

DUKETON MINING LIMITED

ANNUAL REPORT

2019

Corporate Information

DUKETON MINING LIMITED

ABN 76 159 084 107

Directors

Seamus Cornelius (Non-Executive Chairman)

Stuart Fogarty (Managing Director)

Heath Hellewell (Non-Executive Director)

Company Secretary

Dennis Wilkins

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Solicitors

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MT LAWLEY WA 6050

Bankers

ANZ Banking Corporation

Level 1, 1275 Hay Street

WEST PERTH WA 6005

Share Registry

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Auditors

Rothsay Chartered Accountants

Level 1, Lincoln House

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WEST PERTH WA 6005

Internet Address

www.duketonmining.com.au

Stock Exchange Listing

Duketon Mining Limited shares are listed on the Australian Securities Exchange (ASX code: DKM)

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Review of Operations

1. Review of Operations

1.1 Strategy and Objectives

During the year ended 30 June 2019 the Company actively identified opportunities and drilled multiple exploration targets. The Company remains focused on the generation of numerous new targets with the view to creating a significant and robust pipeline of organic opportunities including the following:

- Expanding known nickel deposits through targeted extensions to Rosie, C2 and Nariz on 100% owned Duketon tenure; and
- Discovering new nickel deposits through regional work in the Bulge area and other new areas.

The Company is in a strong position to build shareholder value from aggressive exploration and acquisition. Shareholders should be encouraged as the Company is de-risked technically and has the appropriate personnel to take full advantage of new opportunities as they are presented.

During August 2019 the Company executed a Tenement Sale Agreement with Regis Resources Limited (ASX: RRL) to sell Duketon's package of gold tenements for \$25 million in cash. The consideration consisted of \$20 million cash paid on completion with \$2.5 million in cash contingent on announcement of 250,000 ounces of gold in mineral resources and a further \$2.5 million in cash contingent on first gold production from the sale tenements. The Company has retained the nickel rights over various tenements (E38/2866, E38/2805, E38/2916, E38/2834 and E38/2666) via a Nickel Rights Deed and retains 100% ownership of mining licence M38/1252 (with Regis acquiring the gold rights on this licence via a Gold Rights Deed). The Company's primary objective continues to be achieving returns for shareholders through focused proactive exploration in the Duketon Belt whilst maintaining a watch over potential acquisitions outside of this area.

We have 4 main pillars of growth within our strategy:

1. Expanding our known nickel deposits through adding extensions to Rosie, C2 and Nariz;
2. Discovering new nickel deposits around the Bulge area and other new belts;
3. Developing strategic partnerships specific to gold, nickel and copper; and
4. Acquiring new projects specific to gold, nickel and copper

We are uniquely de-risked technically with respect to both gold and nickel.

The Company's tenement and nickel rights are within the Duketon Greenstone Belt in an area immediately north of the town of Laverton. The Company believes that there is considerable upside in the areas covered by these and continues to review the tenements to further understand the geological potential and mineralising controls with the intention of unlocking additional value from within the Company's current asset base.

Economic nickel sulphides have already been found within the Duketon tenements at Rosie, C2, and the Nariz prospect. These discoveries show the further upside potential of the tenement package that Duketon controls. The total Mineral Resource that Duketon has at the C2 and Rosie deposits (see below), is now **71,000t of nickel plus associated copper, platinum and palladium.**

Any further reference to gold exploration in this report should be read in the context of the subsequent sale of the tenements and serves only to be a record of the activity.

Review of Operations (Cont'd)



Figure 1: Location of the Duketon Project

Review of Operations (Cont'd)

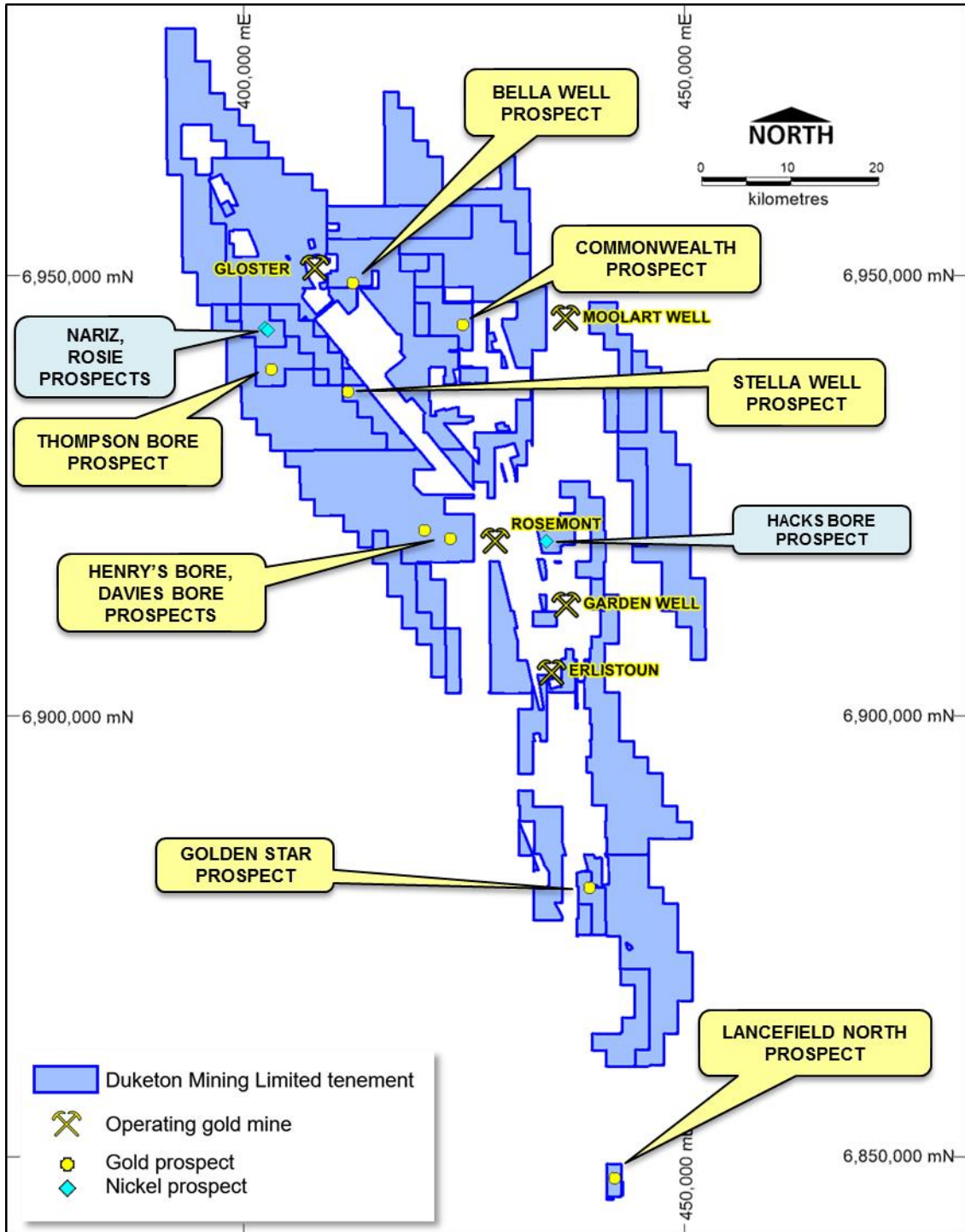


Figure 2: Duketon Project showing DKM tenements and location of Gold and Nickel Prospects

Review of Operations (Cont'd)

1.2 Exploration

1.2.1 Golden Star

Significant intersections from the drill program completed in June 2018 include the following (see ASX announcement 6 August 2018, 7 November 2018);

- **5m @ 3.4g/t Au incl. 2m @ 8.0g/t Au**
- **13m @ 1.2g/t Au incl. 4m @ 3.2g/t Au**
- **3m @ 1.0g/t Au incl. 1m @ 2.0g/t Au**
- **34m @ 2.3g/t Au incl. 12m @ 5.3g/t Au**
- **20m @ 1.5g/t Au incl. 7m @ 3.5g/t Au**
- **8m @ 1.3g/t Au**

These latest results, along with significant historic intersections (see ASX Announcements 17 July 2018, 19 April 2018, 19 December 2017 and 23 October 2017) continue to reinforce the potential at Golden Star and that it is continuous over 600 metres of strike and remains open both to the north, south and down dip. High grades, up to 60g/t Au, continue to be intersected as does substantial plus 50 gram metre intersections and in places plus 90 gram metre intersections.

Mineralisation occurs within 4m of the surface in places and high grades are seen throughout the mineralisation. Sulphides and some quartz veining have been identified north and south of this main zone of mineralisation.

Mineralisation at Golden Star occurs as several stacked lenses within a sequence of foliated, sheet like gabbroic intrusive units and is associated with quartz veining and sulphide alteration between two strike parallel shear zones.

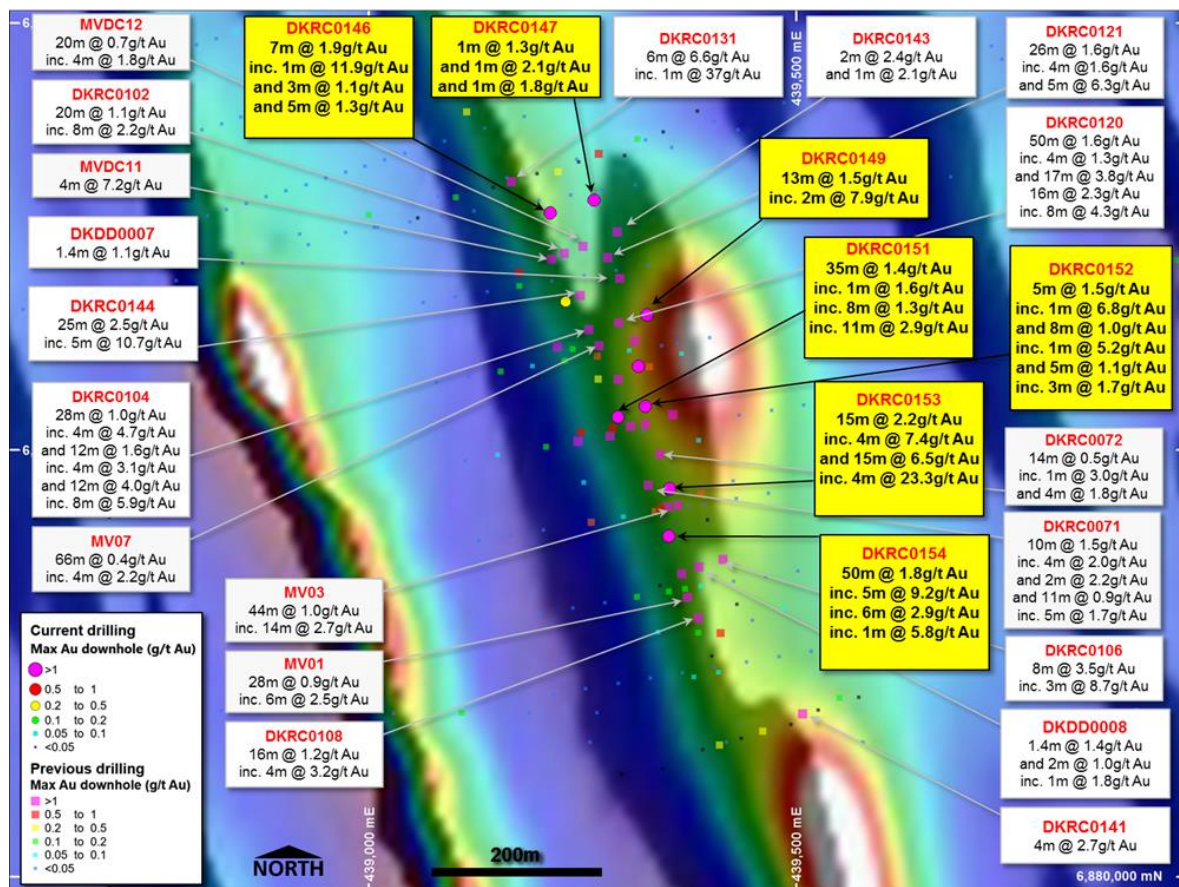


Figure 3: Plan View of Golden Star

Review of Operations (Cont'd)

1.2.2 Matts Bore

Significant intersections from drilling during the year include the following (see ASX announcement 5th June 2019);

- **4m @ 7.0 g/t Au**
- **4m @ 1.0 g/t Au & 4m @ 1.7 g/t Au**
- **23m @ 0.9 g/t Au inc. 6m @ 2.7 g/t Au**
- **4m @ 1.5 g/t Au**

Previously reported (see ASX announcement 5th February 2019) significant intercepts include;

- **8m @ 1.6 g/t Au inc. 1m @ 9.6 g/t Au & 2m @ 1.2 g/t Au**
- **6m @ 2.0 g/t Au inc. 3m @ 3.8 g/t Au & further downhole 6m @ 0.4g/t Au**
- **5m @ 1.3 g/t Au inc. 2m @ 2.7 g/t Au & further downhole 6m @ 0.7m inc. 1m @ 1.8g/t Au (at bottom of hole)**
- **5m @ 1.0 g/t Au inc. 2m @ 2.2 g/t Au & further downhole 1m @ 0.9 g/t Au**

Matts Bore is located 123km NNW of Laverton and 4km to the WSW of Gloster Gold Mine (RRL). Matts Bore was first identified by DKM through a review of historical exploration and field work and is located north along trend from the Rosemont Gold Mine (RRL).

A total of fifty nine aircore drill holes were completed for 4911 metres during the year. Drilling intersected several steeply dipping mineralised structures, trending NNW, hosted within a mafic gabbro/ dolerite.

