b>334,865</b>
<b>EQUITY</b>			
Contributed equity	11	5,694,639	387,510
Reserves	12(b)	599,750	-
Accumulated (losses)/profits	12(a)	(722,760)	(52,645)
<b>Total Equity</b>		<b>5,571,629</b>	<b>334,865</b>

*The above Statement of Financial Position should be read in conjunction with the accompanying notes.*

# Statement of Changes in Equity for the Year Ended 30 June 2019

	Contributed Equity \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2017	10	-	186,376	186,386
Total comprehensive income/ (loss) for the year	-	-	(239,021)	(239,021)
Transactions with owners in their capacity as owners:				
Shares issued during the year	387,500	-	-	387,500
<b>Balance at 30 June 2018</b>	<b>387,510</b>	<b>-</b>	<b>(52,645)</b>	<b>334,865</b>
Balance at 1 July 2018	387,510	-	(52,645)	334,865
Total comprehensive income/ (loss) for the year	-	-	(670,115)	(670,115)
Transactions with owners in their capacity as owners:				
Shares issued during the year	5,848,325	-	-	5,848,325
Share issue costs	(541,196)	-	-	(541,196)
Options issued during the year	-	599,750	-	599,750
<b>Balance at 30 June 2019</b>	<b>5,694,639</b>	<b>599,750</b>	<b>(722,760)</b>	<b>5,571,629</b>

*The above Statement of Changes in Equity should be read in conjunction with the accompanying notes*



# Statement of Cash Flows for the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(308,009)	(91,611)
Interest received		49,469	-
<b>Net cash provided by/(used in) operating activities</b>	19	<b>(258,540)</b>	<b>(91,611)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(27,273)	-
Payments for acquisition of tenements		(60,000)	-
Capitalised exploration expenses		(1,156,260)	(213,235)
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,243,533)</b>	<b>(213,235)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share issues		5,446,600	387,500
Repayment of borrowings		(164,000)	-
Share issue costs		(286,921)	(30,600)
<b>Net cash provided by financing activities</b>		<b>4,995,679</b>	<b>356,900</b>
Net increase/(decrease) in cash held		3,493,606	52,054
Cash and cash equivalents at the beginning of the financial year		52,064	10
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	19	<b>3,545,670</b>	<b>52,064</b>

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.*

# Notes To and Forming Part of the Financial Statements

## 1 GENERAL INFORMATION

These financial statements and notes represent those of Yandal Resources Limited (the “Company” or “Entity”). Yandal Resources Limited is a Company limited by shares incorporated and domiciled in Australia.

### 1a Significant accounting policies

#### Statement of compliance

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. The financial statements and notes also comply with International Financial Reporting Standards.

#### Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated. The presentation currency is Australian dollars.

#### New accounting standards and interpretations

In the year ended 30 June 2019, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2018.

#### Adoption of new and amended accounting standards

A number of new or amended standards became applicable for the current reporting period and the Company had to change its accounting policies as a result of the adoption of the following standards:

- AASB 9 *Financial Instruments*; and
- AASB 15 *Revenue from Contracts with Customers*.

The impact of the adoption of these standards and the new accounting policies are disclosed below. The impact of these standards, and the other new and amended standards adopted by the Company, has not had a material impact on the amounts presented in the Company's financial statements.

#### AASB 9 *Financial Instruments - Impact of Adoption*

AASB 9 replaces the provisions of AASB 139 that relate to the recognitions, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of AASB 9 from 1 July 2018 resulted in no material changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Company assessed which business models apply to the financial assets held by the Company and has classified its financial instruments into the appropriate AASB 9 categories.

There was no impact on the amounts recognised in the financial statements as a result of adoption.

#### AASB 15 *Revenue from Contracts with Customers - Impact of Adoption*

The Company has adopted AASB 15 from 1 July 2018 which has no material impact to the amounts recognised in the financial statements.

#### New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2019. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

# Notes To and Forming Part of the Financial Statements

## **AASB 16 Leases**

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the Company.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2019. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

## **Critical accounting judgements and key sources of estimation uncertainty**

In the application of IFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

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

### **i) Significant accounting judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### *Capitalisation of exploration and evaluation expenditure*

The Company has capitalised significant exploration and evaluation expenditure on the basis either that this is expected to be recouped through future successful developments (or alternatively sale) of the Areas of Interest concerned or on the basis that it is not yet possible to assess whether it will be recouped. As at 30 June 2019, the carrying value of capitalised exploration expenditure is \$2,207,224.

