ACCENT RESOURCES N.L.

ACN 113 025 808

# ANNUAL REPORT

## FOR THE YEAR ENDED
## 30 JUNE 2019

ACCENT RESOURCES N.L.

ACN 113 025 808

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**Directors**

Yuzi (Albert) Zhou - Executive Chairman
Dian Zhou He - Non-Executive Director and Deputy Chairman
Jun Sheng Liang - Non-Executive Director
Jie You - Alternate Director to Jun Sheng Liang

**Company Secretary**

Robert Allen

**Auditor**

Deloitte Touche Tomatsu
Tower 2, Brookfield Place
123 St Georges Terrace
PERTH WA 6000

**Bankers**

Bankwest
1/1215 Hay Street
WEST PERTH WA 6005

**Solicitors**

Hilary Macdonald
Suite 29, 18 Stirling Highway
NEDLANDS WA 6009

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

**Share Registry**

Advanced Share Registry
150 Stirling Highway
NEDLANDS WA 6009

**Stock Exchange Listing**

Australian Stock Exchange Limited
(Home Branch - Perth)

ASX Code: ACS

**Registered Office**

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MELBOURNE VIC 3000
Telephone: +61 3 9670 0888

**Exploration and Administration Office**

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**Contacts**

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Dear Shareholder

I am glad to present this 2019 Annual Report for Accent Resources NL.

Due to continued unfavourable iron ore benchmark prices advanced studies on our flagship Magnetite Range Project were limited during the year. The Company regards Magnetite Range Project as a core asset and will continue to seek ways of progressing development when the market becomes more favourable in the future. In recent months iron ore prices have improved providing some encouragement that new iron ore projects will become economic in the future.

The Company has continued to assess the Norseman gold project. Although current gold resources are unlikely to support a standalone operation they represent the opportunity for either a development joint venture or toll processing with local operators. The Company is planning exploration drilling at Norseman in late 2019 with the aim of increasing the resource after a technical review of the previous resource and geological interpretations. Unfortunately the gold tenements at Meekatharra have lapsed as we were not successful in our renewal application in 2018.

In order to grow the Company Accent Resources invested in MZI Resources Ltd ("MZI") which is a new heavy mineral sands producer in Western Australia. MZI's production at Keysbrook did not reach budgeted levels due primarily to continued recovery problems and together with very high debt burden resulted in significant continuing operating losses. This led to a decision to put MZI into administration in April 2019. The administrator has since been exploring options for sale or recapitalisation of the business.

We have investigated other projects in recent years but they did not satisfy the outcome desired mainly due to the uncertainty of project sustainability. Our major shareholders, Xingang Resources (HK) Limited and Rich Mark Development (Group) Pty. Ltd, continue to provide financial support to Accent Resources operations and we will keep assessing new project opportunities for acquisition in the expectation that it can increase the scale of the Company's position.

I thank shareholders for their loyalty and support during the past year and look forward to another prosperous year ahead.

**Yuzi Zhou**
**Executive Chairman**

18 September 2019

Your Directors present their report together with the financial statements of Accent Resources NL ("the Company" or "ACS") for the year ended 30 June 2019.

**Directors**

The Directors in office at the date of this report and at any time during the financial year are as follows. Directors were in office for the entire year unless otherwise stated.

Yuzi (Albert) Zhou – Director and Executive Chairman
Dian Zhou He – Non-Executive Director and Deputy Chairman
Jun Sheng (Jerry) Liang – Non-Executive Director
Jie You (Alternate Director to Jun Sheng Liang)

**Information on Directors and officers**

**Yuzi (Albert) Zhou**

Director and Executive Chairman – appointed 8 May 2012

| | |
|---|---|
| ***Qualifications*** | Bachelor of Engineering, Beijing Science and Technology University |
| ***Experience*** | Mr Zhou majored in Metal Physics and graduated from Beijing Science and Technology University with a Diploma of Bachelor of Engineer in 1985. Mr Zhou then joined Shougang Iron and Steel Company ("Shougang") in 1985. In his 9+ years with Shougang he worked as an assistant engineer, as the engineer for a study of energy control and saving in iron and steel making process and then as department manager for the iron and steel international import and export business for both the United States and China. Mr Zhou then joined Itochu China Corporation as the Deputy Department Manager for the next 7 years, dealing mainly in steel products and the iron ore import and export business. The Itochu Corporation was the largest trading Company in the world. Since 2001 Mr Zhou has joined in Rio Tinto marketing team as a Superintendent Sales Manager importing and selling iron ore in China for 6+ years. Later Mr Zhou worked as the Managing Director of China Nickel Resources Holdings Limited Company in Hong Kong for 4 years for nickel ore and iron ore mining, exporting and importing business in south east Asian areas. |
| ***Interest in Shares and Options*** | Nil |
| ***Other Current Directorships of Listed Companies*** | Non Executive Direct, MZI Resources Ltd – appointed 8 March 2018 |
| ***Former Directorships of Listed Companies in Last Three Years*** | Nil |

**Dian Zhou He**

Non-Executive Director and Deputy Chairman – appointed 8 May 2012

| | |
|---|---|
| ***Qualifications*** | Bachelor of engineering and EMBA, Baotou Iron and Steel University and Huazhong University of Science and Technology |
| ***Experience*** | Mr He is the Chairman and President of Xingang Iron and Steel Company Limited ("Xingang Iron and Steel Company") of the Angang Group. He joined Xingang Iron and Steel Company after finishing his mining engineering studies in Baotou Iron and Steel University in 1985 and had further education in Huazhong University of Science and Technology where he was awarded an EMBA in 2005. He has been engaged in mining, iron making, steel production and overall Company management over the last 26 years. Xingang Iron and Steel Company is a leading steel Company in Henan Province of China with more than 6,300 employees and a total annual steel production output of 4.5 million tonnes. The turnover in 2009/2010 was RMB 9.6 billion. Mr He is also the Chairman of Xingang Resources, a subsidiary Company of Xingang Iron and Steel Company established in Hong Kong for Australian business. Xingang Resources became the largest shareholder in the Company through an on market bid early 2012 |

***Interest in Shares and Options*** Shareholder of Xingang Resources (HK) Ltd which holds 98,026,518 ordinary shares (54.2%) in Accent Resources NL.