1.2.3 McKenzie Well

Two drill programs were completed during the year at McKenzie Well (see ASX announcement 26th June 2019). Significant intersections include;

- **16m @ 1.0 g/t Au inc. 8m @ 1.5 g/t Au**
- **9m @ 2.1 g/t Au inc. 7m @ 2.5 g/t Au**
- **36m @ 0.7 g/t Au inc. 2m @ 2.5 g/t Au & 2m @ 4.8 g/t Au**
- **2m @ 1.5 g/t Au**
- **2m @ 1.8 g/t Au**
- **14m @ 1.1 g/t Au inc. 1m @ 6.1 g/t Au & 2m @ 2.5 g/t Au**
- **10m @ 1.6 g/t Au inc. 5m @ 2.7 g/t Au**
- **11m @ 1.6 g/t Au inc. 4m @ 3.7 g/t Au**
- **7m @ 1.2 g/t Au inc. 4m @ 1.8 g/t Au**
- **3m @ 2.9 g/t Au**

McKenzie Well is located 80km NNW of Laverton, 5km to the north of the Eristoun Gold Mine (Regis Resources Limited: RRL) and 4km southwest of Garden Well Gold Mine (RRL).

McKenzie Well is positioned on the south western side of an interpreted NNW structure. Gold mineralisation is associated with quartz sulphide veining along a strongly sheared ultramafic – granodiorite contact.

Review of Operations (Cont'd)

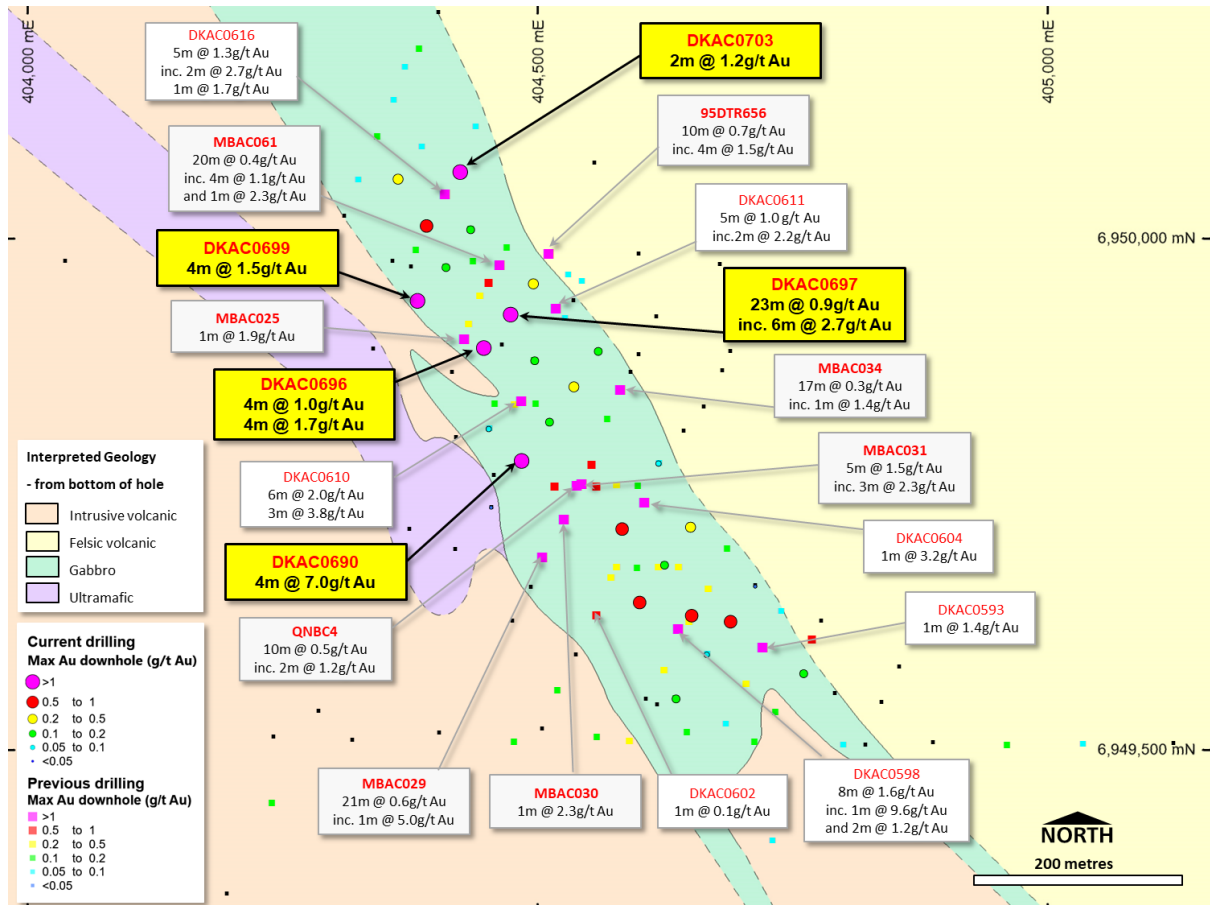


Figure 4. Plan View of Mats Bore with recent drill results (yellow) over Interpreted Geology

Review of Operations (Cont'd)

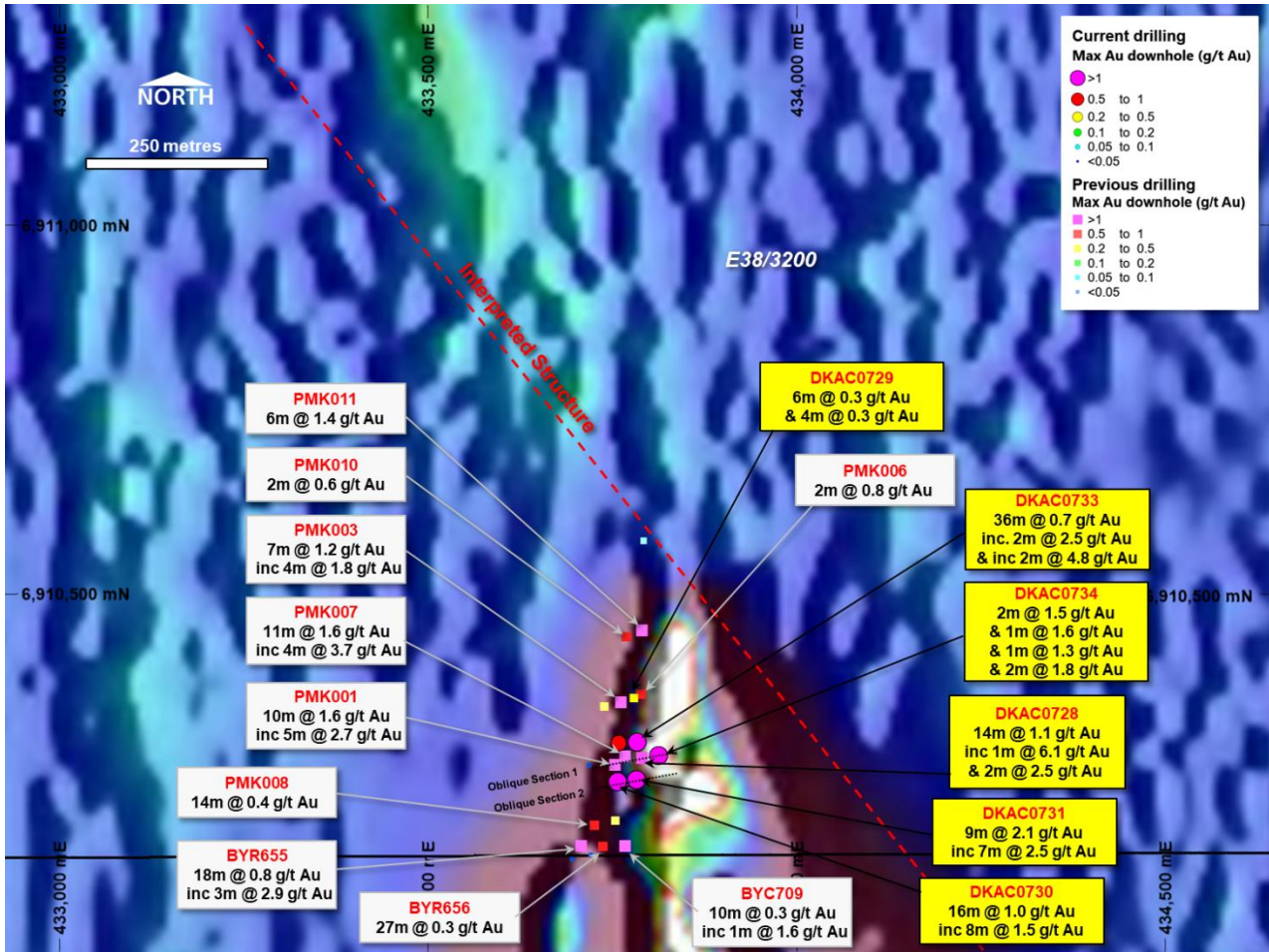


Figure 5. Plan View of McKenzie Well with recent drill results (yellow)

Review of Operations (Cont'd)

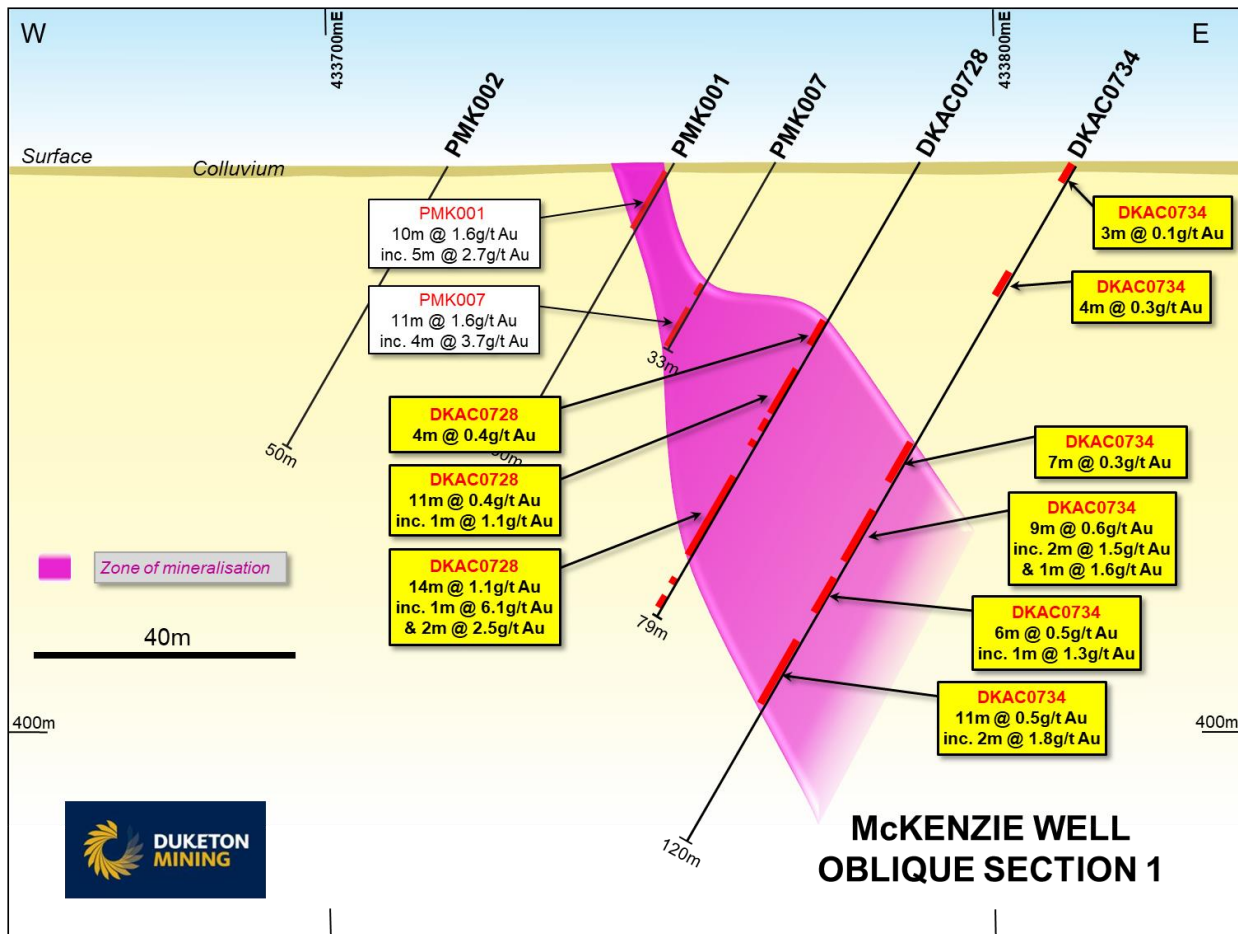


Figure 6. Oblique Cross Section of McKenzie Well with recent drill results (yellow)

1.2.4 Somerset

Somerset is a new prospect identified through analysis of historical data and field work. During the September 2018 quarter a series of aircore holes were drilled over the Somerset prospect. Significant intersections greater than 1.0 g/t gold from recent and historical drilling are listed below (see ASX Announcement 26 October 2018);

- **6m @ 1.9g/t Au inc. 3m @ 3.4g/t**
- **4m @ 1.2g/t Au**
- **2m @ 3.2g/t Au**
- **2m @ 1.6g/t Au**

In addition to the drilling results, rock chips have returned assays up to 2.7g/t gold. 2 additional lines of aircore drilling to the south were completed during the September 2018 quarter with the assays pending. Additional RC drilling was carried out during the December 2018 quarter.

1.2.5 Commonwealth

One metre sampling of previously reported 4m composite samples from aircore drilling at the Commonwealth project have delivered the following significant results (see ASX announcement 26 October 2018).

- **3m @ 7.9 g/t Au inc. 1m @ 22.7g/t Au,**
- **6m @ 2.3g/t Au inc. 1m @ 13.1g/t Au,**
- **1m @ 8.0g/t Au,**
- **1m @ 3.5g/t Au,**
- **1m @ 3.2g/t Au,**
- **1m @ 3.0/t Au,**

Review of Operations (Cont'd)

- **1m @ 2.5g/t Au,**
- **1m @ 2.3g/t Au**

These results were from drilling that focused beneath a previously identified lag geochemistry anomaly that is approximately 3km long and has peak values greater than 1g/t Au.

These results, along with significant historic intersections confirms a significant regolith position beneath a previously identified 3km long lag geochemistry anomaly (see ASX Announcements 21 June 2018, 2 May & 14 October 2016). Gold mineralisation is associated with quartz veining, sheared intermediate volcanic rocks and in places up to 50% sulphides.