### **ii) Significant accounting estimates and assumptions**

The carrying amounts of certain assets and liabilities are often based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

#### *Impairment of capitalised exploration and evaluation expenditure*

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

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

# Notes To and Forming Part of the Financial Statements

## 1b Income Tax

The income tax expense or revenue for the period is the tax payable on the current period'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.

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

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

## 1c Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. A provision for bad debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the statement of comprehensive income.

## 1d Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid, together with assets ordered before the end of the financial year. The amounts are unsecured and are usually paid within 30 days of recognition.

## 1e Cash and Cash Equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid instruments 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. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

## 1f Comparative Figures

Where necessary, comparative figures have been adjusted to conform to the presentation in the current year.

## 1g Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

# Notes To and Forming Part of the Financial Statements

## 1h Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated goods and services tax (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 flows.

## 1i Contributed Equity

Ordinary shares are classified as equity.

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

If the entity reacquires its own equity instruments, eg as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the statement of comprehensive income and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

## 1j Impairment of Assets

Assets and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that they might 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 flows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

## 1k Earnings per Share

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company 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 income tax effect of interest and other financing costs associated with 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.

## 1l Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against operating results in the year in which the decision to abandon the area is made. When production commences the accumulated costs for the relevant area of interest are classified as development costs and amortised over the life of the project area according to the rate of depletion of the economically recoverable reserves.

Where independent valuations of areas of interest have been obtained, these are brought to account. Subsequent expenditure on re-valued areas of interest is accounted for in accordance with the above principles. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

At 30 June 2019 the Directors considered that the carrying value of the mineral tenement interests of the consolidated entity was as shown in the Statement of Financial Position and no further impairment arises other than that already recognised.

# Notes To and Forming Part of the Financial Statements

## 1m Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for major business activities as follows:

### (i) Interest Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

### (ii) Other Services

Other debtors are recognised at the amount receivable and are due for settlement within 30 days from the end of the month in which services were provided.

## 1n Share-Based Payments

Share-based compensation benefits are provided to employees via the Company's Employee Incentive Plans. The incentive plans consist of the short term and long term incentive plans for Executive Directors and other Executives and the employee share scheme for all other employees.

The fair value of rights granted under the short term and long term incentive plans is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the rights granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions and the impact of service conditions are included in assumptions about the number of rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of rights that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity.

The initial estimate of fair value for market based and non-vesting conditions is not subsequently adjusted for differences between the number of rights granted and number of rights that vest.

When the rights are exercised, the appropriate amount of shares are transferred to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

The fair value of deferred shares granted to employees for nil consideration under the employee share scheme is recognised as an expense over the relevant service period, being the year to which the incentive relates and the vesting period of the shares. The fair value is measured at the grant date of the shares and is recognised in equity in the share-based payment reserve. The number of shares expected to vest is estimated based on the non-market vesting conditions. The estimates are revised at the end of each reporting period and adjustments are recognised in profit or loss and the share-based payment reserve.

## 1o 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 has been identified as the steering committee that makes strategic decisions.

The standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are regularly reviewed by the Company's Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Managing Director include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

# Notes To and Forming Part of the Financial Statements

	2019 \$	2018 \$
<b>2 INCOME AND EXPENSES</b>		
Revenue from continuing operations:		
Interest received	51,711	-
Other income	35,062	-
	<b>86,773</b>	<b>-</b>
Loss before income tax is arrived at after charging the following items:		
Capitalised exploration expenditure written off	35,614	207,719
<b>3 INCOME TAX</b>		
Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-
<b>Numerical reconciliation of income tax expense to prima facie tax payable</b>		
Profit/(loss) before income tax	(670,115)	(239,021)
Tax at 27.5% (2018: 27.5%)	(184,290)	(65,731)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Capitalised exploration expenditure written off	-	57,123
Tax effect of exploration expenditure claimed	(367,546)	-
Permanent differences	119,978	-
Other timing differences	(44,639)	-
Tax losses not recognised as an asset	476,497	8,608
<b>Income Tax Expense</b>	<b>-</b>	<b>-</b>
<b>Tax losses and unrecognised temporary differences</b>		
The Directors estimate that the potential future income tax benefit at 30 June 2019 in respect of tax losses not brought to account is \$598,123 (2018: \$8,608). This benefit for tax losses will only be obtained if:		
<ul style="list-style-type: none"> <li>the Company derives income of a nature and amount sufficient to enable the benefit from the deductions for the loss to be realised;</li> <li>the Company continues to comply with the conditions for deductibility imposed by the law; and</li> <li>no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses.</li> </ul>		