***Other Current Directorships of Listed Companies*** Nil

***Former Directorships of Listed Companies in Last Three Years*** Nil

**Jun Sheng (Jerry) Liang**

Non-Executive Director – appointed 8 July 2009

***Qualifications*** Bachelor of Science and Engineering, Henan Agricultural University

***Experience*** Mr Liang is Managing Director of Rich Mark Development (Group) Pty Ltd. He has 25 years' experience in international trade, including 11 years in COFCO, China's largest Company, and 12 years in iron ore and steel trading.

***Interest in Shares and Options*** Controlling Shareholder of Rich Mark Development (Group) Pty Ltd which holds 28,218,366 ordinary shares (15.6%) in Accent Resources NL.

***Other Current Directorships of Listed Companies*** Nil.

***Former Directorships of Listed Companies in Last Three Years*** Nil.

**Jie You**

Alternate Director to Jun Sheng Liang – appointed 8 September 2011

***Qualifications*** Bachelor of Science, Xiamen University

***Experience*** Mr You joined Xiamen International Trade Group (ITG) after he graduated from university in 1989 and worked in the international trade side of ITG for ten years. He was also General Manager of two ITG subsidiary companies between 1996 and 2000. Jie You has worked as a marketing manager for Rich Mark Development (Group) Pty Ltd (a bulk commodities Company).

***Interest in Shares and Options*** Nil.

***Other Current Directorships of Listed Companies*** Nil.

***Former Directorships of Listed Companies in Last Three Years*** Nil.

**Robert Allen**

Company Secretary – appointed 1 July 2013

***Qualifications*** Bachelor of Science (RMIT University) and Bachelor of Business, (Macquarie University)

***Experience*** Mr Allen commenced his career as an exploration geologist. Since the early 1980's he has had over 35 years' experience in stockbroking, resources finance and banking, trading and risk management. During that time he also has had roles as CFO and Company Secretary and has also enjoyed the role of Director of an ASX listed Company.

***Interest in Shares and Options*** Nil.

***Other Current Directorships of*** Nil.

***Former Directorships of Listed Companies in Last Three Years*** Nil.

**Meeting of Directors**

During the year, four meetings of directors were held. Attendances were:

| Directors | Number Eligible to Attend | Number Attended |
|---|---|---|
| Jun Sheng (Jerry) Liang | 4 | 4 |
| Dian Zhou He | 4 | 4 |
| Yuzi (Albert) Zhou | 4 | 4 |
| Jie You | 4 | 4 |

**Principal Activities**

The principal activities of the Company entity during the financial year was the exploration and evaluation of mineral deposits.

**Results of Operations**

The net loss of the Company after income tax for the year amounted to $3,518,530 (2018: $2,574,485).

**Dividends**

No dividend has been paid or declared by the Company up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend.

**Review of Operations**

In conjunction with majority shareholder Xingang Resources (HK) Ltd, the Company continues to assess investment opportunities and projects for acquisition or development. A summary of the Company's investments and projects are provided here.

**1. Investments:**

**MZI Resources Ltd (3.4%)**

The Company announced on 30th November 2015 that it had acquired a substantial shareholding in MZI Resources Ltd ("MZI") which is a listed West Australian mineral sands producer (ASX Code: MZI). The Company acquired 10 million shares of MZI at an issue price of 40 cents for a total consideration of $4.0 million. The Company's current interest is 3.4%. The Company funded its participation in the MZI placement by way of a $4.0 million loan facility extended by the Company's major shareholder Xingang Resources (HK) Ltd.

In November 2015, MZI commissioned a mineral sands mine at Keysbrook which is 70km south of Perth. During 2016 the project was expected to ramp up to its initial production target of 96ktpa of leuxcone and zircon concentrate comprising 38ktpa of L88, 29ktpa of L70, and 29ktpa of zircon concentrate. However, despite the project being completed on time and within budget, the operating performance in 2016 was disappointing with production being 55-60% of design capacity and operating costs being above budget. Performance in 2016 was affected by below design level recoveries in the WCP (necessitating an additional 48 spirals to be installed), and mining problems caused by equipment breakdown, long haul distances and noise restrictions limiting 24 hour operations.

In November 2016, MZI announced a board and management transition with Mr Rod Baxter becoming the new Chairman and Mr Steve Ward becoming the interim Managing Director. At the same time it also advised that a US$16 million debt funding package had been provided by the major shareholder Resource Capital Fund ("RCF") VI LP. The funding package was for plant modifications and working capital. In May 2017, MZI announced that it had appointed a new Managing Director Mr Martin Purvis who commenced on 1st July 2017. Later that month it announced that it had secured an additional US$5 million funding package from RCF for land acquisition.

In September 2017 MZI announced a new operating plan to increase Keysbrook throughout to 5.25mtpa by mid 2018. To finance the expansion two further funding packages of US$5 million each from RCF were announced with the second one taking short -erm borrowings from RCF to US$31 million in January 2018. These short-term loans were to be repaid by 1st April 2018.

On 8th March 2018 MZI announced a loss of $11.34 million for the half year to December 2017. Half-year output rose by 9% to 53kt and sales volumes increased by 47% to 39kt.

Also on 8th March 2018 MZI announced that ACS' Chairman, Mr. Albert Zhou, had been appointed a Non Executive Director of MZI. ACS, together with major shareholder Rich Mark Development Pty Ltd, held at that time a total associated interest of 13.2% in MZI.

On 29th March 2018 MZI announced a new funding package had been provided by RCF comprising an additional US$10million working capital loan and a new US$61 million 3-year term loan to retire short term debt and provide working capital, land access expenses and operational optimisation.

For the year ended 30 June 2018, MZI announced a loss of $35.4m (2017: $31.4m loss) on sales of $42.5m (2017: $39.6m). Saleable production was 74.7k tonnes (2017: 62.2k tonnes). The Company reported that by year end mining operations were operating at the expanded rate of 5.25mtpa but recovery of the major product L88 had still not reached targeted levels at both the WCP and MSP. These recovery problems together with high financing costs were the major reasons for the ongoing losses.