Twenty-two drillholes were completed for 2067 metres, following up on previous significant intercepts or drilling under untested lag anomalies. Commonwealth is characterised by a deeply weathered regolith profile and underlain by sheared intermediate volcanic rocks (up to 50% sulphides) associated with quartz veining.

Significant intersections are listed below

- **8m @ 2.2 g/t Au inc. 4m @ 4.2 g/t Au**
- **24m @ 0.9 g/t Au inc. 4m @ 3.8 g/t Au**
- **4m @ 1.3 g/t Au**

Previously reported significant intersections include;

- **3m @ 7.9g/t Au inc.1m @ 2.7g/t Au,**
- **6m @ 2.3g/t Au inc.1m @ 13.1g/t Au,**
- **1m @ 8.0g/t Au,**
- **1m @ 3.5g/t Au,**
- **1m @ 3.2g/t Au,**
- **1m @ 3.0/t Au,**
- **1m @ 2.5g/t Au,**
- **1m @ 2.3 g/t Au**

Commonwealth is located approximately 10km west of the Moolart Well Mine (RRL) and processing facility.

Review of Operations (Cont'd)

1.2.6 Lancefield North

No further work was completed at Lancefield North during the year.

Lancefield North has an Inferred Mineral Resource estimate of 1,918,295 tonnes at 1.55 g/t Au for a contained 95,679 ounces of gold (see ASX Announcement 14 March 2018). The resource estimate is reported at a 0.5 g/t Au cut-off.

VOLUME	TONNES	DENSITY	Au g/t	Ounces
673,086	1,918,295	2.86	1.55	95,679

Table 1. Lancefield North Deposit resources cut-off of 0.5 g/t Au (all inferred)

The Lancefield North Prospect is located approximately 5km north of the historical Lancefield mine (circa. +1Moz) and approximately 12km north of Laverton.

The Mineral Resource is based on drilling from 2016-2017. Mineralisation remains open along strike and down plunge. Duketon have completed several drill campaigns between late 2016 and late 2017.

Gold mineralisation is associated with a series of stacked shears within a package of meta-basalts with minor sediment layers. Quartz-carbonate-sulphide veining and intense alteration is associated with these shear zones.

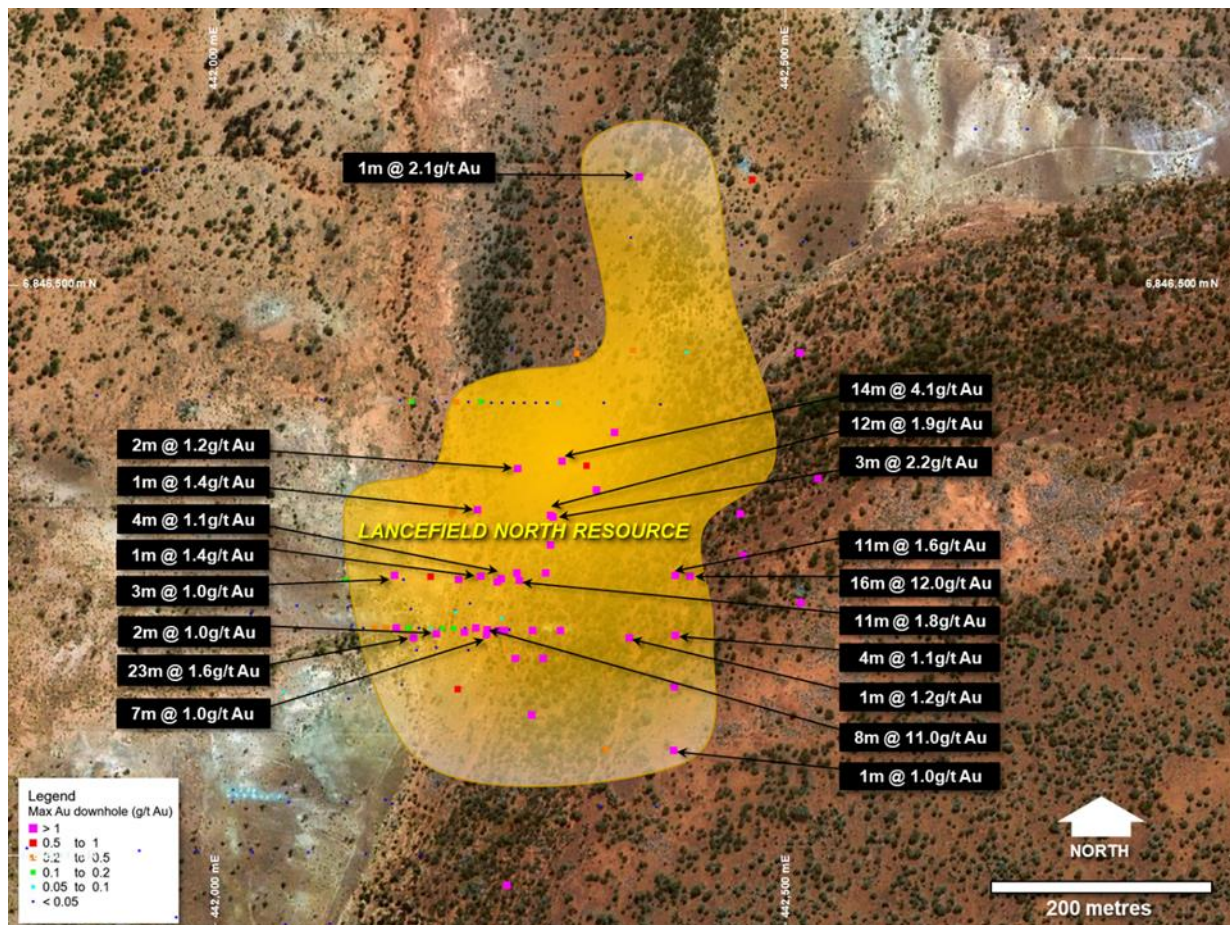


Figure 7: Plan view of Lancefield North with gold mineralisation projected to surface

Review of Operations (Cont'd)

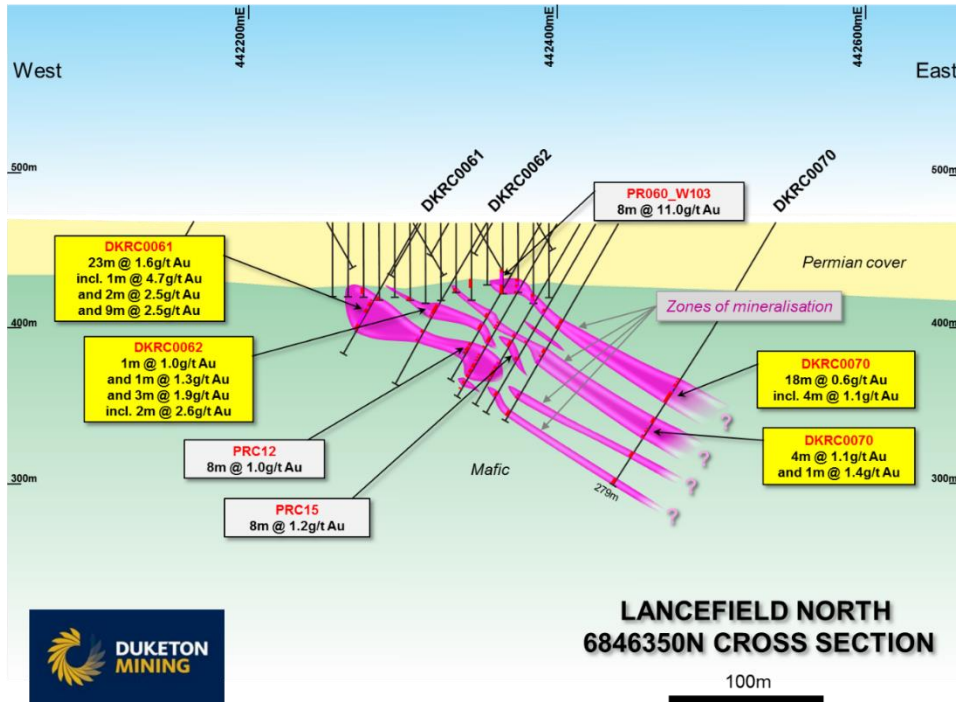


Figure 8: Lancefield North Cross Section 6846350mN

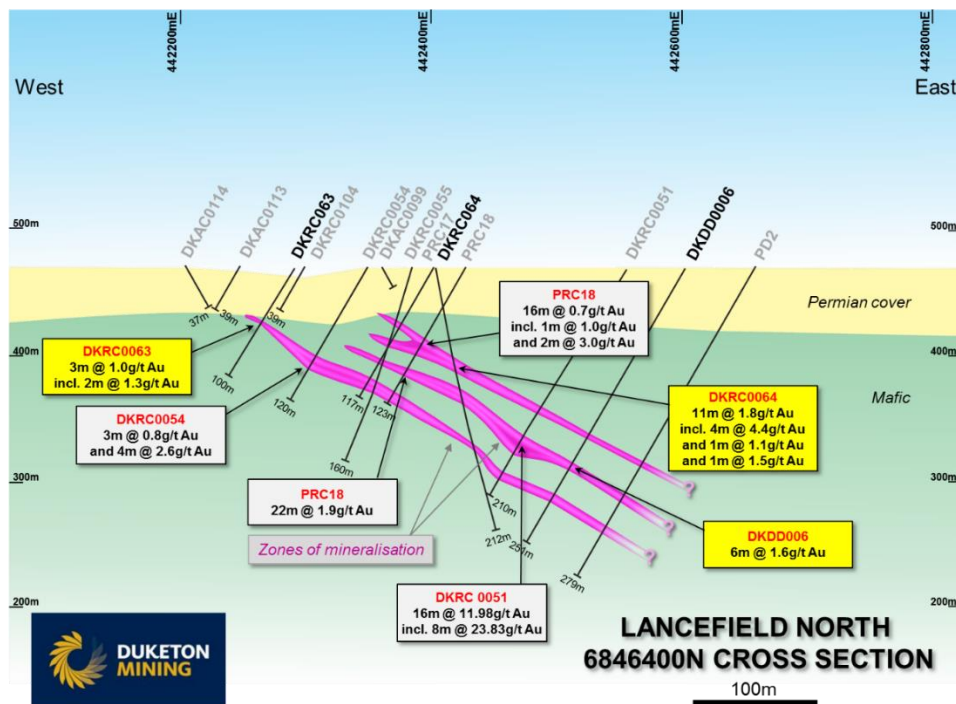


Figure 9: Lancefield North Cross Section 6846400mN

1.2.7 Davies Bore

The Davies Bore Prospect is located 5km west of Regis Resources Ltd owned Rosemont Mine and approximately 5km north west of the King John Resource (RRL).

Review of Operations (Cont'd)

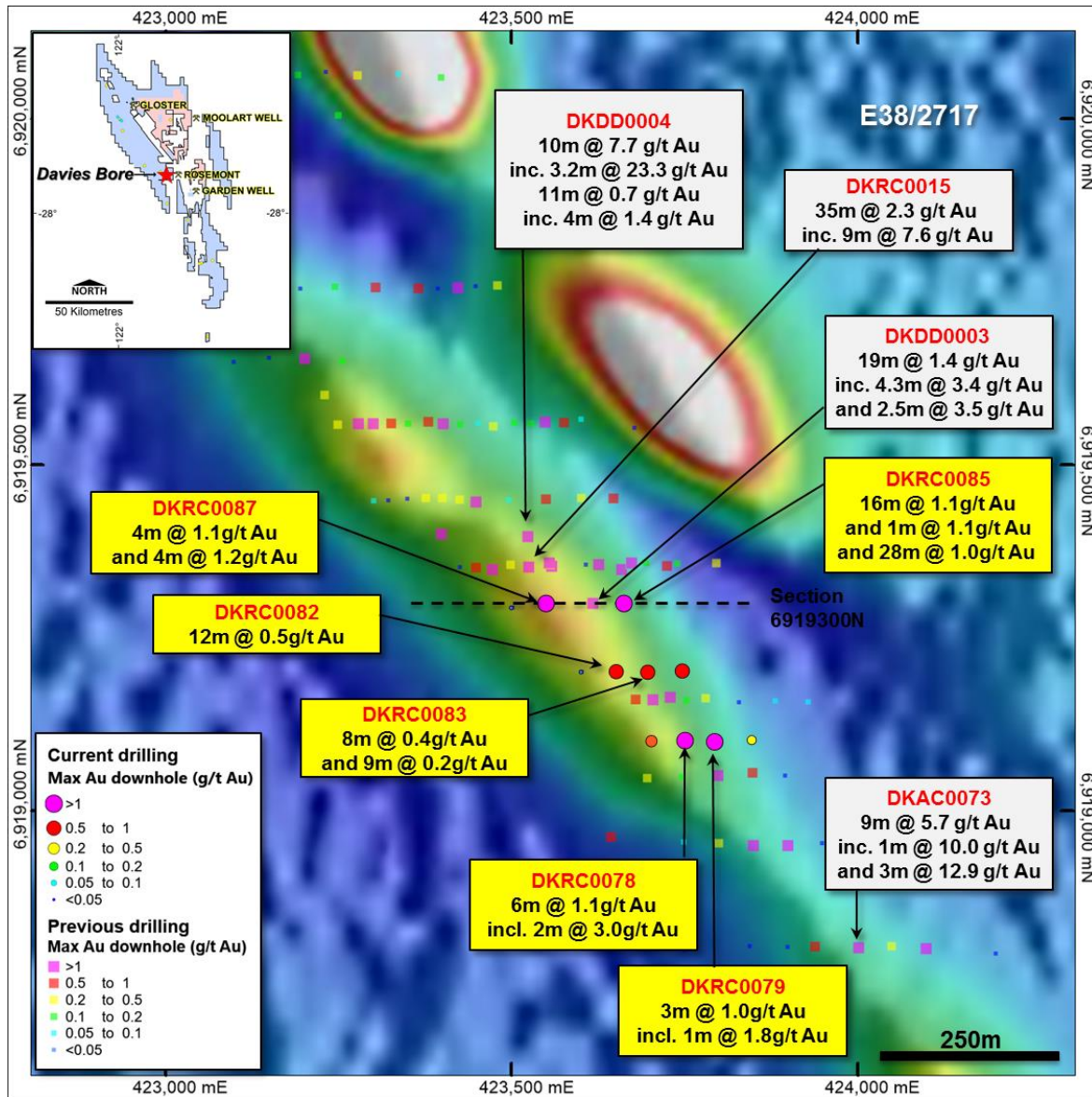


Figure 10: Davies Bore Prospect showing Max Au in drill holes over magnetics

A significant zone of mineralisation has been identified at Davies Bore and extends over 1.2km long and across multiple drill lines (aircore and RC), spaced between 100m and 200m apart. Previous RC drill results include 28m @ 1.0 g/t Au, including 9m @ 1.3 g/t Au, 8m @ 1.6 g/t Au, 16m @ 1.1 g/t Au, including 4m @ 1.4 g/t Au, 4m @ 2.2 g/t Au, 6m @ 1.1 g/t Au, including 2m @ 3.0 g/t Au (see ASX announcement 19 July 2017). Some of the thicker intersections begin within 36m from surface.

