

**Kin Mining NL**  
ABN 30 150 597 541

**Interim Report**  
**31 December 2019**

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## **CORPORATE INFORMATION**

**ABN 30 150 597 541**

### **Directors**

Giuseppe (Joe) Paolo Graziano  
Andrew Munckton  
Brian Dawes  
Hansjoerg Plaggemars  
Nicholas Anderson

### **Company Secretary**

Stephen Jones

### **Registered office**

First Floor  
342 Scarborough Beach Road  
OSBORNE PARK WA 6017

### **Principal place of business**

First Floor  
342 Scarborough Beach Road  
OSBORNE PARK WA 6017  
Tel: (08) 9242 2227

### **Share register**

Advanced Share Registry Services  
PO Box 1156  
NEDLANDS WA 6909  
Tel: (08) 9389 8033

### **Solicitors**

Dominion Legal  
104 Edward Street  
PERTH WA 6000

### **Auditors**

HLB Mann Judd  
Level 4, 130 Stirling Street  
Perth WA 6000

### **Securities Exchange Listing**

Kin Mining NL shares are listed on the Australian Securities Exchange (ASX: KIN)

## DIRECTORS' REPORT

Your Directors submit the financial report of the Group for the half-year ended 31 December 2019. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

### Directors

The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Giuseppe P Graziano	Non-executive Chairman
Andrew Munckton	Managing Director
Brian Dawes	Non-executive Director
Hansjoerg Plaggemars	Non-executive Director (appointed 31 July 2019)
Nicholas Anderson	Non-executive Director (appointed 31 July 2019)
Jeremy Kirkwood	Non-executive Chairman (resigned 31 July 2019)
Trevor Dixon	Executive Director (resigned 31 July 2019)

### Review of Operations

The half-year to 31 December 2019 saw Kin Mining ('Kin' or 'the Company') completing its program of works to review and revise the Cardinia Gold Project (CGP) Pre-Feasibility Study. The Pre-Feasibility Study successfully reset the Cardinia Gold Project on a strong foundation of reliable technical and financial estimates. The outcomes show the CGP has production potential and significant leverage to the currently strong Australian dollar gold price, however the Board determined to prioritise opportunities to add higher margin ore feed while development studies continue at an appropriate rate.

These opportunities include exploration in areas that are close to the CGP epicenter under shallow transported cover with very little modern exploration. A program of mapping, geochemical sampling and geophysics commenced in the current half year to target new discoveries in these underexplored parts of proven mining corridors. Initial results from the first phase of exploration in these areas has been very encouraging with large new zones of mineralisation identified at Cardinia Hill and Lewis East (see ASX Announcement 13 January 2020):

Cardinia Hill	24m at 1.64g/t Au from 32m to bottom of hole (BOH) (CH19AC018)
	20m at 1.42g/t Au from 8m (CH19AC019)
	12m at 1.32g/t Au from 24m to BOH (CH19AC010)
Lewis East	53m at 1.27g/t Au from 4m to BOH (LE19AC007)
	13m at 1.03g/t Au from 24m to BOH (LE19AC009)
	4m at 11.6g/t Au from 8m (LE19AC012)

The Company will also seek to enhance its mineral inventory through regional consolidation opportunities in the active Leonora region.

The long-term strategy is still for Kin to become a high margin Australian gold producer by developing the CGP.

### Corporate

The company raised \$3.068M, before costs, during the period from the completion of the placement and rights issue announced on 18 October 2019. The October 2019 placement raised \$0.847M from the issue of 24,205,701 shares at 3.5c per share and the rights issue raised \$2.221M from the issue of 63,447,130 shares at 3.5c per share.

The funds raised from those two issues allowed Kin to complete the project feasibility study activities at the Cardinia Gold Project and recommence exploration drilling across the Cardinia tenure.

Following strong shareholder endorsement for the company's strategy and path to development at the November annual general meeting the Board is committed to restoring and growing shareholder value by building a resource inventory base that will support the CGP development plan.

**Events Subsequent to Reporting Date**

There have been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

**Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of this Directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



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**Andrew Munckton**  
**Managing Director**  
**5 March 2020**



## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Kin Mining NL for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
5 March 2020

A handwritten signature in blue ink that reads 'D I Buckley'. The signature is stylized and written in a cursive-like font.