In the half-year ended 31 December 2018, significant losses continued with Company announcing a loss of $32.3m (2017: $11.3m loss). The auditors noted that there was material uncertainty about MZI's ability to continue as a going concern. The Company also announced in January 2019 that it was exploring a sale or other transaction which would realise the inherent value in the Keysbrook operations and that it had appointed Azure Capital to advise on this process. On 18th March 2019, MZI shares were suspended pending an announcement. On 16th April 2019, MZI announced that it had appointed McGrath Nicol as Voluntary Administrators. The appointment related only to the listed entity MZI and did not extend to any of its wholly owned subsidiaries. The Administrators indicated they would explore options for the sale or recapitalisation of the business.

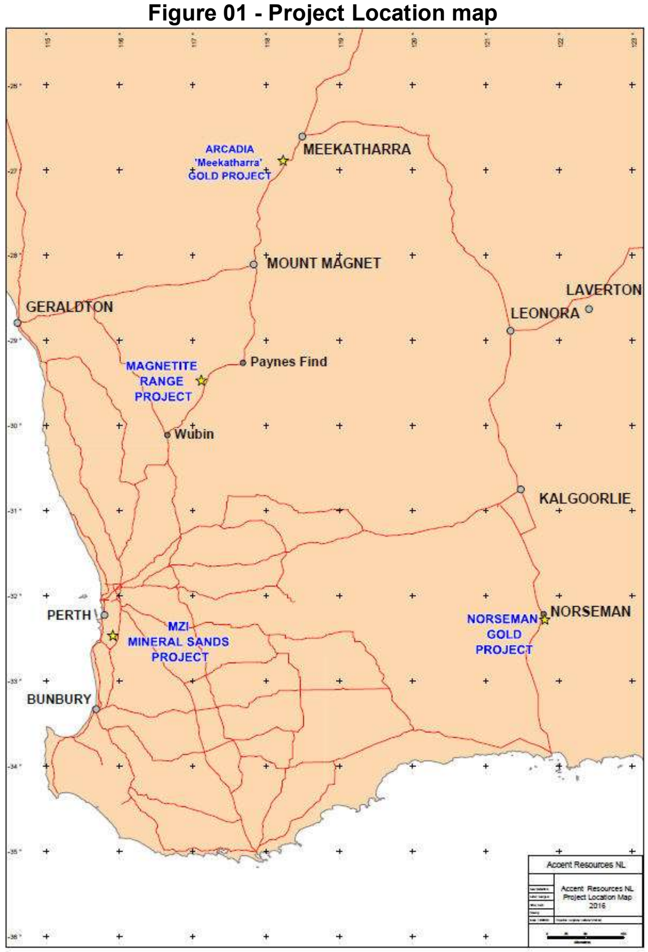
Keysbrook is a high value, low cost operation and was expected to be the world's largest primary producer of leuxocene. With resources equivalent to 30 years mine life at initial production rates it has significant expansion potential. The Keysbrook project has mineral resources totalling 155mt at 2.0% heavy mineral content and within these resources Proved and Probable Reserves are 72.1mt at 2.2% heavy mineral grade. The reserves are sufficient for 15 years at the initial production rate.

**2. Projects**

Accent Resources NL is the 100% owner of the Magnetite Range Project located approx. 310km north northeast of Perth and the Norseman Gold Project located 5km south east of Norseman (refer Figure 01). During the year the Company was advised that its application to extend the term of its Meekatharra tenement was rejected by the DMP and therefore Accent no longer holds this tenement.

Principal activities during the financial year included continued project review and evaluation. The Magnetite Range Project has seen the design and completion of a diamond drill hole for metallurgical testing. Logging has been completed and sampling is due to commence. The Norseman project has seen some progress on Native Title negotiations with 11 of the 13 tenements included in MLA63/657 application. A project wide database validation and consolidation exercise has been recommended and corporate strategy will be reviewed. The Company remains committed to the projects and will continue to seek ways of progressing development in the future.

Figure 01 - Project Location map

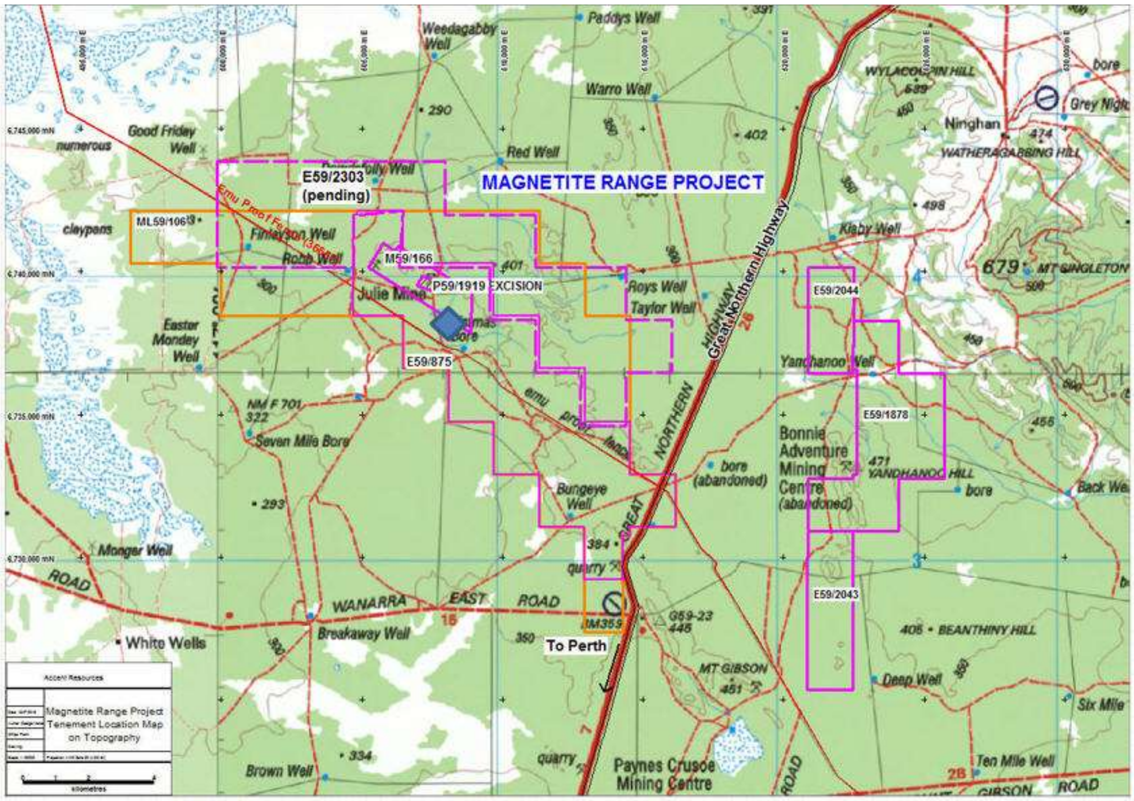



**MAGNETITE RANGE IRON ORE PROJECT (ACS 100%)**

The Magnetite Range Project is an advanced iron magnetite project, with green field gold and iron ore potential located approximately 310km north northeast of Perth and 250km east southeast of Geraldton in the Shire of Yalgoo. The project area covers portions of the Ninghan, White Wells and Wanarra pastoral stations immediately west of the Great Northern Highway between Wubin and Paynes Find.