Gold mineralisation is hosted within a package of sheared and altered felsic to mafic meta-volcanics and meta-sediments with intense alteration, sulphides and quartz veining.

There was no work completed at Davies Bore during the year.

Review of Operations (Cont'd)

1.2.8 Henrys Bore

No work was completed at Henrys Bore during the year.

The Henry's Bore Prospect is located 8km west northwest of RRL owned Rosemont Mine and approximately 3km north west of DKMs Davies Bore prospect.

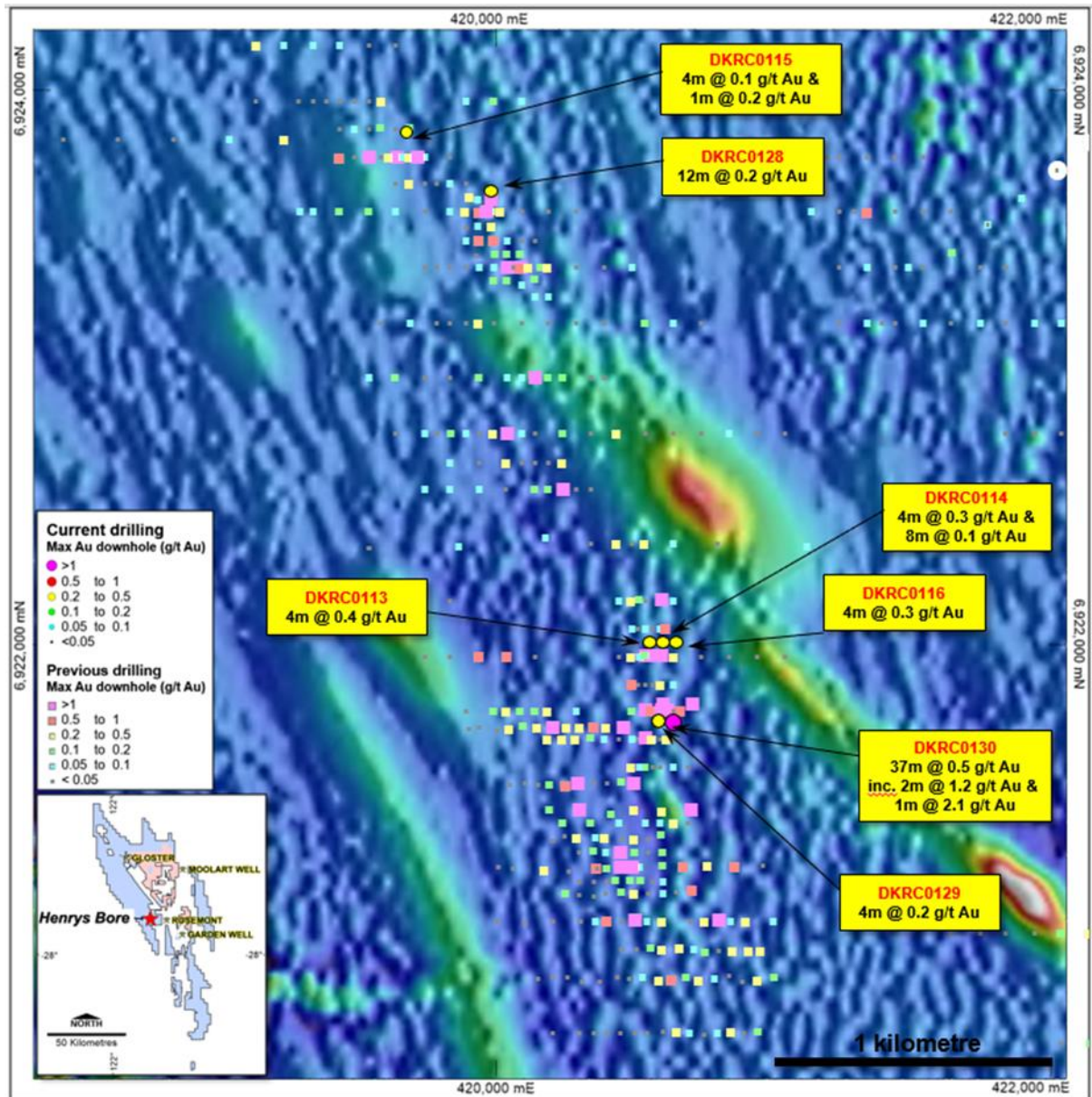


Figure 11: Henrys Bore Prospect showing Max Au in holes over magnetics

1.2.9 Rosie

The Rosie deposit is situated approximately 110km north of Laverton, Western Australia. The project can be accessed via sealed and formed gravel roads from either Leonora or Laverton.

Mineralisation at Rosie consists of disseminated, matrix, stringer and brecciated massive Ni-Cu-PGE sulphides at, or adjacent to, the contact of the Bulge ultramafic complex, interpreted to be a classic komatiitic lava channel style nickel sulphide mineralisation.

There was no drilling completed at Rosie during the year.

Review of Operations (Cont'd)

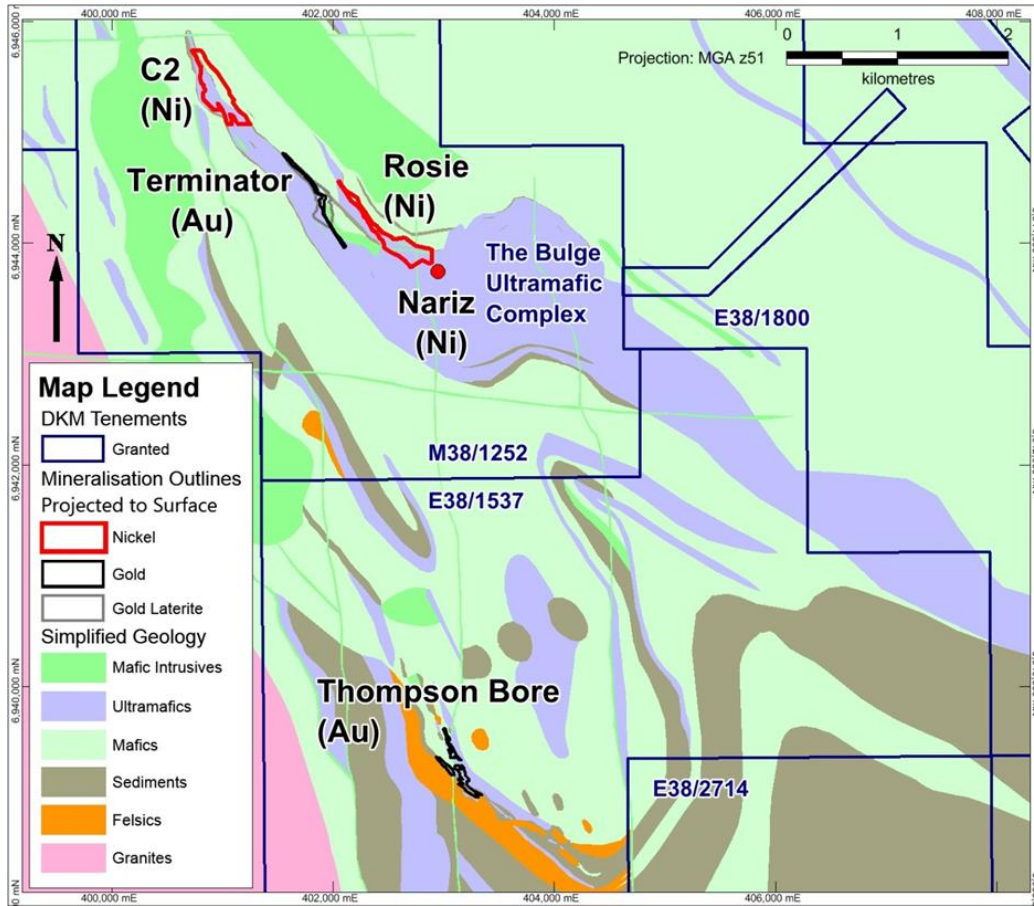


Figure 12: Location Plan of C2, Rosie, Nariz and Thompsons Bore

Review of Operations (Cont'd)

Rosie Nickel Resource >1.0%Ni				
Classification	Oxidation	Tonnes	Ni (%)	Ni (t)
Inferred	Fresh	1,380,000	1.7	23,700
	Transitional	30,000	1.2	400
	Sub-Total	1,410,000	1.7	24,100
Indicated	Fresh	520,000	1.6	8,400
	Transitional	10,000	1.3	200
	Sub-Total	530,000	1.6	8,600
Total (as at 30 June 2019)		1,940,000	1.7	32,700
Total (as at 30 June 2018)		1,940,000	1.7	32,700

Table 2: Rosie Nickel Resource > 1.0% Ni

Rosie Nickel Resource >1.0%Ni								
Classification	Oxidation	Tonnes	Ni%	Ni tonnes	Cu%	Pt (g/t)	Pd (g/t)	Pt+Pd (g/t)
Indicated	Fresh	1,380,000	1.7	23,700	0.4	0.8	1.0	1.8
	Transitional	30,000	1.2	400	0.4	0.7	0.9	1.6
	Sub-Total	1,410,000	1.7	24,100	0.4	0.8	1.0	1.8
Inferred	Fresh	520,000	1.6	8,400	0.4	0.9	1.3	2.2
	Transitional	10,000	1.3	200	0.4	0.7	1.1	1.8
	Sub-Total	530,000	1.6	8,600	0.4	0.9	1.3	2.2
Total (as at 30 June 2019)		1,940,000	1.7	32,700	0.4	0.8	1.1	1.9
Total (as at 30 June 2018)		1,940,000	1.7	32,700	0.4	0.8	1.1	1.9

Table 3: Rosie Nickel Resource > 1.0% Ni with Auxiliary Attributes

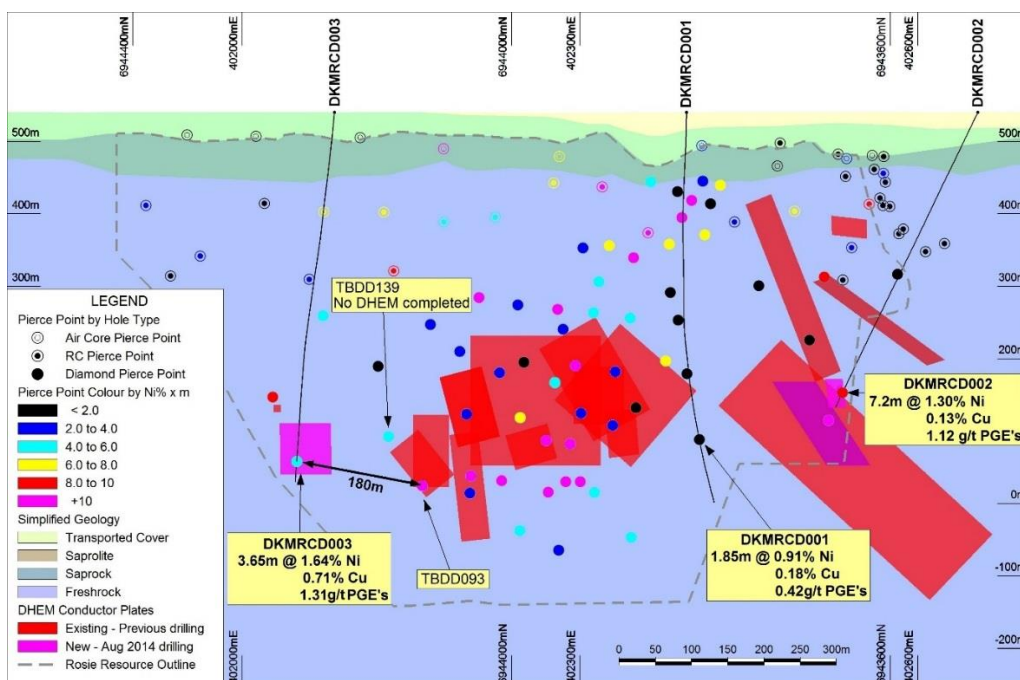


Figure 13: Long section of Rosie looking toward the east showing significant intercepts and relevant DHEM plates

Review of Operations (Cont'd)

1.2.10 C2

The C2 deposit is situated approximately 2km to the north of Rosie and is a komatiite-hosted nickel sulphide deposit. The mineralisation is characterised by accumulations of massive, matrix, breccia and disseminated nickel, copper magmatic sulphides and platinum group elements at the basal contact of a komatiite ultramafic rock, overlying a mafic pillow basalt footwall with some fine-grained siltstone sediments which may also contain sulphides.

During 2015 DKM published the initial mineral resource estimate for the C2 resource. This Inferred Mineral Resource estimate at C2 is 5.7 million tonnes averaging 0.7% nickel, 0.04% copper and 0.14g/t platinum and palladium for a contained **38,000 tonnes of nickel and associated copper, platinum and palladium** (see Tables 4 and 5). This represents the in-situ undiluted Mineral Resource at 0.5% nickel cut-off (see Tables 4 and 5). Nickel mineralisation is robust and continuous.

The total Mineral Resource for the Duketon project, comprising C2 and the Rosie deposit (see ASX Announcements 1 & 12 August 2014), is now **71,000t of nickel and associated copper, platinum and palladium**.