# Notes To and Forming Part of the Financial Statements

## 4 CURRENT ASSETS – CASH AND CASH EQUIVALENTS

Cash at bank

2019	2018
\$	\$
3,545,670	52,064
<b>3,545,670</b>	<b>52,064</b>

Cash at bank carries a floating interest rate of 2% (2018: 0%). The above figures are reconciled to the cash at the end of the financial year as shown in the statement of cash flows in Note 19.

## 5 CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

GST assets

Other receivables

63,347	11,559
2,242	-
<b>65,589</b>	<b>11,559</b>

## 6 CURRENT ASSETS - OTHER

Prepayments – capital raising

Prepaid insurance

**Total**

-	55,700
5,968	-
<b>5,968</b>	<b>55,700</b>

## 7 NON-CURRENT ASSETS – CAPITALISED EXPLORATION EXPENDITURE

Capitalised exploration and tenement acquisition costs:

Carrying amount at the beginning of the year

Acquisition of tenements

Acquisition of tenements by share based payments (refer Note 19b (ii) and (iii))

Exploration expenditure capitalised

Amounts written off

436,743	-
60,000	436,743
373,950	-
1,336,531	-
-	-
<b>2,207,224</b>	<b>436,743</b>

The ultimate recoupment of above expenditure relating to exploration is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

## 8 PROPERTY, PLANT AND EQUIPMENT

Plant and equipment at cost

Less provision for depreciation

27,593	-
(3,253)	-
<b>24,340</b>	<b>-</b>

### Reconciliations:

#### Plant and Equipment

Carrying amount at the beginning of the year

Additions

Depreciation

**Carrying amount at the end of the year**

-	-
27,593	-
(3,253)	-
<b>24,340</b>	<b>-</b>



# Notes To and Forming Part of the Financial Statements

## 9 CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	2019 \$	2018 \$
Trade payables	218,260	-
Accrued expenses	18,000	47,746
Other expenses	40,902	9,455
	<b>277,162</b>	<b>57,201</b>

All amounts are expected to be settled in less than 12 months.

## 10 NON-CURRENT LIABILITIES - BORROWINGS

Director and shareholder loans	-	164,000
	<b>-</b>	<b>164,000</b>

During the year ended 30 June 2019, Director and shareholder loans were repaid in full upon the Company successfully listing on the ASX. The loan was unsecured and interest free.

## 11 CONTRIBUTED EQUITY

Issued capital 53,478,348 ordinary shares fully paid (net of share issue costs)	5,694,639	387,510
	<b>5,694,639</b>	<b>387,510</b>

	Number 2019	Number 2018	\$ 2019	\$ 2018
<b>Movement in issued capital</b>				
Balance at the beginning of the financial year	17,500,010	10	387,510	10
Shares issued under the Public Offer	25,000,000	-	5,000,000	-
Shares issued for acquisition of mining tenements	4,770,000	-	373,950	-
Shares issued from options exercised (refer Note 15d)	50,000	-	12,500	-
Share issue at \$0.001	-	12,500,000	-	12,500
Share issue at \$0.075	6,158,338	5,000,000	461,875	375,000
Share issue costs	-	-	(541,196)	-
<b>Balance at the End of the Financial Year</b>	<b>53,478,348</b>	<b>17,500,010</b>	<b>5,694,639</b>	<b>387,510</b>

### Terms and condition of contributed equity

#### Ordinary Shares

Ordinary shares have no par value.

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

# Notes To and Forming Part of the Financial Statements

## 12 RESERVES AND ACCUMULATED LOSSES

### 12a Accumulated Losses

	2019 \$	2018 \$
Opening balance	(52,645)	186,376
Profit/(Loss) for the year	(670,115)	(239,021)
<b>Closing Balance</b>	<b>(722,760)</b>	<b>(52,645)</b>

### 12b Reserves

Share based payment reserve (i)	599,750	-
	<b>599,750</b>	<b>-</b>

#### (i) Share-Based Payments Reserve

The share-based payments reserve is used to recognise the fair value of shares, options and performance rights issued.