The project is well located in the southeast of the developing midwest iron ore region and located immediately northwest along strike of the operating Extension Hill (also known as Mt Gibson) iron ore project (refer Figure 02). The Extension Hill project has a dual ownership structure between Mount Gibson Iron Ltd (ASX:MGX) and unlisted Company Asia Iron Australia Pty Ltd. Karara DSO and magnetite iron mine, which is a Joint Venture between Gindalbie Metals Ltd (ASX:GBG) and Chinese Steel producer Anshan Iron and Steel Group ("Ansteel"), is also located 45km to the north east.

**Figure 02 - Magnetite Range Project – showing Diamond Hole Location (blue), tenement outline on Topography**




The main banded iron formation ("BIF") ridges form low topographic highs (up to 30m in the south) or otherwise are buried beneath thin cover. Magnetite mineralization is contained within northwest and west northwest striking BIF units extending for over 14km of strike. The majority of the project area is within E59/875 and is characterised by two adjacent BIF units with an additional thinner unit occurring at the Hematite Hill prospect area in the south. The BIF package in the Hematite Hill area is up to 400m true thickness. The BIF units are sub vertical to steeply dipping east between Hematite Hill and Retaliation; this can shallow to an approximately 50$^{o}$ dipping northeast at Julia. Drilling completed indicates that the BIF units remain open at depth.

A total of 21,844m (12,218m of diamond drilling and 9,626m of Reverse Circulation ("RC")) resource drilling was completed between 2008 and 2010 and used to estimate a revised total JORC resource of 434.5 Mt at 31.4% Fe at 15% weight recovery cut off, as announced to the ASX on 28 November 2012. The Mineral Resource estimate is detailed in Summary Resources Statements section at end of report.

The Company completed a diamond drill hole during the reporting period. A planned 'twin' diamond hole DD03 (MGDD045) located on E59/875 was completed on 28$^{th}$ March 2018. The final collar location was varied to avoid removal of existing vegetation and minimise environmental impact, whilst also considering POW requirements. Geological logging and initial analysis indicates targeting was successful and metallurgical sampling and studies are continuing.

A total of 950+ soil geochemical samples have been designed over E59/2043; 2044; 1878 and are due to commence during the next reporting period. The size of the program will be dependent on successful grant of extension of term for E59/1878.

An application for E59/2303 was submitted over a portion of the pre-existing tenement E59/1732. Tenement E59/1732 extension of term was not successful and the Company was formally notified late 2017, after a 3-month moratorium period. The Company successfully re-applied for a smaller area of the original E59/1732 foot print.

On 15th January 2018 new application E59/2303 for 18 blocks of the 36 original block size was applied for, this application was granted on 31 August 2018. Negotiations with White Wells Station owners have progressed and a Land Access Protocol was finalised during the last reporting period.

The Company continues to progress further studies of the Magnetite Range project in the form of internal reviews, future drill targeting, land access and acquisition, infrastructure, logistics studies and corporate options for project development. The commencement of a pre-feasibility study is imminent and additional test work plans have been designed. Soils sampling and RC Drilling have also been proposed and are currently in the application process.

**NORSEMAN GOLD PROJECT (ACS 100%)**

The Norseman project comprises five Mining Leases and eight Prospecting Licences covering an area of approximately 256 hectares and is located 5km south of Norseman in the Dundas Mineral Field. Mining Lease Application (MLA63/567) was applied for on the 3rd September 2015 and is currently pending. This application includes 4 Mining Leases (M63/225; 226; 247 and 369) and 7 Prospecting Leases (P63/1380; 1381; 1383; 1384; 1642; 1893 and 1904) and will consolidate tenure for the project. Native Title negotiations are currently underway with the local Ngadju for this application. P63/1997 was granted on 4th July 2016, P63/2052 was applied for on 20th June 2016 and was granted on 26th October 2017. Both of these were subsequent to the MLA application therefore are not included in MLA63/267 (refer Figure 03).

The project area occurs within a strongly mineralised portion of the southern Norseman – Wiluna greenstone belt of the Yilgarn Craton. The local geology consists predominantly of Archaean banded cherty siltstone / ironstone formations interbedded with mafic volcanic and intrusives. The ironstones, referred to as the Eastern and Western Banded Ironstones contain flanking volcanics and chert breccias, passing into fine clastics and magnetite ironstones.