**D I Buckley**  
Partner

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Note	31 December 2019	31 December 2018
		\$	\$
<b>Continuing operations</b>			
Interest income		6,438	16,248
Other income		(4,560)	31,668
Gain /(loss) on sale of assets		24,130	1,000
Reimbursements/refunds - government		-	6,152
Depreciation and amortisation expense		(147,923)	(161,560)
Administration expenses		(338,487)	(564,979)
Consultant expenses		(32,493)	(52,395)
Employee expenses		(657,540)	(643,651)
Finance costs		-	(1,677,164)
Occupancy expenses		(32,049)	(48,973)
Travel expenses		(6,946)	(17,656)
Exploration and evaluation expenses		(2,163,840)	(3,473,202)
Unrealised foreign exchange losses		-	(130,163)
<b>Loss before income tax expense</b>		<b>(3,353,270)</b>	<b>(6,714,675)</b>
Income tax expense		-	-
<b>Loss after tax</b>		<b>(3,353,270)</b>	<b>(6,714,675)</b>
<b>Other comprehensive income, net of income tax</b>			
Other comprehensive income		-	-
<b>Other comprehensive income for the period, net of income tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>		<b>(3,353,270)</b>	<b>(6,714,675)</b>
Basic loss per share (cents per share)		(0.66)	(1.95)
Diluted loss per share (cents per share)		(0.66)	(1.95)

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

	Notes	31 December 2019 \$	30 June 2019 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,687,615	3,148,063
Trade and other receivables		29,981	52,746
Other		98,200	25,906
<b>Total current assets</b>		<b>2,815,796</b>	<b>3,226,715</b>
<b>Non-current assets</b>			
Property, plant and equipment		10,450,255	10,554,609
<b>Total non-current assets</b>		<b>10,450,255</b>	<b>10,554,609</b>
<b>Total assets</b>		<b>13,266,051</b>	<b>13,781,324</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		756,414	888,226
Borrowings	7	1	1
<b>Total current liabilities</b>		<b>756,415</b>	<b>888,227</b>
<b>Non-current liabilities</b>			
Provisions	8	1,500,000	1,500,000
<b>Total non-current liabilities</b>		<b>1,500,000</b>	<b>1,500,000</b>
<b>Total liabilities</b>		<b>2,256,415</b>	<b>2,388,227</b>
<b>Net assets</b>		<b>11,009,636</b>	<b>11,393,097</b>
<b>Equity</b>			
Share capital	3	65,833,462	62,863,653
Share based payments reserve		1,818,488	1,818,488
Accumulated losses		(56,642,314)	(53,289,044)
<b>Total equity</b>		<b>11,009,636</b>	<b>11,393,097</b>

The accompanying notes form part of these financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Share capital	Accumulated losses	Share based payment reserve	Total equity
	\$	\$	\$	\$
<b>Balance at 1 July 2019</b>	62,863,653	(53,289,044)	1,818,488	11,393,097
Loss for the period	-	(3,353,270)	-	(3,353,270)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	(3,353,270)	-	(3,353,270)
Shares issued during the half-year	3,067,849	-	-	3,067,849
Share issue costs	(98,040)	-	-	(98,040)
<b>Balance at 31 December 2019</b>	<b>65,833,462</b>	<b>(56,642,314)</b>	<b>1,818,488</b>	<b>11,009,636</b>
<b>Balance at 1 July 2018</b>	43,175,285	(38,733,772)	1,818,488	6,260,001
Loss for the period	-	(6,714,675)	-	(6,714,675)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	(6,714,675)	-	(6,714,675)
Shares issued during the half-year	18,261,352	-	-	18,261,352
Share issue costs	(644,730)	-	-	(644,730)
<b>Balance at 31 December 2018</b>	<b>60,791,907</b>	<b>(45,448,447)</b>	<b>1,818,488</b>	<b>17,161,948</b>