Balance at beginning of the year	-	-
Fair value of options granted (refer Note 22)	599,750	-
<b>Balance at the end of the year</b>	<b>599,750</b>	<b>-</b>

## 13 EARNINGS/(LOSS) PER SHARE

Profit/(loss) after tax attributable to members of Yandal Resources Limited	(670,115)	(239,021)
Basic profit/(loss) per share	(1.69) cents	(10.2) cents
Diluted profit/(loss) per share	(1.69) cents	(10.2) cents

Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share.

### Basic Earnings/(Loss) Per Share

Basic earnings/(loss) per share is determined by dividing the loss after income tax attributable to members of Yandal Resources Limited by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

### Diluted Earnings/(Loss) Per Share

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

Where options exercise prices are above market values (out of the money), no dilutive impact arises as it increases the loss per share.

Number	Number
39,639,164	2,351,518

# Notes To and Forming Part of the Financial Statements

## 14 REMUNERATION OF AUDITORS

Remuneration for audit of financial reports by Rothsay Auditing

	2019 \$	2018 \$
	19,500	3,000
	586,417	90,408

## 15 KEY MANAGEMENT PERSONNEL DISCLOSURES

The persons holding positions as Directors of the Company during the financial year were:

Ms Katina Law	Non-Executive Chair	Appointed 1 July 2018
Mr David Lawrence Hughes	Managing Director	Appointed 6 April 2018
Ms Kelly Amanda Ross	Non-Executive Director	Appointed 6 April 2018

### 15a Details of remuneration

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's Key Management Personnel for the year ended 30 June 2019.

The total remuneration paid to Key Management Personnel of the Company and the Company during the year are as follows:

Short-term benefits	237,961	82,564
Post-employment benefits	22,606	7,844
Share based payments	325,850	-
	586,417	90,408

### Other Key Management Personnel

There were no other key management personnel in Yandal Resources Limited during the financial year.

See Note 20 for details of loans from key management personnel and any other transactions with key management personnel.

### 15b Share and option holdings

All equity dealings with Directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

### 15c Remuneration options: granted during the financial period ending 30 June 2019

Details of share based payments during the year are contained in Note 22 to the financial statements.

### 15d Exercise of options by Key Management Personnel

During the year, 50,000 options were exercised by Mr Hughes at an exercise price of \$0.25.

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

## 16 SEGMENT REPORTING

The entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The entity operates predominantly in one business segment which is gold exploration and predominantly in one geographical area which is Western Australia.

The Company is domiciled in Australia. All revenue from external parties is generated from Australia only. All the assets are located in Australia.

## 17 FINANCE FACILITIES

No credit standby facility arrangement or loan facilities existed at 30 June 2019 or 30 June 2018.

# Notes To and Forming Part of the Financial Statements

## 18 COMMITMENTS FOR EXPENDITURE

Commitments for minimum expenditure requirements on the mineral exploration assets it has an interest in are payable as follows:

	2019 \$	2018 \$
Within one year	821,000	382,000
Later than one year but not later than five years	850,000	780,000
Later than five years	850,000	800,000
	<b>2,521,000</b>	<b>1,962,000</b>

## 19 NOTES TO THE STATEMENT OF CASH FLOWS

### (a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	<b>3,545,670</b>	<b>52,064</b>
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### Reconciliation of Net Cash Used In Operating Activities To Loss After Income Tax

Profit/(loss) after income tax	(670,115)	(239,021)
Depreciation	2,933	-
Capitalised exploration expenditure written off	-	207,719
Gain on debt forgiveness	-	(95,752)
Other	-	800
Share based payment	418,950	-

### Movements in:

Receivables	(2,242)	-
Tax assets	(51,789)	(11,559)
Prepayments	4,032	-
Payables	39,691	46,202

### Net Cash provided by/(used in) Operating Activities

	<b>(258,540)</b>	<b>(91,611)</b>
--	------------------	-----------------

### (b) Non cash financing and investing activities

(i) Capitalised exploration expenditure satisfied by loan from Director related entities	-	259,752
(ii) Issue of 4,650,000 shares at \$0.075 each to vendors as consideration under the Tenement Sale Agreements.	348,750	-
(iii) Issue of 120,000 shares at \$0.21 each to vendors as consideration for the acquisition of an exploration and prospecting licence.	25,200	-
	<b>373,950</b>	<b>259,752</b>

# Notes To and Forming Part of the Financial Statements

## 20 RELATED PARTIES

### Directors

The Directors who held office at any time during the year are as follows:

Ms Katina Law, Mr David Lawrence Hughes and Ms Kelly Amanda Ross.