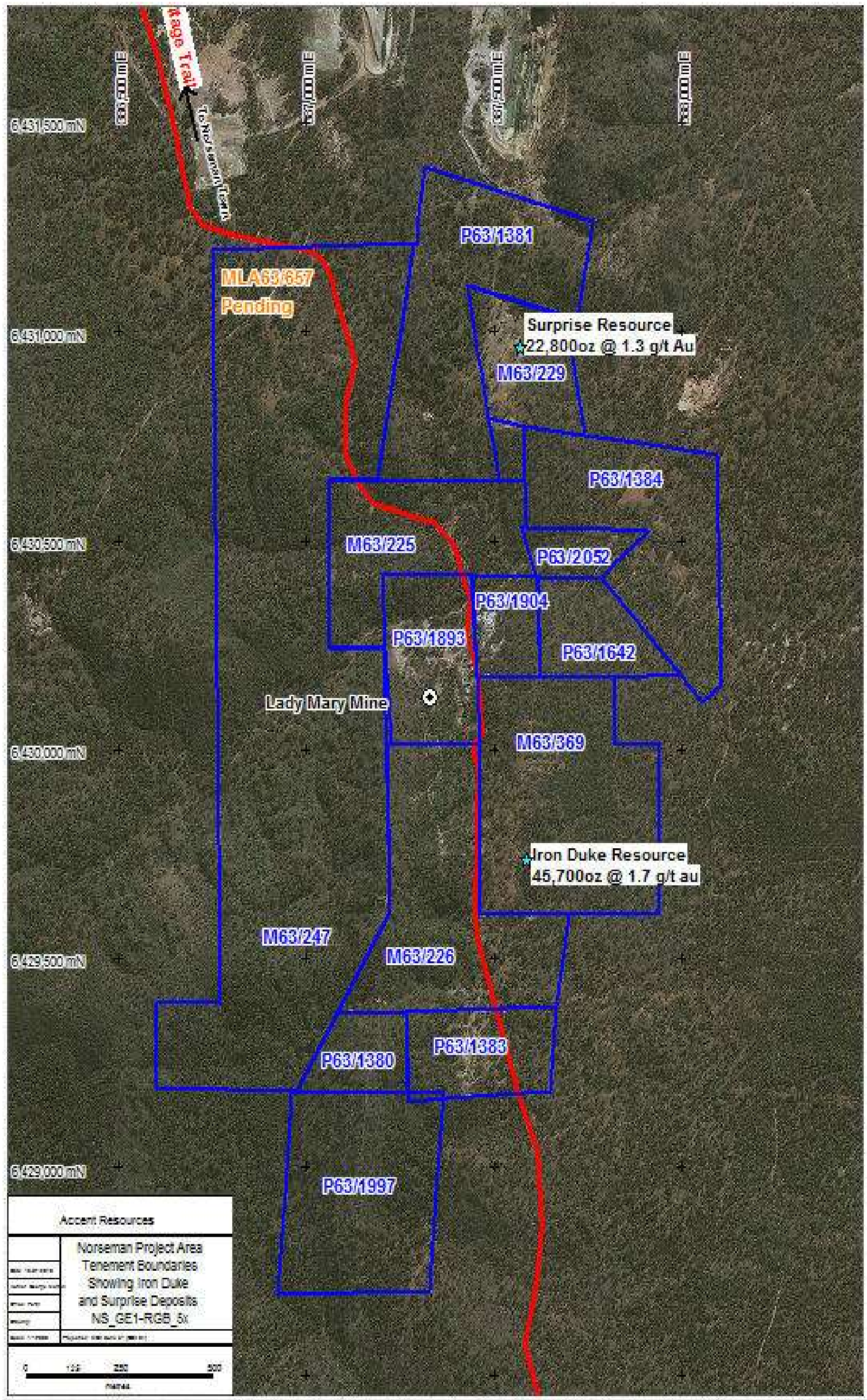
Gold mineralisation occurs predominantly along the Mt Henry Shear within the core of the eastern Ironstone (Surprise – Iron Duke – Maitland/Break O'Day Trend) and along the eastern margin of the western Ironstone (Lady Mary Trend). Additional mineralisation occurs in east northeast – west south west trending cross-cutting structures (Luck Call, Battler). The most significant mineralisation discovered to date consists of the north-south trending Iron Duke (40,700oz @ 1.9g/t Au) and Surprise (18,800oz @ 1.5g/t Au) gold deposits along the Mt Henry Shear (99 percentile upper cut, 1.0g/t Au lower cut off as announced to the ASX on 26 November 2012). Over 70-80% of these resources are shallow, within 50m of surface. The Mineral Resource estimate is detailed in Summary Resources Statements section at end of report.

Resource estimation and pit optimization studies of the Surprise – Iron Duke Resources were completed during 2012 to assess their potential and economic viability. The current gold resources are unlikely to support a stand-alone operation but represent opportunity for either a development joint venture or toll processing with local operators. A technical review of the previous resource and geological interpretation during 2017 resulted in a similar outcome to previous studies, with further geochemical work recommended.

Tenements P63/1893 and 1904 cover the historically significant Lady Mary mine. Lady Mary was the subject of sporadic mining since the early 1900's with early reported production exceeding 26,000oz at grades greater than 20g/t Au. Mineralisation is associated with the Lady Mary Shear and hosted by an east dipping northeast plunging quartz vein which occurs at the eastern contact of the Western Ironstone with gabbro. Proposed work should include a review of geological information and construction of 3-dimensional model to accurately predict the plunge of the high-grade Lady Mary shoot. This will utilise surveyed information, historical drilling and underground mine plans. Drilling of the untested but significantly mineralised structure south and along strike of the historic Lady Mary mine is also recommended.

Future work recommended on this project includes a data validation and consolidation exercise to increase 3D geological and metallurgical understanding and increase resources and reduce risk related to some aspects of data quality. An improvement in the geological classification of the contained resources can be expected and precise targeting and drill planning will take place once digital updates have been completed. Further research into geochemical sampling options of existing samples and chip trays currently located in storage have commenced and are ongoing.

**Figure 03 - Norseman Project Location Map with Resources at 0.5g/t Au Cut-off**



**Financial Position**

At 30 June 2019, the Company was in a net liability position of $3,420,703 (2018: $57,823). Full details of the financial position of the Company can be found in the Financial Statements section within this Annual Report.

**Significant Changes in State of Affairs**

There were no significant changes in the state of affairs of the Company during the financial year other than those disclosed previously.

**After Balance Date Events**

Subsequent to the end of the financial year the Company signed an agreement with Rich Mark Dvelopment Group Pty Ltd for a $2.0 million loan available for drawdown in four tranches, first being $0.5 million that has already been made available to the Company. The second, third and fourth tranches will be made available to the Company on 10 October 2019, 10 January 2020 and 10 April 2020 respectively. The loan is unsecured and subject to interest at 6% pa which accrues six monthly and is payable along with the principle at maturity. The loan matures on 30 June 2021.

**Future Developments, Prospects and Business Strategies**

The Company intends to continue to pursue its goals of identification of investment opportunities in the resources sector and development of existing projects.

**Environmental Issues**

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

**Shares Under Option**

There are no unissued ordinary shares of the Company under option at the date of this report.

No Share options were granted during the financial year (2018: Nil).

**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.*

**Indemnification and Insurance of Officers**

In accordance with the constitution, except as may be prohibited by the *Corporations Act 2001* every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. Accordingly the Company has in place Directors and Officers Insurance and the total amount of insurance contract premiums paid was $11,756 (2018: $10,088).

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 49 of the Financial Statements.