During the year seven RC drillholes for 1186 metres were drilled at C2.

C2 Nickel Resource >0.5%Ni				
Classification	Oxidation	Tonnes	Ni (%)	Ni (t)
Inferred	Fresh	5,100,000	0.7	34,200
	Transitional	600,000	0.6	3,800
Total (as at 30 June 2019)		5,700,000	0.7	38,000
Total (as at 30 June 2018)		5,700,000	0.7	38,000

Table 4: C2 Nickel Resource > 0.5% Ni

C2 Nickel Resource >0.5%Ni (as at 30 June 2015)							
Classification	Oxidation	Tonnes	Ni (%)	Cu (%)	Pt (ppb)	Pd (ppb)	S (%)
Inferred	Fresh	5,100,000	0.7	0.04	60	79	3.3
	Transitional	600,000	0.6	0.04	72	105	0.9
Total (as at 30 June 2019)		5,700,000	0.7	0.04	61	82	3.1
Total (as at 30 June 2018)		5,700,000	0.7	0.04	61	82	3.1

Table 5: C2 Resource > 0.5% Ni with Auxiliary Attributes

Cut-Off (Ni %)	Tonnes	Grade (Ni %)	Ni (t)
0.3	18,775,665	0.5	88,902
0.4	10,776,805	0.6	60,356
0.5	5,721,787	0.7	37,967
0.6	3,008,201	0.8	23,249
0.7	2,019,653	0.8	16,940
0.8	1,018,985	0.9	9,503
0.9	641,066	1.0	6,265
1	148,053	1.1	1,577
1.1	62,461	1.1	694

Table 6: C2 Deposit Grade Tonnage Table for different Ni cut-offs

Review of Operations (Cont'd)

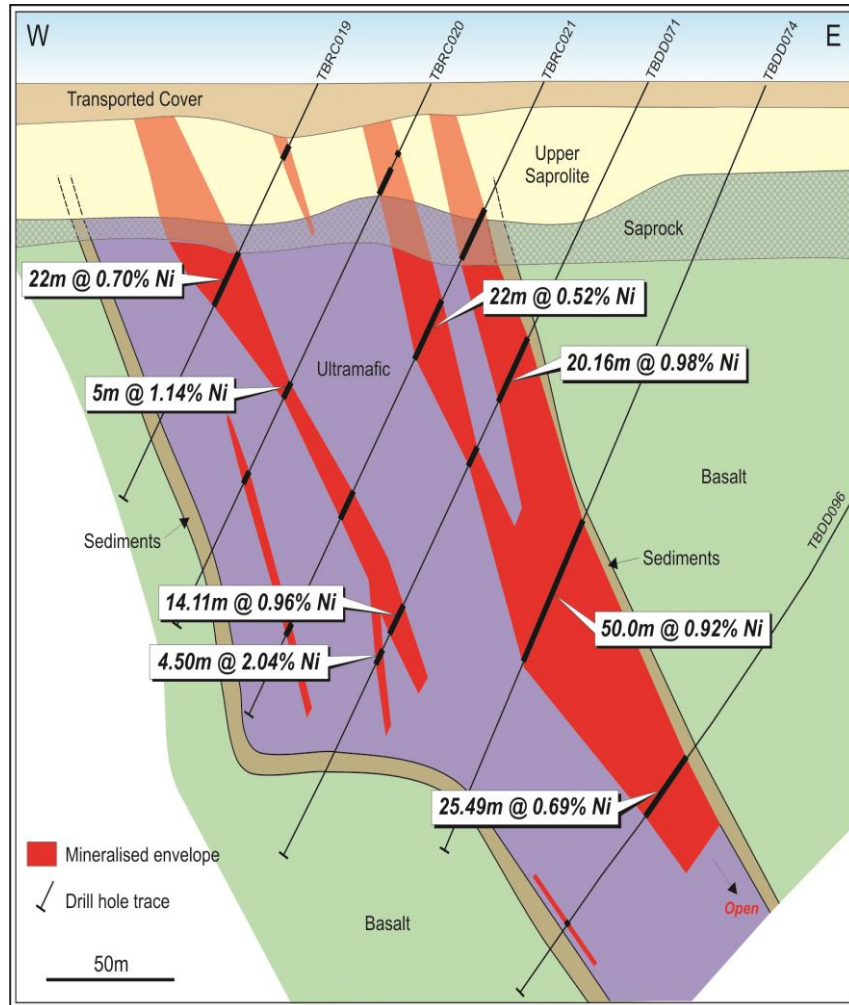


Figure 14: C2 Cross Section

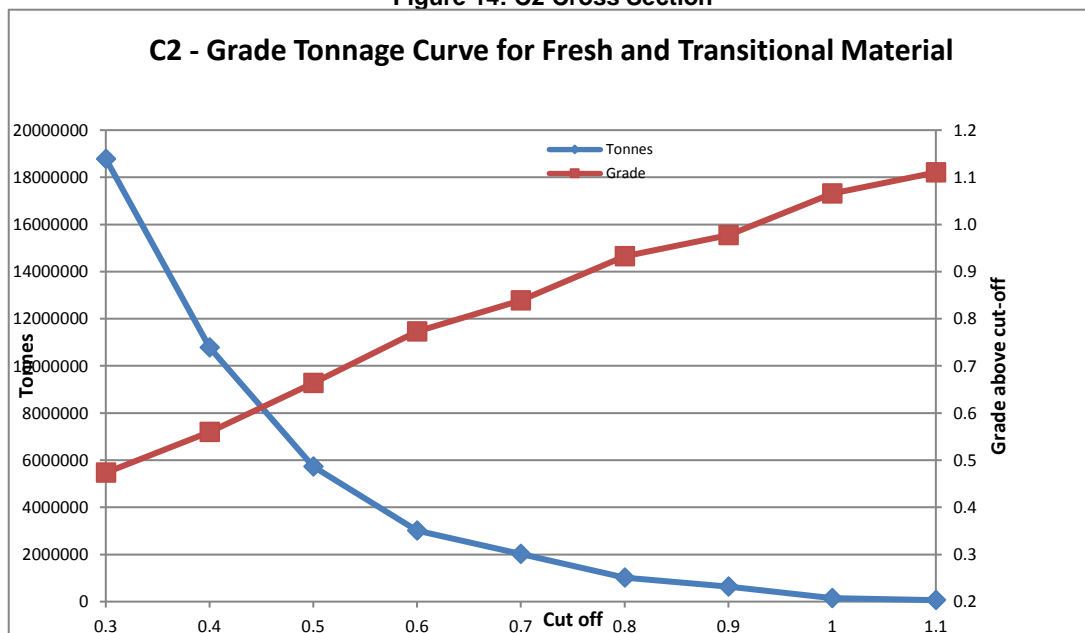


Figure 15: Grade Tonnage Curve at Ni cut-offs

Review of Operations (Cont'd)

1.2.11 Nariz

Nariz is situated approximately 500m to the south east of Rosie and is a komatiite-hosted nickel sulphide deposit. The mineralisation is characterised by accumulations of massive, matrix, breccia and blebby to disseminated nickel, copper magmatic sulphides and platinum group elements. These are predominantly located at the basal contact of a komatiite ultramafic rock, overlying a mafic pillow basalt footwall with some fine-grained siltstone sediments which can also contain sulphides.

The Nariz prospect was last drilled during 2015 and is highlighted by the discovery hole DKMDD005, returning grades of 7.09% nickel, 0.50% copper and 3.76g/t combined platinum and palladium over 5.65m from 438.41 metres depth, within a broader zone of massive and stringer mineralisation of 9.22m @ 4.96% nickel, 0.41% copper and 2.41g/t combined platinum and palladium (see ASX announcement 2 December 2014).

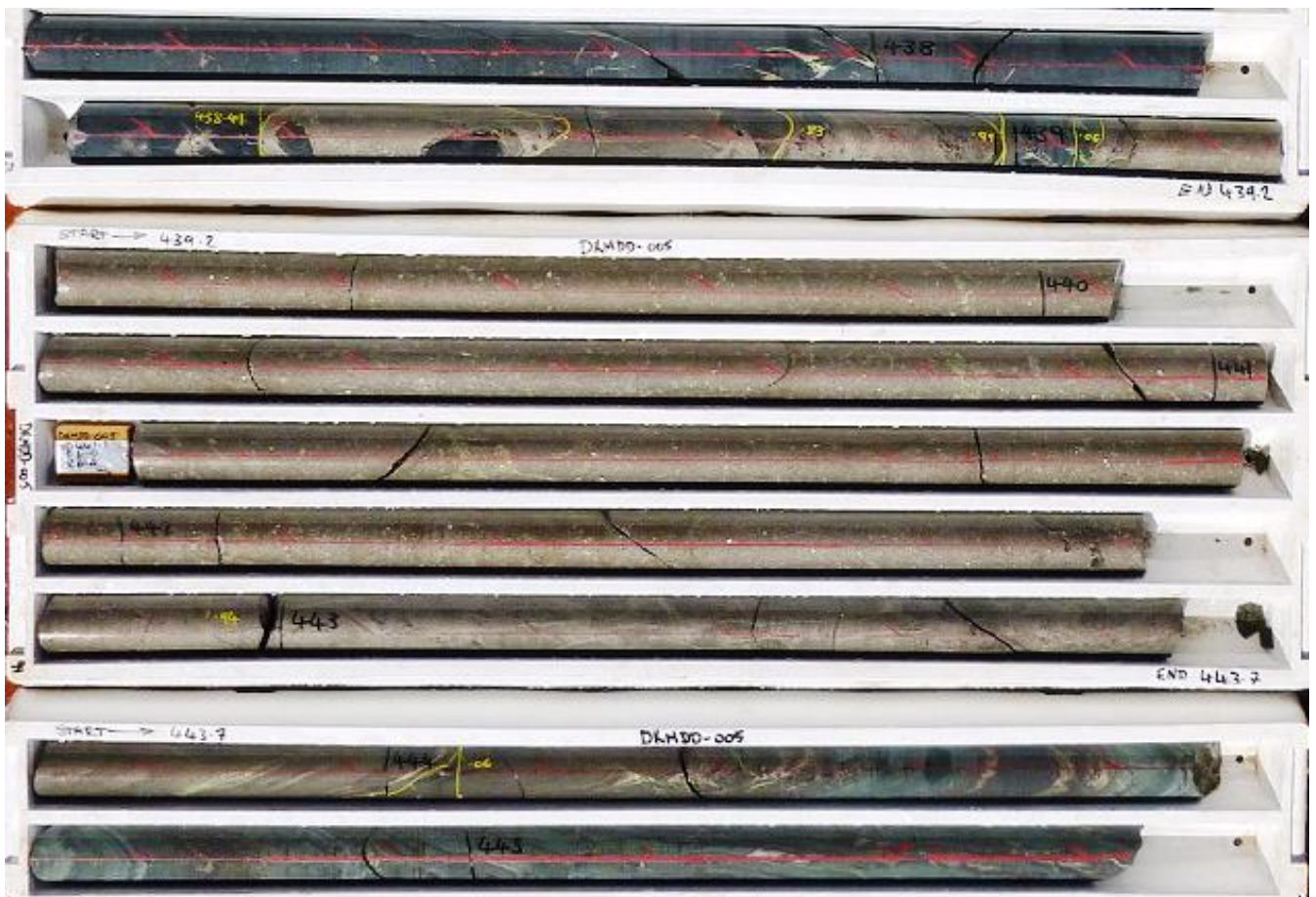


Figure 16: Photo of massive sulphide zone from hole DKMDD005

Review of Operations (Cont'd)

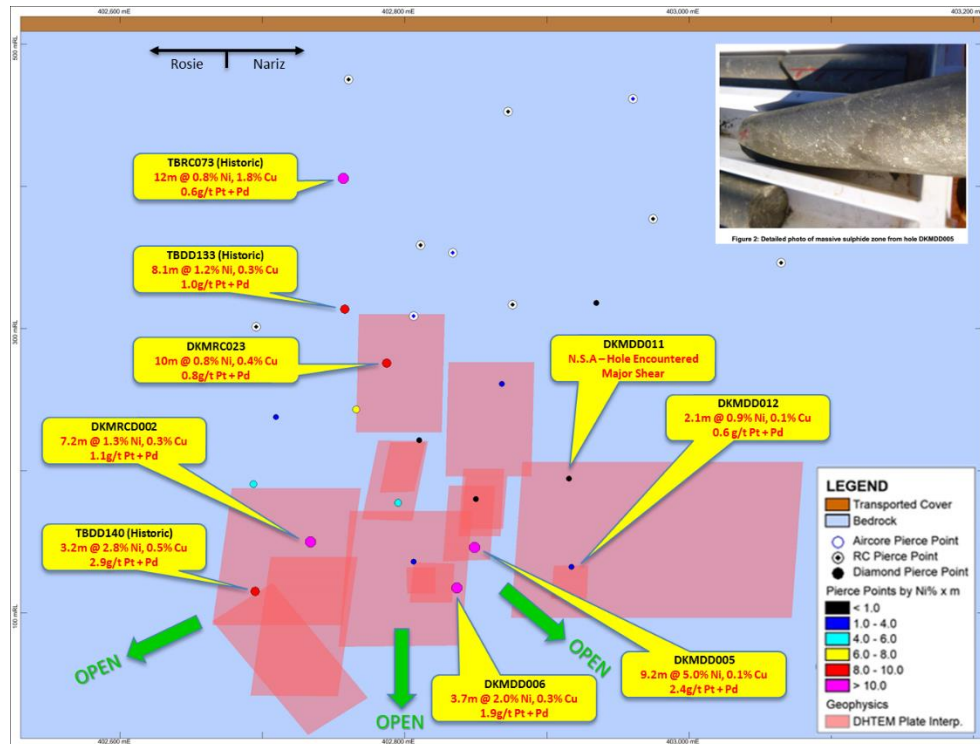


Figure 17: Longsection of Nariz

1.2.12 Regional Exploration

Regional exploration has been ongoing throughout the year. Multiple new targets in both nickel and gold have been generated creating a significant and robust pipeline of organic opportunities.

2. Corporate

2.1 Element 25 Limited

The Company holds an equity position in Element 25 Limited.