### (a) Director and Associated Party Loans

During the year ended 30 June 2019, Director and shareholder loans were repaid in full upon the Company successfully listing on the ASX. The loan was unsecured and interest free.

### (b) Loans payable to Director and Director Related Entities

Dr Michael Ruane, a former Director and his related entities of which he is a Director:

	2019 \$	2018 \$
Opening balance	164,000	22,143
Loans received	-	237,609
Interest on loan	-	-
Repayments made	(164,000)	-
Debt forgiven	-	(95,752)
<b>Closing balance</b>	<b>-</b>	<b>164,000</b>

## 21 FINANCIAL RISK MANAGEMENT AND POLICIES

The Company's exploration activities are being funded by equity and are not exposed to significant financial risks. There are no speculative or financial derivative instruments. Funds are invested for various short term periods to match forecast cash flow requirements.

The Company holds the following financial instruments:

### Financial assets

Cash and cash equivalents	3,545,670	52,064
Receivables	65,589	11,559
	<b>3,611,259</b>	<b>63,623</b>

### Financial liabilities

Payables	277,162	57,201
	<b>277,162</b>	<b>57,201</b>

The Company's principal financial instruments comprise cash and short-term deposits. The Company does not have any borrowings. The main purpose of these financial instruments is to fund the Company's operations.

The main risks arising from the Company are credit risk, capital risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below:

### (a) Credit risk

Management does not actively manage credit risk.

The Company has no significant exposure to credit risk from external parties at year end. The maximum exposure to credit risk at the reporting date is equal to the carrying value of financial assets at 30 June 2019.

Cash at bank is held with internationally regulated banks.

Other receivables are of a low value and all amounts are current.

# Notes To and Forming Part of the Financial Statements

## (b) Capital risk

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## (c) Liquidity risk

### Maturity profile of financial instruments

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Company's exposure to the risk of changes in market interest rates relate primarily to cash assets and floating interest rates. The Company does not have significant interest-bearing assets and is not materially exposed to changes in market interest rates.

The Directors monitor the cash-burn rate of the Company on an on-going basis against budget and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

The following table sets out the carrying amount, by maturity, of the financial instruments including exposure to interest rate risk:

	< 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	Over 5 years	Total	Weighted average effective interest rate %
<b>As at 30 June 2019</b>							
Financial Assets:							
Cash	3,545,670	-	-	-	-	3,545,670	2%
Receivables	65,589	-	-	-	-	65,589	-
	<b>3,611,259</b>	-	-	-	-	<b>3,611,259</b>	-
Financial Liabilities:							
Payables	277,162	-	-	-	-	277,162	-
	<b>277,162</b>	-	-	-	-	<b>277,162</b>	-
<b>As at 30 June 2018</b>							
Financial Assets:							
Cash	52,064	-	-	-	-	52,064	0%
Receivables	11,559	-	-	-	-	11,559	-
	<b>63,623</b>	-	-	-	-	<b>63,623</b>	-
Financial Liabilities:							
Payables	277,162	-	-	-	-	277,162	-
	<b>277,162</b>	-	-	-	-	<b>277,162</b>	-

### Sensitivity analysis – interest rates

The sensitivity effect of possible interest rate movements have not been disclosed as they are immaterial.

## (d) Net fair value of financial assets and liabilities

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

# Notes To and Forming Part of the Financial Statements

## 22 SHARE BASED PAYMENTS

(a) In October 2018, 4,500,000 Series A unlisted options were issued to Directors, associates and unrelated parties, with an exercise price of \$0.25 and an expiry date of 31 December 2021.

Of the 4,500,000 Series A unlisted options that were issued, 4,000,000 options are escrowed for the period of 24 months from the date of listing on the ASX.

During the year ended 30 June 2019, \$418,950 was expensed as a share based payment.