**Non-audit Services**

The Board of Directors is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure that they do not adversely affect the integrity and objectivity of the auditors; and

- the nature of the services provided do not compromise the general principles relating to audit independence as set out by Chartered Accountants Australia and New Zealand and APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2019 (2018: nil).

**Corporate Governance**

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Accent Resources NL support and adhere to the principles of corporate governance. The Company's Corporate Governance Statement is contained in the subsequent section of this report and on its website at www.accentresources.com.au.

**Remuneration Report (Audited)**

The Remuneration Report is set out under the following main headings:

A Directors and Key Management Personnel
B Principles Used to Determine the Nature and Amount of Remuneration
C Service Agreements
D Details of Remuneration
E Share-based Compensation
F Equity Instrument Disclosures Relating to Key Management Personnel
G Other Transactions

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

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

The Company received 97% of "yes" votes on its remuneration report for the 2018 financial year. The Company notes that this was an improvement on the previous year and reflects the conservative remuneration practices of the Company.

**A. Directors and Key Management Personnel**

The remuneration arrangements detailed in this report relate to the following Directors and key management personnel as follows:

Yuzi (Albert) Zhou – Executive Chairman
Dian Zhou He – Non-Executive Director and Deputy Chairman
Jun Sheng Liang – Non Executive Director
Jie You – Alternative Director to Jun Sheng Liang
Mr. Robert Allen – Company Secretary

### B. Principles Used to Determine the Nature and Amount of Remuneration

The Board recognises that Accent Resources NL operates in a global environment. To prosper in this environment we must attract, motivate and retain key executive staff.

In determining competitive remuneration rates, the Board, acting in its capacity as the remuneration committee, seeks independent advice on local and international trends among comparative companies and the mining and exploration sector generally. It examines terms and conditions for employee incentive schemes benefit plans and share plans. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

No remuneration consultants were utilised in the current year to determine remuneration.

**Board Remuneration**

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Board determines actual payments to directors and reviews their remuneration annually. This is based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors.

**Performance-based Remuneration**

At this stage of the Company's development and being an exploration Company, there are no remuneration policies which link remuneration to Company performance.

The principles supporting our remuneration policy are that:

- Reward reflects the competitive global market in which the Company operates.
- Remuneration arrangements are equitable and facilitate the development of senior management across the Company.

The tables below set out summary information about the Company's movements in shareholder wealth for the five years to 30 June 2019:

| | 30 June 2019 $ | 30 June 2018 $ | 30 June 2017 $ | 30 June 2016 $ | 30 June 2015 $ |
|---|---|---|---|---|---|
| Revenue | 12,762 | 13,932 | 28,425 | 96,832 | 54,743 |
| Net loss before tax | (2,758,530) | (2,574,485) | (3,113,099) | (940,096) | (13,881,285) |
| Net loss after tax | (2,758,530) | (2,574,485) | (3,113,099) | (940,096) | (13,881,285) |

| | 30 June 2019 $ | 30 June 2018 $ | 30 June 2017 $ | 30 June 2016 $ | 30 June 2015 $ |
|---|---|---|---|---|---|
| Share price at start of year | 0.01 | 0.03 | 0.08 | 0.14 | 0.21 |
| Share price at end of year | 0.02 | 0.01 | 0.03 | 0.08 | 0.14 |
| Basic earnings per share | (1.52) | (1.42) | (1.72) | (0.52) | (7.67) |

No dividends have been declared.

### C. Service Agreements

**Employment Contracts of Directors and Senior Executives**

The Executive Chairman, Mr Yuzi Zhou, has an ongoing arrangement with the Company which was put in place with effect on 1 July 2014. Mr Zhou receives a salary of $168,000 per annum and either party may terminate this agreement at any time by giving a three month's written notice.

The Non-Executive Directors and Company Secretary have been appointed on an ongoing basis and have no retirement benefit allowances (neither current nor accrued), and the Company has no obligations to Directors upon their cessation from office.

There are no additional employment contracts relating to Directors or the Company Secretary other than what is outlined above.

### D. Details of Remuneration

The remuneration for each Director and other members of key management personnel during the year was as follows:

**2019**

| Key Management Personnel | Short-term Benefits | | | | Share based Payment | | Total | Performance Related |
|---|---|---|---|---|---|---|---|---|
| | Salary & Fees | Non-cash benefit | Post employment benefits | Other | Equity | Options | | |
| | $ | $ | $ | $ | $ | $ | $ | % |
| Dian Zhou He | 50,000 | - | - | - | - | - | 50,000 | - |
| Jun Sheng (Jerry) Liang | 32,877 | - | 3,123 | - | - | - | 36,000 | - |
| Yuzi (Albert) Zhou | 168,000 | - | 15,960 | - | - | - | 183,960 | - |
| Robert Allen | 27,050[1] | - | - | - | - | - | 27,050 | - |
| | 277,927 | - | 19,083 | - | - | - | 297,010 | - |

**2018**

| Key Management Personnel | Short-term Benefits | | | | Share based Payment | | Total | Performance Related |
|---|---|---|---|---|---|---|---|---|
| | Salary & Fees | Non-cash benefit | Post employment benefits | Other | Equity | Options | | |
| | $ | $ | $ | $ | $ | $ | $ | % |
| Dian Zhou He | 50,000 | - | - | - | - | - | 50,000 | - |
| Jun Sheng (Jerry) Liang | 32,877 | - | 3,123 | - | - | - | 36,000 | - |
| Yuzi (Albert) Zhou | 168,000 | - | 15,960 | - | - | - | 183,960 | - |
| Robert Allen | 25,000[2] | - | - | - | - | - | 25,000 | - |
| | 275,877 | - | 19,083 | - | - | - | 294,960 | - |

### E. Share-based Compensation

**Share-based Compensation**

There were no shares issued (2018: nil) and no share options granted (2018: nil) as compensation to Directors and executives during the financial year. There are no outstanding share options granted in prior periods owned by Directors or executives.

**Shares Issued Upon Exercise of Remuneration Options**

No shares have been issued upon exercise of options granted as compensation in prior years to key management personnel. (2018: nil).

[1] Mr Rob Allen invoices the Company as a contractor for his services.
[2] Mr Rob Allen invoices the Company as a contractor for his services.

### F. Equity Instrument Disclosures Relating to Key Management Personnel

(i) Options provided as remuneration and shares issued on any exercise of such options

No share options were granted to Key Management Personnel as remuneration during the financial year (2018: nil).