For further details, please refer to the Element 25 Limited website at www.element25.com.au.

2.2 Buxton Resources Limited

The Company holds an equity position in Buxton Resources Limited.

For further details, please refer to the Buxton Resources Limited website at www.buxtonresources.com.au.

2.3 Other Equities

The Company continues to hold some minor equity positions in several other listed and unlisted companies.

For further details, please refer to the Company website.

Review of Operations (Cont'd)

Appendix 1 – Summary of JORC Resources

Project	Measured			Indicated			Inferred			Total		
	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes
Rosie				1,410	1.7	24,100	530	1.6	8,600	1,940	1.7	32,700
C2							5,700	0.7	38,000	5,700	0.7	38,000
TOTAL				1,410	1.7	24,100	6,230	1.3	46,600	7,640	1.08	70,700

Table 1a: Total Nickel Mineral Resources as at 30 June 2019

Project	Measured			Indicated			Inferred			Total		
	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces
Lancefield Nth							1,920,000	1.6	96,000	1,920,000	1.6	96,000
TOTAL							1,920,000	1.6	96,000	1,920,000	1.6	96,000

Table 1b: Total Gold Mineral Resources as at 30 June 2019

Project	Measured			Indicated			Inferred			Total		
	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes
Rosie				1,410	1.7	24,100	530	1.6	8,600	1,940	1.7	32,700
C2							5,700	0.7	38,000	5,700	0.7	38,000
TOTAL				1,410	1.7	24,100	6,230	1.3	46,600	7,640	1.08	70,700

Table 2a: Total Nickel Mineral Resources as at 30 June 2018

Project	Measured			Indicated			Inferred			Total		
	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces	Tonnes	g/t Au	Ounces
Lancefield Nth							1,920,000	1.6	96,000	1,920,000	1.6	96,000
TOTAL							1,920,000	1.6	96,000	1,920,000	1.6	96,000

Table 2b: Total Gold Mineral Resources as at 30 June 2018

Mineral Resources

Attached as Appendix 1 are four tables comparing the Company's Mineral Resources as at 30 June 2019 (Table 1a and 1b Appendix 1) against those at 30 June 2018 (Table 2a and 2b Appendix 1). No ore reserves have been estimated.

Review of material changes

There have been no changes to the Company's Mineral Resources. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Governance controls

All Mineral Resource estimates are prepared by qualified professionals following JORC Code compliant procedures and follow standard industry methodology for drilling, sampling, assaying, geological interpretation, 3-dimensional modelling and grade interpolation techniques.

The Mineral Resource estimates have been calculated by a suitably qualified consultant and overseen by suitably qualified Duketon Mining Limited employee and/or consultant.

Competent Persons Statements

The information in this report that relates to exploration results is based on information compiled by Miss Kirsty Culver, Member of the Australian Institute of Geoscientists (AIG) and an employee of Duketon Mining Limited. Miss Culver has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a competent person as defined in the JORC Code 2012. Miss Culver consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in the announcement that relates to Mineral Resources for Rosie is extracted from the report entitled "Duketon Mining Prospectus" dated 19 June 2014 and is available to view on the Company's website (www.duketonmining.com.au). The information in the announcement that relates to Mineral Resources for C2 is extracted from ASX announcement 29 January 2015. The information that relates to Lancefield North is extracted from ASX announcement 14 March 2018. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Directors' Report

The directors present their report together with the financial report of Duketon Mining Limited ("Duketon" or "the Company") for the year ended 30 June 2019.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Where applicable, all current and former directorships held in listed public companies over the last three years have been detailed below. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Seamus Cornelius

Non-Executive Chairman, LLB, LLM (Age 53)

Mr Cornelius is a corporate lawyer and former partner of one of Australia's leading international law firms. He specialised in cross-border transactions, particularly in the resources sector.

Mr Cornelius has been based in Shanghai and Beijing since 1993 and brings more than 20 years of corporate experience in legal and commercial negotiations. He has also advised global companies on their investments in China and in recent years advised Chinese State-owned entities on their investments in overseas resource projects.

Mr Cornelius is currently the Chairman of Buxton Resources Ltd since 29 November 2010, Element 25 Ltd since 30 June 2011 and Danakali Ltd since 15 July 2014.

Stuart Fogarty

Managing Director B.Sc (Geology) (Hons) (Age 47)

Mr Fogarty has over 20 years of exploration experience with BHP Billiton and Western Mining Corporation, and prior to leaving he was BHP's Senior Exploration Manager for North and South America. Mr Fogarty has a very strong background in nickel and gold exploration, having commenced his career at Kambalda Nickel Operations in 1994. He has held senior roles with BHP including Senior Geoscientist for nickel exploration in the Leinster and Mt Keith region, Project Manager WA Nickel Brownfields and Regional Manager Australia – Asia where he was responsible for a \$100 million per annum exploration budget.

Mr Fogarty is currently a non-executive director of ASX listed Buxton Resources Ltd since 15 March 2017, and of unlisted Wildcat Resources Ltd. Mr Fogarty is a former non-executive director of Windward Resources Ltd, resigning 30 November 2016.

Heath Hellewell

B.Sc (Hons), MAIG (Age 49)

Mr Hellewell is an exploration geologist with over 20 years of experience in gold, base metals and diamond exploration predominantly in Australia and West Africa. Most recently, Mr Hellewell was the co-founding Executive Director of Doray Minerals Ltd (Doray), where he was responsible for the company's exploration and new business activities. Following the discovery of its Andy Well gold deposits in 2010, Doray was named "Gold Explorer of the Year" in 2011 by The Gold Mining Journal. In 2014 Mr Hellewell was the co-winner of the prestigious "Prospector of the Year" award, presented by the Association of Mining and Exploration Companies.

Mr Hellewell was also part of the Independence Group NL team that identified and acquired the Tropicana project area, eventually leading to the discovery of the Tropicana and Havana gold deposits.

Mr Hellewell is currently an independent Non-Executive Director of Core Lithium Ltd (formerly Core Exploration Ltd) since 15 September 2014. Within the last 3 years Mr Hellewell has been a former director of Capricorn Metals Ltd (resigned 8 November 2018).

COMPANY SECRETARY

Dennis Wilkins

B.Bus, MAICD, ACIS (Age 56)

Mr Wilkins is the founder and principal of DWCorporate Pty Ltd a leading privately held corporate advisory firm servicing the natural resources industry. Since 1994 he has been a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, PNG, Scandinavia and Africa. From 1995 to 2001 he was the Finance Director of Lynas Corporation Ltd during the period when the Mt Weld Rare Earths project was acquired by the group. He was also founding director and advisor to Atlas Iron Ltd at the time of Atlas' initial public offering in 2006.

Since July 2001 Mr Wilkins has been running DWCorporate Pty Ltd where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector. Mr Wilkins is currently a non-executive director of Key Petroleum Ltd since 5 July 2006, and an alternate director of Middle Island Resources Ltd since 1 May 2010.

Directors' Report (Cont'd)

Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Duketon Mining Limited were:

	Ordinary Shares	Options over Ordinary Shares
Seamus Cornelius	4,031,870	1,750,000
Stuart Fogarty	550,000	5,000,000
Heath Hellewell	100,000	1,500,000

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year consisted of exploration and evaluation of mineral resources. There was no significant change in the nature of the Company's activities during the year.

DIVIDENDS

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

OPERATING REVIEW

During the year ended 30 June 2019 the Company actively identified opportunities and drilled exploration targets.

The Company remains focused on the generation of multiple new targets with the view to creating a significant and robust pipeline of organic opportunities including the following:

- Expanding known nickel deposits through targeted extensions to Rosie, C2 and Nariz on 100% owned Duketon tenure; and
- Discovering new nickel deposits through regional work in the Bulge area and other new areas.

The Company is in a strong position to build shareholder value from aggressive exploration. Shareholders should be encouraged as the Company is de-risked technically to take full advantage of new opportunities as they are presented.

During August 2019 the Company executed a Tenement Sale Agreement with Regis Resources Limited (ASX: RRL) to sell Duketon's package of gold tenements for \$25 million in cash. The consideration consisted of \$20 million cash paid on completion with \$2.5 million in cash contingent on announcement of 250,000 ounces of gold in mineral resources and a further \$2.5 million in cash contingent on first gold production from the sale tenements. The Company has retained the nickel rights over various tenements (E38/2866, E38/2805, E38/2916, E38/2834 and E38/2666) via a Nickel Rights Deed and retains 100% ownership of mining licence M38/1252 (with Regis acquiring the gold rights on this licence via a Gold Rights Deed).

Finance Review

The Company began the year with cash reserves of \$5,083,699 and listed equity investments with a market value of \$1,158,847. During the year the Company issued 166,666 ordinary shares, with a value of \$20,000, as part of employee remuneration. Funds were used for exploration activities on the gold and nickel targets within the Duketon Project and working capital purposes.

The Company recorded a net loss after tax of \$2,890,296 (2018: \$3,160,112) for the financial year ended 30 June 2019 and included in the loss for the year was exploration expenditure of \$2,399,720 (2018: \$3,155,785). In line with the Company's accounting policies, all exploration expenditure is expensed as it is incurred. The Company had total cash on hand at the end of the year of \$2,085,199, and listed equity investments with a market value of \$1,221,199.

Operating Results for the Year

Summarised operating results are as follows:

	2019	
	Revenues	Results
	\$	\$
Revenues and loss from ordinary activities before income tax expense	158,809	(2,890,296)

Shareholder Returns

	2019	2018
Basic loss per share (cents)	(2.5)	(3.0)

Directors' Report (Cont'd)

Risk Management

The board is responsible for ensuring that risks, and opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has numerous mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Report, no significant changes in the state of affairs of the Company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No matters or circumstances, besides those disclosed at note 19, have arisen since the end of the 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 periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Details of important developments occurring in this financial year have been covered in the Review of Operations section of the Directors' Report. The Company will continue activities in the exploration, evaluation and development of the Duketon Project and mineral tenements with the objective of developing a significant mining operation and any significant information or data will be released to the market and the shareholders pursuant to the Continuous Disclosure rules as and when they come to hand.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to significant environmental regulation in respect to its exploration activities. The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

REMUNERATION REPORT

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Duketon Mining Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The board of Duketon Mining Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company.

The board's policy for determining the nature and amount of remuneration for board members and senior executives (if any) of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors, was developed by the board. All executives receive a base salary (which is based on factors such as length of service, performance and experience) and superannuation. The board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

The directors and executives (if any) receive a superannuation guarantee contribution required by the government, which was 9.5% for the 2019 financial year. Some individuals may choose to sacrifice part of their salary to increase payments towards superannuation.

Directors' Report (Cont'd)

All remuneration paid to key management personnel is valued at the cost to the company and expensed. Options are valued using the Black-Scholes methodology.

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 (currently \$300,000) and set in accordance with the constitution of the Company. 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.

Performance based remuneration

The Company currently has no performance based remuneration component built into key management personnel remuneration packages.

Company performance, shareholder wealth and key management personnel remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and key management personnel performance. Currently, this is facilitated through the issue of options to the majority of key management personnel to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. At commencement of mine production, performance based bonuses based on key performance indicators are expected to be introduced. For details of key management personnel interests in options at year end, refer to the 'Option holdings' section later in the Remuneration Report.

Use of remuneration consultants

The Company did not employ the services of any remuneration consultants during the financial year ended 30 June 2019.

Voting and comments made at the Company's 2018 Annual General Meeting

The Company received approximately 99.9% of "yes" votes on its remuneration report for the 2018 financial year. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

Details of remuneration

Details of the remuneration of the key management personnel of the Company are set out in the following table.

The key management personnel of the Company include the directors as per page 24 above.

Key management personnel of the Company

	Short-Term		Post-Employment	Long-Term	Share-based Payments	Total
	Salary & Fees	Non-Monetary	Super-annuation	Long Service Leave	Options	
	\$	\$	\$	\$	\$	\$
Directors						
Seamus Cornelius						
2019	50,000	-	-	-	-	50,000
2018	50,000	-	-	-	-	50,000
Stuart Fogarty						
2019	245,247	-	23,299	8,398	112,400	389,344
2018	255,362	-	25,156	-	-	280,518
Heath Hellewell						
2019	30,000	-	-	-	-	30,000
2018	30,000	-	-	-	-	30,000
Total key management personnel compensation						
2019	325,247	-	23,299	8,398	112,400	469,344
2018	335,362	-	25,156	-	-	360,518

Directors' Report (Cont'd)

Service agreements

Stuart Fogarty, Managing Director:

- Annual salary of \$268,545 (including statutory superannuation).
- The Company or the Executive may terminate, without cause, the Executive's employment at any time by giving three calendar months' written notice.
- In the event the Managing Director is terminated as result of one of the following circumstances the Company will make a twelve calendar months Redundancy Payment to the Executive at the base salary:
 - o the Executive's position is made redundant by the Board;
 - o there is a material diminution in the responsibilities or powers assigned to the Executive by the Board; or
 - o there is a material reduction in the remuneration payable to the Executive as determined by the Board.

Share-based compensation

Options are issued at no cost to key management personnel as part of their remuneration. The options are not issued based on performance criteria but are issued to the key management personnel of Duketon Mining Limited to increase goal congruence between key management personnel and shareholders. The following options over ordinary shares of the Company were granted to or vesting with key management personnel during the year:

	Grant Date	Granted Number	Vesting Date	Expiry Date	Exercise Price (cents)	Value per option at grant date (cents) ⁽¹⁾	Exercised Number	% of Remuneration
Directors								
Stuart Fogarty	28/11/2018	2,000,000	28/11/2018	28/11/2023	20.0	5.6	Nil	28.9

- (1) The value at grant date in accordance with AASB 2: Share Based Payments of options granted during the year as part of remuneration. For options granted during the current year, the valuation inputs for the Black-Scholes option pricing model were as follows:

	Underlying Share Price (cents)	Exercise Price (cents)	Volatility	Risk Free Interest Rate	Valuation Date	Expiry Date
Directors	15.0	20.0	50.0%	2.3%	28/11/2018	28/11/2023

There were no ordinary shares in the Company provided as a result of the exercise of remuneration options during the year.