The fair value of these options granted was calculated by using the Black-Scholes option valuation methodology and applying the following inputs:

Weighted average exercise price (cents)	25
Weighted average life of the options (years)	3.24
Weighted average underlying share price (cents)	20
Expected share price volatility	75%
Risk-free interest rate	2.60%
Grant date	5 October 2018
Expiry date	31 December 2021
Value per option	\$0.0931
Total value granted	\$418,950

(b) In December 2018, 2,000,000 Series A unlisted options were issued to the Lead Manager to the Initial Public Offering, pursuant to the Company's prospectus dated 19 October 2018, with an exercise price of \$0.25 and an expiry date of 31 December 2021.

The unlisted options issued are escrowed for a period of 24 months from the date of listing on the ASX.

During the year ended 30 June 2019, \$180,800 was charged to share issue costs.

The fair value of these options granted was calculated by using the Black-Scholes option valuation methodology and applying the following inputs:

Weighted average exercise price (cents)	25
Weighted average life of the options (years)	3.07
Weighted average underlying share price (cents)	20
Expected share price volatility	75%
Risk-free interest rate	2.60%
Grant date	7 December 2018
Expiry date	31 December 2021
Value per option	\$0.0904
Total value granted	\$180,800

## 23 CONTINGENCIES

There are no contingent assets or liabilities at reporting date.

## 24 EVENTS AFTER REPORTING DATE

On 29 July 2019, the Company issued 10,969,555 Shares at \$0.22 each and 5,484,785 Unlisted Options with an exercise price of 27 cents and an expiry date of 30 June 2021, following the completion of a Rights Issue which raised approximately \$2,413,302.

On 14 August 2019, the Company issued a further 2,400,072 Shares at \$0.22 each and 1,200,036 Unlisted Options with an exercise price of 27 cents and an expiry date of 30 June 2021, being the remaining shortfall shares under the 1 for 4 Non-Renounceable Pro-Rata Rights Issue.

Total funds raised from share issue is \$2,941,318 before share issue costs.

On 24 September 2019, the Company completed an initial Mineral Resource for the Flushing Meadows gold deposit.

At the date of the Directors' Declaration no other matter or circumstance has arisen since 30 June 2019 that has significantly affected or may significantly affect the operations, results of those operations, or state of affairs of the Company, subsequent to 30 June 2019.

# Shareholder Information

Additional information required by the Australian Stock Exchange Limited Listing Rules, and not disclosed elsewhere in this report.

## SHAREHOLDINGS

The names of ordinary shares held by the substantial shareholders as at 13 September 2019 were:

Kesli Chemicals Pty Ltd <Ruane Super Fund A/C>  
Northern Star Resources  
Au Xingao Investment Pty Ltd  
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>

## UNQUOTED SECURITIES OPTIONHOLDINGS

Nature	Expiry Date	Exercise Price of Options	Number under Option	Number of Holders
Unlisted options	30 June 2021	27 cents	6,684,821	69
Unlisted options	31 December 2021	25 cents	6,450,000*	6

\* 5,950,000 options are subject to 24 months escrow.

The numbers of unlisted options with an exercise price \$0.27, expiring 30 June 2021 held by the substantial optionholders as at 13 September 2019 were:

Abadi Investments Pty Ltd <VK & ML Datt Super A/C>	2,340,909	35.018%
AU Xingao Investment Pty Ltd	1,908,370	28.548%

The numbers of unlisted options with an exercise price \$0.25, expiring 31 December 2021 held by the substantial optionholders as at 13 September 2019 were:

Hera Investments Pty Ltd	2,000,000	31.008%
Ms Renae Wainwright & Mr David Lawrence Hughes <Hughes Family A/C>	1,950,000	30.233%

## ESCROWED SECURITIES

Nature	Escrowed to	Expiry Date	Exercise Price	Number under ASX escrowed securities
Fully Paid Ordinary Shares	28 September 2019	-	-	7,983,338
Fully Paid Ordinary Shares	14 December 2020	-	-	14,648,970
Unlisted options	14 December 2020	31 December 2021	25 cents	5,950,000

## CLASS OF SHARES AND VOTING RIGHTS

As at 13 September 2019 there were 403 holders of the ordinary shares and 75 holders of unlisted options of the Company. The voting rights attached to the shares are:

- at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and
- on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

## DISTRIBUTION OF SHAREHOLDERS (as at 13 September 2019)

Category	Number of Shareholders
1 – 1,000	8
1,001 – 5,000	29
5,001 – 10,000	121
10,001 – 100,000	192
100,001 – over	53
<b>TOTAL HOLDERS</b>	<b>403</b>

The number of shareholders holding less than a marketable parcel as at 13 September 2019 was 10.