(ii) Option holdings

There are no options on issue. (2018: nil)

(iii) Share holdings

The number of ordinary shares in the Company held during the financial year by each Director and any other Key Management Personnel of the Company, including related parties, are set out below.

**Number of Shares Held by Key Management Personnel**

| 30 June 2019 | Balance at beginning of year | Received as Compensation | Options Exercised | Net Change Other | Balance at end of year |
|---|---|---|---|---|---|
| Dian Zhou He | 98,026,518 | - | - | - | 98,026,518 |
| Jun Sheng (Jerry) Liang | 28,218,366 | - | - | - | 28,218,366 |
| Yuzi (Albert) Zhou | - | - | - | - | - |
| Jie You | - | - | - | - | - |
| Robert Allen | - | - | - | - | - |
| | 126,244,884 | - | - | - | 126,244,884 |

| 30 June 2018 | Balance at beginning of year | Received as Compensation | Options Exercised | Net Change Other | Balance at end of year |
|---|---|---|---|---|---|
| Dian Zhou He | 98,026,518 | - | - | - | 98,026,518 |
| Jun Sheng (Jerry) Liang | 28,218,366 | - | - | - | 28,218,366 |
| Yuzi (Albert) Zhou | - | - | - | - | - |
| Jie You | - | - | - | - | - |
| Robert Allen | - | - | - | - | - |
| | 126,244,884 | - | - | - | 126,244,884 |

### G. Other Transactions

There are no other transactions or balances to disclose.

**End of the Audited Remuneration Report**

Signed in accordance with a resolution of the Board of Directors made pursuant to s.295(5) of the *Corporations Act 2001*.

Yuzi Zhou
Executive Chairman
Dated this 18th day of September 2019

## CORPORATE GOVERNANCE STATEMENT

As a Company listed with the ASX Limited (ASX), Accent Resources NL must report on its main corporate governance practices by reference to the Principles and Recommendations of the ASX Corporate Governance Council (the Council). This Report is prepared with reference to the Council's Corporate Governance Principles and Recommendations with 2014 Amendments as published in March 2014 which also contains guidelines to companies as to how they should report in relation to the Principles (Guide).

### PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

*Recommendation 1.1 – A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.*

The Board of Directors has been charged by members to oversee the affairs of the Company to ensure that they are conducted appropriately and in the interests of all members. The role of the Board includes:

(a) providing leadership and setting the strategic objectives of the entity;

(b) appointing the Chair and independent Directors;

(c) appointing and, when necessary, replacing the CEO;

(d) approving the appointment and, when necessary, replacement of senior executives;

(e) overseeing the implementation of strategic objectives;

(f) approving budgets and major capital expenditure;

(g) approving the integrity of the reporting systems;

(h) overseeing the process for making timely and balanced disclosure;

(i) ensuring appropriate risk management framework is in place;

(j) appropriate remuneration framework; and

(k) monitoring performance of governance practices.

The Board has delegated to the relevant appointed CEO or other appointed management, the management of the day-to-day operations and administration of the Company, consistent with the objectives and policies set down by the Board. The CEO or appointed management is directly accountable to the Board for the performance of the management team. The CEO position is vacant at present and this function is being performed by the Executive Chairman.

*Recommendation 1.2 – A listed entity should undertake checks before appointing a director and provide shareholders with all relevant information.*

The following information about a candidate standing for election or re-election as a director should be provided to shareholders;

(a) Biographical detail;

(b) Details of other directorships;

(c) Statement of suitability to be a director, and

(d) Term of office currently served by the director.

*Recommendation 1.3 – A listed entity should have a written agreement with each director and senior executive setting out the terms of the appointment.*

*Recommendation 1.4 Company Secretary should be accountable directly to the Board through the Chair.*

*Recommendation 1.5 – A listed entity should have a diversity policy for achieving gender diversity.*

**PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE**

*Recommendation 2.1 – The Board of a listed entity should have a nomination committee.*

*Recommendation 2.2 – A listed entity should have and disclose a skills matrix setting out the skills and diversity of the board.*

The skills of each director is set out in the Directors Report.

*Recommendation 2.3 – A listed entity should disclose the names of the independent directors.*

*Recommendation 2.4 – A majority of the Board of a listed entity should be independent directors.*

*Recommendation 2.5 – The chair of the Board of a listed Company should be an independent director and should not be the same person as the CEO.*

The current Board comprises three Directors – two Non-Executive Directors and one Executive Director. The Executive Chairman is performing the functions of a CEO. There are no independent Directors at the date of this report. A Director is assessed as being independent according to the following criteria.

An Independent Director is a Non-Executive Director (i.e. is not a member of management) and:

(a) holds less than 5% of the voting shares of the Company and is not an Officer of, or otherwise associated directly or indirectly with, a shareholder of more than 5% of the voting shares of the Company;

(b) within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;

(c) within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;

(d) is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

(e) has no material contractual relationship with the Company or another group member other than as a Director of the Company;

(f) has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and

(g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

**PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING**

*Recommendation 3.1 - Companies should establish a code of conduct and disclose the code or a summary of the code:*

*3.1.1 the practices necessary to maintain confidence in the Company's integrity;*

*3.1.2 the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders: and*

*3.1.3 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.*

**PRINCIPLE 4 – SAFEGUARD INTEGRITY IN FINANCIAL REPORTING**

*Recommendation 4.1 - The Board should establish an Audit Committee*

It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of asset, the maintenance of proper accounting records and the reliability of financial information as well as non-financial considerations.

Having regard to the current size and activities of the Company, the Board will retain responsibility for the duties outlined in the Audit and Risk Committee Charter on the Company's website. As the size and composition of the Board increases over time, the Board will delegate these duties to an Audit and Risk Management Committee.

*Recommendation 4.2 - The Audit Committee should be structured so that it: Consists only non-executive directors; consists of a majority of independent directors; is chaired by an independent chair, who is not chair of the Board; and has at least three members.*

Having regard to the current size and activities of the Company, the Board will retain responsibility for the duties outlined for an Audit Committee. As the size and composition of the Board increases over time, the Board will delegate these duties to an Audit and Risk Committee (the "Committee"), whose composition can then be determined in accordance with the below.

The Committee must comprise at least three members.