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	31 December 2019	31 December 2018
	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(3,387,255)	(5,033,969)
Interest received	6,438	16,248
Finance costs	-	(356,351)
<b>Net cash outflow from operating activities</b>	<u>(3,380,817)</u>	<u>(5,374,072)</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(43,570)	(887,723)
Proceeds on sale of assets	24,130	-
Payment for acquisitions of mineral tenements	(30,000)	-
<b>Net cash outflow from investing activities</b>	<u>(49,440)</u>	<u>(887,723)</u>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of shares	3,067,849	17,876,362
Payments for share issue costs	(98,040)	(259,741)
Repayment of borrowings	-	(6,882,359)
<b>Net cash inflow from financing activities</b>	<u>2,969,809</u>	<u>10,734,262</u>
Net increase in cash held	(460,448)	4,472,467
Cash and cash equivalents at the beginning of the period	3,148,063	2,195,518
<b>Cash and cash equivalents at the end of the period</b>	<u>2,687,615</u>	<u>6,667,985</u>

The accompanying notes form part of these financial statements.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of preparation

These condensed interim financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements comprise the consolidated condensed interim financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2019 and any public announcements made by Kin Mining NL and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 July 2019 disclosed in Note 1(b). These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis, except for the revaluation of certain current assets and financial instruments. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

(b) Adoption of new and revised standards

*Standards and Interpretations applicable to 31 December 2019*

In the period ended 31 December 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies. This includes an assessment of AASB 16 Leases.

*Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(c) Statement of compliance

The interim financial statements were authorised for issue on 5 March 2020.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2019, except for the impact of the new Standards and Interpretations effective 1 July 2019 as disclosed in Note 1(b).

(e) **Going concern**

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

Notwithstanding the fact that the Group incurred an operating loss of \$3,353,270 for the period ended 31 December 2019, has working capital of \$2,059,381, and a net cash outflow from operating activities amounting to \$3,380,817, the Directors are of the opinion that the Company is a going concern for the following reasons:

- The Directors anticipate that a further equity raising will be required and will be completed in the first half of 2020.

Should these equity raisings not be completed, there is a material uncertainty that may cast significant doubt as to whether the Company will be able to realise its assets and extinguish its liabilities in the normal course of business.

**NOTE 2: SEGMENT REPORTING**

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

Based on the quantitative thresholds included in AASB 8, there is only one reportable segment, being Mineral Exploration and one geographical segment, namely Australia.

The revenues and results of this segment are those of the Group as a whole and are set out in the condensed statement of comprehensive income and the assets and liabilities of the Group as a whole are set out in the condensed statement of financial position.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

Kin Mining NL

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**NOTE 3: SHARE CAPITAL**

	31 December 2019 \$	30 June 2019 \$
Ordinary shares Issued and fully paid	65,833,462	62,863,653

*Movement in ordinary shares on issue*

	Six Months to 31 December 2019		Year to 30 June 2019	
	No.	\$	No.	\$
<i>Movements in ordinary shares</i>				
Balance at beginning of period	483,371,337	62,863,653	243,547,933	43,175,285
Rights issues	63,447,130	2,220,649	197,823,404	18,261,352
Placement of shares	24,205,701	847,200	42,000,000	2,100,000
Share issue costs	-	(98,040)	-	(672,984)
Balance of issued capital at end of the period	571,024,168	65,833,462	483,371,337	62,863,653

**NOTE 4: OPTIONS AND PERFORMANCE RIGHTS**

*Movement in options and rights on issue*

	Six months to 31 December 2019		Year to 30 June 2019	
	No.	Weighted Average Exercise Price \$	No.	Weighted Average Exercise Price \$
Balance at the beginning of the year	25,000,000	0.778	37,335,750	0.653
Options cancelled on expiry (i)	-	-	(12,335,750)	0.400
Balance of options and rights issued at the end of the period (ii)	25,000,000	0.778	25,000,000	0.778

Note:

- i. 12,335,750 Unlisted Options issued as part of Share Purchase Plan and Shareholder Approval exercisable at \$0.40 by 31 March 2019 expired unexercised.
- ii. The share options outstanding at 31 December 2019 had an exercise price between \$0.36 and \$1.25 and a weighted average remaining contractual life of 422 days.
- iii. Additional performance rights have been granted to Mr Stephen Jones that vest and may be converted to shares following the achievement of future performance hurdles as follows. No performance rights have vested in the current period.