# Shareholder Information

Twenty largest shareholders as at 12 September 2019

	Name	Balance	%
1	KESLI CHEMICALS PTY LTD <RUANE S/F A/C>	11,260,010	16.844%
2	NORTHERN STAR RESOURCES LIMITED	10,000,000	14.959%
3	AU XINGAO INVESTMENT PTY LTD	9,483,406	14.187%
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	4,751,335	7.108%
5	MR KENNETH JOSEPH HALL <HALL PARK A/C>	3,125,000	4.675%
6	BRUCE ROBERT LEGENDRE	3,000,000	4.488%
7	MS RENAE WAINWRIGHT & MR DAVID LAWRENCE HUGHES <HUGHES FAMILY A/C>	2,765,154	4.136%
8	MR RODERICK JAMES TRIGWELL	1,596,667	2.389%
9	ZINFANDEL EXPLORATION PTY LTD	1,500,000	2.244%
10	BILL BROOKS PTY LTD <BILL BROOKS SUPER FUND A/C>	1,041,667	1.558%
11	JXB HOLDINGS PTY LTD <CORNUCOPIA STRATAGEM SF A/C>	750,000	1.122%
12	NATIONAL NOMINEES LIMITED	684,241	1.024%
13	POUNAMU CAPITAL PTY LIMITED	625,000	0.935%
14	JETOSEA PTY LTD	513,802	0.769%
15	KESLI CHEMICALS PTY LTD <RUANE S/F A/C>	491,434	0.735%
16	MR KENNETH JOSEPH HALL <HALL PARK A/C>	416,667	0.623%
17	MRS KATINA MARIA ETHEL LAW & MR PETER SIGFRED LAW <KATINA LAW FAMILY A/C>	340,000	0.509%
18	EASTWOOD FINANCIAL & INVESTMENT SERVICES PTY LTD <G & E SUPER FUND A/C>	335,000	0.501%
19	MR EDWARD YI	325,000	0.486%
20	MR SANDOR HELBY	318,000	0.476%
	<b>Total Securities of Top 20 Holdings</b>	<b>53,322,383</b>	<b>79.767%</b>
	<b>Total of Securities</b>	<b>66,847,975</b>	

# Tenement Schedule

Locality	Tenement ID	Holder	Beneficial Ownership of Yandal Resources Ltd	Notes
<b>Ironstone Well Gold Project</b>				
Oblique/Quarter Moon	E53/1882	Yandal Resources Limited	100%	
Flushing Meadows	E53/1963	Yandal Resources Limited	100%	
Flushing Meadows	E53/1964	Yandal Resources Limited	100%	
Ironstone Well	M53/1093	Yandal Resources Limited	100%	
<b>Barwidgee Gold Project</b>				
New England	E53/1843	Yandal Resources Limited	100%	
Tuscania/Corboys	P53/1636	Yandal Resources Limited	100%	
New England	P53/1638	Yandal Resources Limited	100%	
New England	P53/1639	Yandal Resources Limited	100%	
Mazzucco	PLA53/1704	Yandal Resources Limited	100%	
<b>Mt McClure Gold Project</b>				
Anxiety Bore	P36/1808	Yandal Resources Limited	100%	
Anxiety Bore	P36/1809	Yandal Resources Limited	100%	
Anxiety Bore	P36/1810	Yandal Resources Limited	100%	
Anxiety Bore	P36/1811	Yandal Resources Limited	100%	
Anxiety Bore	P36/1812	Yandal Resources Limited	100%	
Success	P36/1813	Yandal Resources Limited	100%	
Success	P36/1814	Yandal Resources Limited	100%	
Success	P36/1815	Yandal Resources Limited	100%	
Success	P36/1816	Yandal Resources Limited	100%	
Parmelia	P36/1817	Yandal Resources Limited	100%	
Parmelia	P36/1818	Yandal Resources Limited	100%	
Parmelia	P36/1819	Yandal Resources Limited	100%	
Challenger	P36/1820	Yandal Resources Limited	100%	
Challenger	P36/1821	Yandal Resources Limited	100%	
Challenger	P36/1822	Yandal Resources Limited	100%	
Challenger	P36/1823	Yandal Resources Limited	100%	
Mt McClure	P36/1824	Yandal Resources Limited	100%	
Mt McClure	P36/1825	Yandal Resources Limited	100%	
Mt McClure	P36/1826	Yandal Resources Limited	100%	
Desperation Well	P36/1827	Yandal Resources Limited	100%	