Equity instruments held by key management personnel

Share holdings

The numbers of shares in the Company held during the financial year by each director of Duketon Mining Limited and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2019

	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Duketon Mining Limited				
Ordinary shares				
Seamus Cornelius	3,817,850	-	214,020	4,031,870
Stuart Fogarty	550,000	-	-	550,000
Heath Hellewell	100,000	-	-	100,000

Directors' Report (Cont'd)

Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Duketon Mining Limited and other key management personnel of the Company, including their personally related parties, are set out below:

2019	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors of Duketon Mining Limited							
Seamus Cornelius	3,750,000	-	-	(2,000,000)	1,750,000	1,750,000	-
Stuart Fogarty	8,050,000	2,000,000	-	(5,050,000)	5,000,000	5,000,000	-
Heath Hellewell	1,500,000	-	-	-	1,500,000	1,500,000	-

Loans to key management personnel

There were no loans to key management personnel during the year.

End of audited Remuneration Report

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2019 and the number of meetings attended by each Director were:

	Directors Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Total Available	Attended	Total Available	Attended	Total Available	Attended
Seamus Cornelius	3	3	-	-	-	-
Stuart Fogarty	3	3	-	-	-	-
Heath Hellewell	3	3	-	-	-	-

SHARES UNDER OPTION

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

Date options issued	Expiry date	Exercise price (cents)	Number of options
18 November 2014	18 November 2019	20.2	2,250,000
15 December 2015	30 November 2020	20.0	2,800,000
1 December 2016	24 November 2021	30.0	2,500,000
31 January 2017	31 January 2022	25.0	250,000
28 November 2018	28 November 2023	20.0	2,000,000
Total number of options outstanding at the date of this report			9,800,000

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

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

INSURANCE OF DIRECTORS AND OFFICERS

During the year, the Company has paid a premium in respect of Directors' and Executive Officers' insurance. The contract contains a prohibition on disclosure of the amount of the premium and the nature of the liabilities under the policy. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

Directors' Report (Cont'd)

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, Rothsay Chartered Accountants or associated entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Rothsay Chartered Accountants received or are due to receive the following amounts for the provision of non-audit services:

	2019	2018
	\$	\$
Tax compliance services	900	800

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 31.

Signed in accordance with a resolution of the directors.



Stuart Fogarty
Managing Director

Perth, 6 September 2019

*R*OTHSA Y

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

The Directors
Duketon Mining Ltd
45 Richardson St
West Perth WA 6005

Dear Sirs

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.



Rolf Garda (Lead auditor)

Rothsay Auditing

Dated 6 September 2019

Corporate Governance Statement

Duketon Mining Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Duketon Mining Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2019 Corporate Governance Statement was approved by the Board on 25 October 2019 and is current as at 25 October 2019. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.duketonmining.com.au.

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Company	
		2019 \$	2018 \$
REVENUE			
Interest	4	69,871	82,597
Other income	4	26,586	-
Fair value gains on financial assets at fair value through the profit or loss		62,352	425,042
EXPENDITURE			
Administration expenses		(302,313)	(250,412)
Depreciation expense		(20,678)	(15,504)
Employee benefits expenses		(193,994)	(223,087)
Exploration expenditure		(2,399,720)	(3,155,785)
Share based payment expense	22	(132,400)	(22,963)
LOSS BEFORE INCOME TAX		(2,890,296)	(3,160,112)
INCOME TAX	6	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF DUKETON MINING LIMITED		(2,890,296)	(3,160,112)
Basic and diluted earnings per share (cents per share)	21	(2.5)	(3.0)

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

	Notes	Company	
		2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	7	2,085,199	5,083,699
Trade and other receivables	8	50,444	96,748
Financial assets at fair value through profit or loss	9	1,221,199	1,158,847
TOTAL CURRENT ASSETS		3,356,842	6,339,294
NON-CURRENT ASSETS			
Plant and equipment	10	46,786	57,009
TOTAL NON-CURRENT ASSETS		46,786	57,009
TOTAL ASSETS		3,403,628	6,396,303
CURRENT LIABILITIES			
Trade and other payables	11	121,635	362,713
Employee benefit obligations		62,045	65,803
TOTAL CURRENT LIABILITIES		183,680	428,516
NON-CURRENT LIABILITIES			
Employee benefit obligations		10,057	-
TOTAL NON-CURRENT LIABILITIES		10,057	-
TOTAL LIABILITIES		193,737	428,516
NET ASSETS		3,209,891	5,967,787
EQUITY			
Issued capital	12	22,920,030	22,900,030
Reserves	13(a)	908,070	1,163,425
Accumulated losses	13(b)	(20,618,209)	(18,095,668)
TOTAL EQUITY		3,209,891	5,967,787

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

	Notes	Contributed Equity \$	Options Reserve \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2017		18,877,067	1,287,835	(15,059,966)	5,104,936
Loss for the year		-	-	(3,160,112)	(3,160,112)
TOTAL COMPREHENSIVE LOSS		-	-	(3,160,112)	(3,160,112)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year		4,022,963	-	-	4,022,963
Employee and consultant options	13(a)	-	(124,410)	124,410	-
BALANCE AT 30 JUNE 2018		22,900,030	1,163,425	(18,095,668)	5,967,787
Loss for the year		-	-	(2,890,296)	(2,890,296)
TOTAL COMPREHENSIVE LOSS		-	-	(2,890,296)	(2,890,296)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	12	20,000	-	-	20,000
Employee and consultant options	13(a)	-	(255,355)	367,755	112,400
BALANCE AT 30 JUNE 2019		22,920,030	908,070	(20,618,209)	3,209,891

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

	Notes	Company	
		2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		81,632	81,283
Payments to suppliers and employees		(533,095)	(422,848)
Expenditure on mining interests		(2,550,759)	(3,041,796)
Payments for financial assets at fair value through profit or loss		-	(194)
Proceeds from disposal of financial assets at fair value through profit or loss		-	222,635
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	20	(3,002,222)	(3,160,920)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on disposal of plant and equipment		26,586	-
Payments for plant and equipment		(22,864)	-
NET CASH INFLOW FROM INVESTING ACTIVITIES		3,722	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	4,000,000
Payments for small parcel roundup		-	(344)
NET CASH INFLOW FROM FINANCING ACTIVITIES		-	3,999,656
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(2,998,500)	838,736
Cash and cash equivalents at the beginning of the financial year		5,083,699	4,244,963
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	2,085,199	5,083,699

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

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Company consisting of Duketon Mining Limited. The financial statements are presented in the Australian currency. Duketon Mining Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 6 September 2019. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

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

(i) Compliance with IFRS

The financial statements of Duketon Mining Limited comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Company

The Company has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Company include:

- AASB 9 Financial Instruments and related amending Standards;
- AASB 15 Revenue from Contracts with Customers and related amending Standards; and
- AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions.

AASB 9 Financial Instruments and related amending Standards

In the current year, the Company has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives however there was no material impact on adoption of the standard.

Additionally, the Company adopted consequential amendments to AASB 7 Financial Instruments: Disclosures.

In summary AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting.

AASB 15 Revenue from Contracts with Customers and related amending Standards

In the current year, the Company has applied AASB 15 Revenue from Contracts with Customers (as amended) which is effective for an annual period that begins on or after 1 January 2018. AASB 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in AASB 15 to deal with specific scenarios.

There was no material impact on adoption of the standard and no adjustment made to current or prior period amounts.

(iii) Early adoption of standards

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 necessary to Company accounting policies.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, except for certain financial assets and liabilities measured at fair value.

(b) Segment reporting

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

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Revenue recognition

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

(d) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associated operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(f) Impairment of assets

Goodwill and 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 the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) 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 investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Financial assets

(i) Classification

From 1 July 2018 the Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income or expenses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or expenses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income or expenses and impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income or expenses in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at FVPL are recognised in other income or expenses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

From 1 July 2018 the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology depends on whether there has been a significant increase in credit risk.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(v) Accounting policies applied until 30 June 2018

The Company has applied AASB 9 retrospectively but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Company's previous accounting policy.

Classification

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within revenue from continuing operations or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Company's right to receive payments is established.

Details on how the fair value of financial investments is determined are disclosed in note 2.

Impairment

The Company assesses at each balance date whether there is objective evidence that a financial asset is impaired.

If there is evidence of impairment for any of the Company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of comprehensive income.

(i) Plant and equipment

All plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rate used was 33% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, it is Company's policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(j) Exploration and evaluation costs

Exploration and evaluation costs are expensed as they are incurred.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(l) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Share-based payments

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

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

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

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

(m) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from 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 the acquisition as part of the purchase consideration.

(n) Earnings per share

(i) Basic earnings per share

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

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(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.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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

(p) New accounting standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below. New standards and interpretations not mentioned are considered unlikely to impact on the financial reporting of the Company.

AASB 16 Leases (applicable for annual reporting periods commencing on or after 1 January 2019).

AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The Company plans to adopt the new standard on the required effective date. The Company continues to assess the potential impact of AASB 16 on its consolidated financial statements.

None of the other amendments or Interpretations are expected to affect the accounting policies of the Company.

(q) Critical accounting judgements, estimates and assumptions

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates consider both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the directors' best estimate, pending an assessment by the Australian Taxation Office.

Share based payment transactions

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

Notes to the Financial Statements (Cont'd)

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all board members to be involved in this process. Senior management, as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the board on risk management.

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia, the Company is not exposed to any material foreign exchange risk.

(ii) Price risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company and classified in the statement of financial position at fair value through the profit and loss. The Company is not exposed to commodity price risk. At the reporting date, the Company has investments in ASX listed equity securities.

Sensitivity analysis

The Company's equity investments are listed on the Australian Stock Exchange (ASX) and are all classified at fair value through the profit or loss. At 30 June 2019, if the value of the equity investments held had increased/decreased by 15% with all other variables held constant, post tax loss for the Company would have been \$183,180 lower/higher (2018: \$178,827 lower/higher) as a result of gains/losses on the fair value of the financial assets.

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company's policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of cash and cash equivalents for the Company of \$2,085,199 (2018: \$5,083,699) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Company was 2.0% (2018: 2.3%).

Sensitivity analysis

At 30 June 2019, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been \$34,579 lower/higher (2018: \$36,249 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

As the Company does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Company. Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Company's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the Statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

Notes to the Financial Statements (Cont'd)

2. FINANCIAL RISK MANAGEMENT (Cont'd)

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The equity investments held by the Company are classified at fair value through profit or loss. The market value of all equity investments represents the fair value based on quoted prices on active markets (ASX) as at the reporting date without any deduction for transaction costs. These investments are classified as level 1 financial instruments.

The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

	Company	
	2019	2018
	\$	\$
Financial Assets		
Cash and cash equivalents	2,085,199	5,083,699
Trade and other receivables	50,444	96,748
Financial assets at fair value through profit or loss	1,221,199	1,158,847
Total Financial Assets	3,356,842	6,339,294
Financial Liabilities		
Trade and other payables	121,635	362,713
Total Financial Liabilities	121,635	362,713

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/Payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

Fair value measurements of financial assets

The carrying values of financial assets and liabilities of the Company approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and / or disclosure purposes.

Fair value hierarchy

The Company classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
30 June 2019				
Financial assets at fair value through profit or loss	1,221,199	-	-	1,221,199
Total as at 30 June 2019	1,221,199	-	-	1,221,199
30 June 2018				
Financial assets at fair value through profit or loss	1,158,847	-	-	1,158,847
Total as at 30 June 2018	1,158,847	-	-	1,158,847

Due to their short-term nature, the carrying amount of the current receivables and current payables is assumed to approximate their fair value.

Notes to the Financial Statements (Cont'd)

3. SEGMENT INFORMATION

Industry and geographical segment

The Company operates in one segment, being the mining exploration sector in Australia.

In determining operating segments, the Company has had regard to the information and reports the Managing Director decision maker uses to make strategic decisions regarding resources. The Managing Director is considered to be the chief operating decision maker and is empowered by the Board of Directors to allocate resources and assess the performance of the Company.

4. REVENUE AND OTHER INCOME

	Company	
	2019	2018
	\$	\$
Revenue		
<i>Other revenue</i>		
Interest from financial institutions	69,871	82,597
Other income		
Gain on disposal of plant and equipment	26,586	-

5. EXPENSES

Loss before income tax includes the following specific expenses:

Superannuation expense	38,474	40,514
Minimum lease payments relating to operating leases	42,919	35,411

6. INCOME TAX

(a) Income tax expense/(benefit)

Current tax	-	-
Deferred tax	-	-
	-	-

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax expense	(2,890,296)	(3,160,112)
Prima facie tax benefit at the Australian tax rate of 30% (2018: 30%)	(867,089)	(948,034)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	39,720	6,889
	(827,369)	(941,145)
Movements in unrecognised temporary differences	(18,705)	(127,513)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	846,074	1,068,658
Income tax expense/(benefit)	-	-

Notes to the Financial Statements (Cont'd)

	Company	
	2019	2018
	\$	\$
6. INCOME TAX (Cont'd)		
(c) Unrecognised temporary differences		
Deferred Tax Assets at 30% (2018: 30%)		
<i>On Income Tax Account</i>		
Financial assets at fair value through profit or loss	20,029	38,735
Carry forward tax losses	6,040,922	5,228,984
	6,060,951	5,267,719
Set-off of deferred tax liabilities	-	-
Net deferred tax assets	6,060,951	5,267,719
Less deferred tax assets not recognised	(6,060,951)	(5,267,719)
	-	-

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Company's ability to use losses in the future is subject to the Company satisfying the relevant tax authority's criteria for using these losses.