Performance Hurdles	Conditions	Stephen Jones Performance Rights *
Capital Expenditure on CGP is within 10% of budget	Budget and contingency to be determined from the DFS with allocation and cash payment made within 1 month following internal accounts demonstrating the milestone	\$50,000
First Month of gold production exceeding 4,000 fine ounces output from the CGP	Allocation and cash payment made within 1 month following the milestone	\$50,000
Steady State production at design throughput of the CGP mill	Six months commercial production having achieved design throughput and gold output with allocation and cash payment made within 1 month following the milestone	\$50,000

\* Performance Rights will, subject to meeting the Performance Hurdles, vest into shares in the Employer in accordance with the following formula.

Number of shares =	\$ value of the Performance Rights
	Volume Weighted Average Price (VWAP) of the Employer's shares over the 5 days on which trading in the Employer's shares occurred leading up to and including the day prior to the vesting date

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

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**NOTE 5: FINANCIAL INSTRUMENTS**

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

	31 December 2019		30 June 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
<i>Financial assets</i>				
Cash and cash equivalents	2,687,615	2,687,615	3,148,063	3,148,063
Trade and other receivables	29,981	29,981	52,746	52,746
<i>Financial liabilities</i>				
Financial liabilities held at amortised cost				
- Loans from other entities	1	1	1	1
- Trade and other payables	756,414	756,414	888,226	888,226

**NOTE 6: CONTINGENT LIABILITIES**

There has been no change in contingent liabilities since the last annual reporting date.

**NOTE 7: BORROWINGS**

	31 December 2019	30 June 2019
	\$	\$
Sprott Credit Facility (Current) (i)	1	1
	<u>1</u>	<u>1</u>

- i. The Company entered into a credit agreement (original credit facility) with Sprott Private Resource Lending (Collector), LP (Sprott) to provide a USD\$27M senior secured credit facility to be used for the construction of the 100% owned Leonora Gold Project in December 2017. Prior to 31 December 2019 the loan facility from Sprott Private Resource Lending (Collector), LP was withdrawn by Sprott due to a closure of the Sprott financing fund. The Company still owes \$1 which will be settled on cancellation of the documentation.

**NOTE 8: PROVISIONS**

	2019	2018
	\$	\$
<u>Non-Current</u>		
Restoration and rehabilitation provision	1,500,000	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>

**NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE**

There have been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

**NOTE 10: NEW STANDARDS ADOPTED**

**AASB 16 Leases**

*Change in accounting policy*

AASB 16 Leases supersedes AASB 117 Leases. The Group has adopted AASB 16 from 1 July 2019 which has resulted in changes in the classification, measurement and recognition of leases. The changes result in almost all leases where the Group is the lessee being recognised on the Statement of Financial Position and removes the former distinction between 'operating' and 'finance' leases. The new standard requires recognition of a right-of-use asset (the leased item) and a financial liability (to pay rentals). The exceptions are short-term leases and leases of low value assets.

The Group has adopted AASB 16 using the modified retrospective approach under which the reclassifications and the adjustments arising from the new leasing rules are recognised in the opening Condensed Statement of Financial Position on 1 July 2019. Under this approach, there is no initial Impact on retained earnings, and comparatives have not been restated.

*Impact on adoption of AASB 16*

All group leases have a term of less than 12 months or relate to low value assets and the Group has applied the optional exemptions to not capitalise these leases and instead account for the lease expense on a straight-line basis over the lease term.

Therefore, the adoption of AASB 16 resulted in the recognition of right-of-use assets of \$nil and lease liabilities of \$nil in respect of all operating leases.

The net impact on retained earnings on 1 July 2019 was \$nil.

**DIRECTORS' DECLARATION**

1. In the opinion of the Directors of Kin Mining NL (the 'Company'):
  - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
    - i. giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half- year then ended; and
    - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
  - 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.
  - c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2019.

This declaration is signed in accordance with a resolution of the board of Directors.



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**Andrew Munckton**  
**Managing Director**  
**5 March 2020**





## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Kin Mining NL

### **Report on the Condensed Half-Year Financial Report**

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Kin Mining NL ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Kin Mining NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Emphasis of matter - material uncertainty related to going concern*

We draw attention to Note 1(e) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Directors' responsibility for the half-year financial report*

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

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

**[hlb.com.au](http://hlb.com.au)**

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

A handwritten signature in blue ink that reads 'HLB Mann Judd'.

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**5 March 2020**

A handwritten signature in blue ink that reads 'D I Buckley'.

**D I Buckley**  
**Partner**