# Tenement Schedule

Locality	Tenement ID	Holder	Beneficial Ownership of Yandal Resources Ltd	Notes
<b>Mt McClure Gold Project continued</b>				
Desperation Well	P36/1828	Yandal Resources Limited	100%	
Desperation Well	P36/1829	Yandal Resources Limited	100%	
Desperation Well	P36/1830	Yandal Resources Limited	100%	
Tony Well	P36/1831	Yandal Resources Limited	100%	
Tony Well	P36/1832	Yandal Resources Limited	100%	
Tony Well	P36/1833	Yandal Resources Limited	100%	
Tony Well	P36/1834	Yandal Resources Limited	100%	
Tony Well	P36/1835	Yandal Resources Limited	100%	
Desperation Well Extended	P36/1852	Yandal Resources Limited	100%	
Challenger Extended	P36/1853	Yandal Resources Limited	100%	
Success Extended	P36/1854	Yandal Resources Limited	100%	
Parmelia Extended	P36/1855	Yandal Resources Limited	100%	
<b>Gordans Gold Project</b>				
Mt Jewell	E24/198	Yandal Resources Limited	100%	
King of the West	E24/214	Yandal Resources Limited	100%	
Mt Jewell	E27/536	Yandal Resources Limited	100%	
Gordons	E27/601	P Gianni	100%	1
Wild Dog	E27/602	Yandal Resources Limited	100%	
Mt Vettors	E27/605	Yandal Resources Limited	100%	
Mulgarrie	M27/237	Yandal Resources Limited	100%	
Gordons	MLA27/502	Yandal Resources Limited	100%	
King of the West	P24/5266	Yandal Resources Limited	100%	
King of the West	P24/5267	Yandal Resources Limited	100%	
King of the West	P24/5268	Yandal Resources Limited	100%	
King of the West	P24/5269	Yandal Resources Limited	100%	
King of the West	P24/5270	Yandal Resources Limited	100%	
King of the West	P24/5271	Yandal Resources Limited	100%	
Kanowna	P27/1911	Yandal Resources Limited	100%	
Mt Jewell	P27/2206	Yandal Resources Limited	100%	
Boomerang Dam	P27/2214	Yandal Resources Limited	100%	
Gordons	P27/2338	Yandal Resources Limited	100%	
Mt Eba	P27/2331	L Gianni	100%	1

# Tenement Schedule

Locality	Tenement ID	Holder	Beneficial Ownership of Yandal Resources Ltd	Notes
<b>Gordans Gold Project continued</b>				
Gordons	P27/2339	Yandal Resources Limited	100%	
Gordons	P27/2340	Yandal Resources Limited	100%	
Gordons	P27/2341	Yandal Resources Limited	100%	
Gordons	P27/2342	Yandal Resources Limited	100%	
Gordons	P27/2343	Yandal Resources Limited	100%	
Gordons	P27/2344	Yandal Resources Limited	100%	
Gordons	P27/2345	Yandal Resources Limited	100%	
Gordons	P27/2346	Yandal Resources Limited	100%	
Gordons	P27/2354	Yandal Resources Limited	100%	
Gordons	P27/2355	Yandal Resources Limited	100%	
Gordons	P27/2356	Yandal Resources Limited	100%	
Gordons	PLA27/2357	Zinfandel Exploration Pty Ltd	100%	2
Gordons	PLA27/2358	Zinfandel Exploration Pty Ltd	100%	2
Gordons	P27/2359	Yandal Resources Limited	100%	
Gordons	P27/2360	Yandal Resources Limited	100%	
Gordons	P27/2361	Yandal Resources Limited	100%	
Gordons	P27/2362	Yandal Resources Limited	100%	
Gordons	P27/2363	Yandal Resources Limited	100%	
Gordons	P27/2364	Yandal Resources Limited	100%	

## Notes:

1. These tenements are the subject of the Peter and Leon Gianni Tenement Sale Agreement dated 13 February 2019.
2. These tenements are the subject of the Zinfandel Exploration Pty Ltd Tenement Sale Agreement dated 28 June 2018. Awaiting granting of the remaining tenements to finalise transfers.