7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank and in hand	348,232	296,193
Short-term deposits	1,736,967	4,787,506
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	2,085,199	5,083,699

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

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

Trade and other receivables	50,444	96,748
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9. CURRENT ASSETS – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Australian listed equity securities	1,221,199	1,158,847
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Changes in fair values of financial assets at fair value through profit or loss are disclosed directly on the face of the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements (Cont'd)

	Company	
	2019	2018
	\$	\$
10. NON-CURRENT ASSETS - PLANT AND EQUIPMENT		
Plant and equipment		
Cost	84,864	79,117
Accumulated depreciation	(38,078)	(22,108)
Net book amount	46,786	57,009
Plant and equipment		
Opening net book amount	57,009	60,104
Additions	10,455	12,409
Depreciation charge	(20,678)	(15,504)
Closing net book amount	46,786	57,009
11. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES		
Trade payables	-	51,476
Other payables and accruals	97,169	286,771
Funds held on trust for unmarketable parcel roundup	24,466	24,466
	121,635	362,713

12. ISSUED CAPITAL

(a) Share capital

	Notes	2019		2018	
		Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	12(b), 12(d)	118,016,281	22,920,030	117,849,615	22,900,030
Total issued capital		118,016,281	22,920,030	117,849,615	22,900,030

	2019		2018	
	Number of shares	\$	Number of shares	\$
(b) Movements in ordinary share capital				
Beginning of the financial year	117,849,615	22,900,030	103,156,012	18,877,067
<i>Issued during the year:</i>				
• Issued for cash @ \$0.275 each	-	-	14,545,455	4,000,000
• Issued as part of employee remuneration ⁽¹⁾	166,666	20,000	148,148	22,963
End of the financial year	118,016,281	22,920,030	117,849,615	22,900,030

- (1) On 9 January 2019 the Company issued 166,666 ordinary shares (18 October 2017, 148,148 ordinary shares) to an employee as a reward and incentive. The closing price of \$0.12 (2018: \$0.155) on the date of issue was the grant date fair value of the shares issued.

Notes to the Financial Statements (Cont'd)

12. ISSUED CAPITAL (Cont'd)

(c) Movements in options on issue

	Number of options	
	2019	2018
Beginning of the financial year	38,100,000	41,400,000
Issued, exercisable at \$0.20 on or before 28 November 2023	2,000,000	-
Expired on 4 August 2017, exercisable at \$0.35	-	(3,000,000)
Expired on 31 January 2018, exercisable at \$0.30	-	(300,000)
Expired on 31 March 2019, exercisable at \$0.20	(3,000,000)	-
Expired on 31 March 2019, exercisable at \$0.25	(1,500,000)	-
Expired on 31 March 2019, exercisable at \$0.30	(1,000,000)	-
Expired on 31 March 2019, exercisable at \$0.35	(1,550,000)	-
Expired on 14 May 2019, exercisable at \$0.35	(8,250,000)	-
End of the financial year	<u>24,800,000</u>	<u>38,100,000</u>

(d) Ordinary shares

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

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

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

(e) Capital risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2019 and 30 June 2018 are as follows:

	Company	
	2019	2018
	\$	\$
Cash and cash equivalents	2,085,199	5,083,699
Trade and other receivables	50,444	96,748
Financial assets at fair value through profit or loss	1,221,199	1,158,847
Trade and other payables	(121,635)	(362,713)
Employee benefit obligations (current)	(62,045)	(65,803)
Working capital position	<u>3,173,162</u>	<u>5,910,778</u>

13. RESERVES AND ACCUMULATED LOSSES

(a) Reserves

Share-based payments reserve

Balance at beginning of year	1,163,425	1,287,835
Employee and consultant options	112,400	-
Transferred to accumulated losses upon expiry of options	(367,755)	(124,410)
Balance at end of year	<u>908,070</u>	<u>1,163,425</u>

Notes to the Financial Statements (Cont'd)

	Company	
	2019	2018
	\$	\$
13. RESERVES AND ACCUMULATED LOSSES (Cont'd)		
(b) Accumulated losses		
Balance at beginning of year	(18,095,668)	(15,059,966)
Transferred from share-based payments reserve upon expiry of options	367,755	124,410
Net loss for the year	(2,890,296)	(3,160,112)
Balance at end of year	<u>(20,618,209)</u>	<u>(18,095,668)</u>

(c) Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options issued.

14. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

15. RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation

Short-term benefits	325,247	335,362
Post-employment benefits	23,299	25,156
Other long-term benefits	8,398	-
Termination benefits	-	-
Share-based payments	112,400	-
	<u>469,344</u>	<u>360,518</u>

Detailed remuneration disclosures are provided in the remuneration report on pages 26 to 29.

(b) Loans to related parties

There were no loans to related parties, including key management personnel, during the year.

16. REMUNERATION OF AUDITORS

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

(a) Audit services

Rothsay Chartered Accountants - audit and review of financial reports	<u>37,500</u>	<u>41,500</u>
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(b) Non-audit services

Rothsay Chartered Accountants – tax compliance services	<u>900</u>	<u>800</u>
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17. CONTINGENCIES

There are no material contingent liabilities or contingent assets of the Company at balance date.

Notes to the Financial Statements (Cont'd)

	Company	
	2019	2018
	\$	\$
18. COMMITMENTS		
(a) Exploration commitments		
The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:		
within one year	1,692,380	1,603,380
later than one year but not later than five years	3,894,200	1,730,200
later than five years	1,538,400	1,730,700
	7,124,980	5,064,280

(b) Lease commitments: Company as lessee

Operating leases (non-cancellable):

Minimum lease payments

within one year

57,600

57,600

Aggregate lease expenditure contracted for at reporting date but not recognised as liabilities

57,600

57,600

The property lease is a non-cancellable lease with a one-year term, with rent payable monthly in advance. The lease includes standard conditions customary for commercial property leases.

19. EVENTS OCCURRING AFTER THE REPORTING DATE

During August 2019 the Company executed a Tenement Sale Agreement with Regis Resources Limited (ASX: RRL) to sell Duketon's package of gold tenements for \$25 million in cash. The consideration consisted of \$20 million cash paid on completion with \$2.5 million in cash contingent on announcement of 250,000 ounces of gold in mineral resources and a further \$2.5 million in cash contingent on first gold production from the sale tenements. The Company has retained the nickel rights over various tenements (E38/2866, E38/2805, E38/2916, E38/2834 and E38/2666) via a Nickel Rights Deed and retains 100% ownership of mining licence M38/1252 (with Regis acquiring the gold rights on this licence via a Gold Rights Deed).

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 periods.

20. CASH FLOW INFORMATION

(a) Reconciliation of net loss after income tax to net cash outflow from operating activities

Net loss for the year	(2,890,296)	(3,160,112)
Non-Cash Items		
Share-based payment expense	132,400	22,963
Depreciation expense	20,678	15,504
Net gain on disposal of plant and equipment	(26,586)	-
Change in operating assets and liabilities		
Decrease in trade and other receivables	46,304	23,973
(Increase) in financial assets at fair value through profit or loss	(62,352)	(202,601)
(Decrease)/increase in trade and other payables	(228,669)	139,353
Increase in employee benefit obligations	6,299	-
Net cash outflow from operating activities	(3,002,222)	(3,160,920)

(b) Non-cash investing and financing activities

On 9 January 2019 the Company issued 166,666 ordinary shares (18 October 2017, 148,148 ordinary shares) to an employee as a reward and incentive, for a value of \$20,000 (2018: \$22,963). This amount is included in 'share-based payments expense' on the statement of profit or loss and other comprehensive income of the Company.

Notes to the Financial Statements (Cont'd)

	Company	
	2019	2018
	\$	\$
21. LOSS PER SHARE		
(a) Reconciliation of earnings used in calculating earnings per share		
Loss attributable to the owners of the Company used in calculating basic and diluted loss per share	(2,890,296)	(3,160,112)
(b) Weighted average number of shares used as the denominator		
	No. of Shares	No. of Shares
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	117,928,153	106,726,512

(c) Information on the classification of options

As the Company has made a loss for the year ended 30 June 2019, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

22. SHARE-BASED PAYMENTS

a) Employee and consultant options

The Company provides benefits to employees (including directors), contractors and consultants of the Company in the form of share-based payment transactions, whereby employees, contractors and consultants render services in exchange for options to acquire ordinary shares. The options on issue at 30 June 2019 have exercise prices ranging from \$0.20 to \$0.30 and expiry dates ranging from 1 August 2019 to 28 November 2023.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

The weighted average fair value of the options granted during the 2019 financial year was 5.6 cents. There were no options granted during the 2018 financial year. The fair value was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2019	2018
Weighted average exercise price (cents)	20.0	-
Weighted average life of the option (years)	5.0	-
Weighted average underlying share price (cents)	15.0	-
Expected share price volatility	50.0%	-
Risk free interest rate	2.3%	-

b) Supplier options

Suppliers have been granted options in accordance with the terms of the non-renounceable pro-rata rights issue prospectus issued in May 2013. The options on issue at 30 June 2019 have an exercise price of \$0.20 and expiry date of 1 August 2019.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

There were no supplier options granted during the 2019 or 2018 financial years.

c) Employee shares

On 9 January 2019 the Company issued 166,666 ordinary shares (18 October 2017, 148,148 ordinary shares) to an employee as a reward and incentive, for a value of \$20,000 (2018: \$22,963). The closing price of \$0.12 (2018: \$0.155) on the date of issue was the grant date fair value of the shares issued.

Notes to the Financial Statements (Cont'd)

22. SHARE-BASED PAYMENTS (Cont'd)

Set out below are summaries of the share-based payment options granted per (a) and (b):

	Company			
	2019		2018	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	38,100,000	25.0	41,400,000	25.8
Granted	2,000,000	20.0	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	<u>(15,300,000)</u>	<u>30.8</u>	<u>(3,300,000)</u>	<u>34.5</u>
Outstanding at year-end	<u>24,800,000</u>	<u>21.1</u>	38,100,000	25.0
Exercisable at year-end	<u>24,800,000</u>	<u>21.1</u>	38,100,000	25.0

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 0.9 years (2018: 2.1 years), with exercise prices ranging from \$0.20 to \$0.30.

d) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	Company	
	2019	2018
	\$	\$
Options issued to employees shown as share-based payments	<u>112,400</u>	-
Shares issued to employees shown as share-based payments	<u>20,000</u>	22,963
	<u>132,400</u>	22,963

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 33 to 52 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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



Stuart Fogarty
Managing Director

Perth, 6 September 2019



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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF DUKETON MINING LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Duketon Mining Limited (“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.

Key Audit Matter

Cash and financial assets at fair value

The Company’s cash and financial assets at fair value make up 97% of total assets by value and are considered to be the key driver of the Company’s operations. We do not consider cash and financial assets at fair value to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. However due to their





materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall strategy and allocation of resources in planning and completing our audit.

Our procedures over the existence, completeness and valuation of the Company's portfolio of cash and financial assets at fair value included but were not limited to:

- Documenting and assessing the processes and control environment in place to record transactions and to value the assets;
- Agreeing the fair value of the listed investments to externally quoted prices, which was the closing bid price at 30 June 2019;
- Agreeing cash and holdings in financial assets at fair value to independent third party documentation;
- Performing a recalculation of the total value of investments.

We have also assessed the appropriateness of the disclosures included in notes 1, 2, 7 and 9 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 had valid rights to explore in the areas represented by the exploration and evaluation expenditure by confirming 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
- Documenting and assessing the processes and controls in place to record exploration and evaluation transactions.

We have also assessed the appropriateness of the disclosures included in Note 1 to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.



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

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

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

Directors' Responsibility for the Financial Report

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

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

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: 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 Duketon Mining Limited 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.

Rothsay Auditing

**Rolf Garda FCA
Partner**

Dated 6 September 2019

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 7 October 2019.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

		Ordinary Shares	
		Number of holders	Number of shares
1	- 1,000	220	78,518
1,001	- 5,000	167	448,596
5,001	- 10,000	215	1,613,802
10,001	- 100,000	329	12,177,324
100,001	and over	107	103,791,064
		1,038	118,109,304
The number of equity security holders holding less than a marketable parcel of securities are:		313	242,976

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	ST BARBARA LTD	14,545,455	12.32
2	HARMANIS HLDGS PL <HARMAN FAM A/C>	9,900,000	8.38
3	CAIRNGLEN INV PL	5,303,314	4.49
4	TWYNAM INV PL	4,901,030	4.15
5	JETOSEA PL	4,234,004	3.58
6	CITICORP NOM PL	3,678,206	3.11
7	SFN HLDGS PL	3,300,000	2.79
8	CORNELIUS LIAM RAYMOND	3,063,930	2.59
9	DONGARRA LTD	2,892,853	2.45
10	RANGUTA LTD	2,561,423	2.17
11	LOMACOTT PL <KEOGH S/F A/C>	2,450,000	2.07
12	GANDRIA CAP PL < TEDBLAHNKI FAM A/C>	2,450,000	2.07
13	CHEUNG SHUN RES LTD	2,058,709	1.74
14	BALLANOCK PL <G & P PENNOCK S/F>	1,725,000	1.46
15	MI QING	1,526,344	1.29
16	HARMANIS HLDGS PL <HARMAN FAM A/C>	1,500,000	1.27
17	ELEMENT 25 LTD	1,450,000	1.23
18	ALPHA BOXER LTD	1,367,986	1.16
19	KONGMING INV LTD	1,115,413	0.94
20	CORNELIUS SEAMUS	1,085,912	0.92
		71,109,579	60.18

ASX Additional Information (Cont'd)

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of Shares
St Barbara Limited	14,545,455
Harmanis Holdings Pty Ltd	7,572,816

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Unquoted securities

Class	Number of Securities	Number of Holders	Holder Name	
			Number of Securities	
20 cent Options, Expiry 30 November 2020	2,800,000	7	Pato Negro	
20 cent Options, Expiry 28 November 2023	2,000,000	1	Pato Negro	
20.2 cent Options, Expiry 18 November 2019	2,250,000	4	Pato Negro	
			Seamus Cornelius	
			Nedlands Nominees	
			500,000	
25 cent Options, Expiry 31 January 2022	250,000	1	Kristy Culver	
30 cent Options, Expiry 24 November 2021	2,500,000	4	Pato Negro	
			Seamus Cornelius	
			Nedlands Nominees	

(f) Schedule of interests in mining tenements

Location	Tenement	Percentage held / earning
Duketon	E38/2666	100% Nickel rights only
Duketon	E38/2805	100% Nickel rights only
Duketon	E38/2834	100% Nickel rights only
Duketon	E38/2866	100% Nickel rights only
Duketon	E38/2916	100% Nickel rights only
Duketon	M38/1252	100% Nickel rights only