(a) All members of the Committee must be Non-Executive Directors.

(b) A majority of the members of the Committee must be Independent Non-Executive Directors.

(c) The Board will appoint members of the Committee. The Board may remove and replace members of the Committee by resolution.

(d) All members of the Committee must be able to read and understand financial statements.

(e) The Chairman of the Committee may not be the Chairman of the Board of Directors and must be independent.

(f) The Chairman shall have leadership experience and a strong finance, accounting or business background.

(g) The external auditors, the other Directors, the Managing Director, Chief Financial Officer, Company Secretary and senior executives, may be invited to Committee meetings at the discretion of the Committee.

The Board is satisfied that it has sufficient financial, public Company, industry sector and business expertise to discharge its duties in terms audit and risk management at this stage of the Company's development.

*Recommendation 4.3 - The Audit Committee should have a formal charter*

The Company policy is to appoint external auditors who demonstrate independence, quality and performance. The performance of the external auditor is reviewed on an annual basis.

*Recommendation 4.4 - Companies should provide the information indicated in the Guide to reporting on Principle 4.*

The Company has provided this information.

**PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE**

*Recommendation 5.1 - Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.*

The Company must comply with continuous disclosure requirements arising from the Corporations Act and the Listing Rules of the Australian Securities Exchange (ASX).

The general rule, in accordance with ASX Listing Rule 3.1, is that once the Company becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price of value of the Company's securities, the Company must immediately disclose that information to the ASX.

The Company has in place a written policy on information disclosure and relevant procedures.

The focus of these procedures is on continuous disclosure compliance and improving access to information for investors.

The Company Secretary is responsible for:

(a) overseeing and co-ordinating disclosure of information to the relevant stock exchanges and shareholders; and

(b) providing guidance to Directors and employees on disclosure requirements and procedures.

Price sensitive information is publicly released through ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants is also managed through disclosure to the ASX.

Information is posted on the Company's website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

*Recommendation 5.2 - Companies should provide the information indicated in the Guide to reporting on Principle 5*

The Company has provided this information.

**PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS**

*Recommendation 6.1 - Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.*

The Board aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

Information is communicated to shareholders through:

(a) the Annual Report delivered by post and which is also placed on the Company's website;

(b) the half yearly report which is placed on the Company's website;

(c) the quarterly reports which are placed on the Company's website;

(d) disclosures and announcements made to the ASX, copies of which are placed on the Company's website;

(e) notices and explanatory memoranda of Annual General Meetings (AGM) and Extraordinary General Meetings (EGM) copies of which are placed on the Company's website;

(f) the Chairman's address and the Managing Director's address made at the AGMs and the EGMs, copies of which are placed on the Company's website;

(g) the Company's website, (www.accentresources.com.au) on which the Company posts all announcements which it makes to the ASX; and

(h) the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

The Company is reviewing its website to identify ways in which it can promote its greater use by shareholders and make it more informative. At least three historical years of the Company's Annual Report is provided on the Company's website. Shareholders queries should be referred to the Company Secretary in the first instance.
*Recommendation 6.2 - Companies should provide the information indicated in the Guide to reporting on Principle 6.*

The Company has provided this information.

**PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**

*Recommendation 7.1 - Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.*

*Recommendation 7.2 - The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.*

The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Board has assumed the normal responsibilities of an Audit and Risk Committee, including the responsibility for implementing the risk management system. As such, the Board will:

(a) oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements;

(b) assist management to determine the key risks to the businesses and prioritise work to manage those risks; and

(c) review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

The Company's process of risk management and internal compliance and control includes:

(a) identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;

(b) formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls; and

(c) monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

To this end, comprehensive practises are in place that are directed towards achieving the following objectives:

(a) compliance with applicable laws and regulations.

(b) preparation of reliable published financial information.

(c) implementation of risk transfer strategies where appropriate e.g. insurance.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Board in their performance of the duties of the Audit and Risk Committee.

The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis.

*Recommendation 7.3 - The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.*

The Managing Director, or equivalent, and the Chief Financial Officer have provided to the Board a declaration in accordance with section 295A of the Corporations Act that the integrity of the Company's financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies of the Board; and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

*Recommendation 7.4 - Companies should provide the information indicated in the Guide to reporting on Principle 7.*

The Company has provided this information.

**PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY**

*Recommendation 8.1 - The Board should establish a Remuneration Committee.*

Having regard to the current size and activities of the Company, the Board will retain responsibility for the duties outlined below in respect to a Remuneration Committee. As the size and composition of the Board increases over time, the Board will delegate these duties to a separately formed Remuneration Committee. The Charter may be subject to review by the Board at any time.

*Recommendation 8.2 - The remuneration committee should be structured so that it; consists of a majority of independent directors; is chaired by an independent chair; has at least 3 members.*

As stated above, the Board will retain responsibility for the remuneration committee duties.

The Board is satisfied that it has sufficient financial, public Company, industry sector and business expertise to discharge its duties at this stage of the Company's development.

*Recommendation 8.3 - Companies should clearly distinguish the structure of Non-Executive Director's remuneration from that of Executive Directors and senior executives.*

The Constitution of the Company provides that the aggregate remuneration of all Directors, in their capacity as Directors, must not exceed such sum as the Company in general meeting may approve and is to be apportioned amongst them in such manner as the Directors agree and, in default of agreement, equally. Non-Executive Directors who chair any of the Board Committees do not receive additional remuneration for such duties.

The remuneration of Directors and Company Secretary of the Company are set out in the Company's Annual Reports. The disclosure sets out the salary, fees, bonus entitlement, non-cash benefits, retirement benefits and equity related components of each of their respective remuneration packages.

There are no arrangements currently in place for payment of retirement benefits to Non-Executive Directors, other than statutory superannuation contributions.

*Recommendation 8.4 - Companies should provide the information indicated in the Guide to reporting on Principle 8.*

The Company has provided this information.

| | Note | 2019<br>$ | 2018<br>$ |
|---|---|---|---|
| Other income | 2 | 12,762 | 13,932 |
| Administration expenses | | (225,365) | (204,320) |
| Depreciation | | (10,061) | (13,243) |
| Occupancy expenses | | (45,413) | (43,810) |
| Directors fees | | (129,231) | (122,792) |
| Finance costs | | (685,700) | (551,219) |
| Other expenses | | (44,017) | (56,462) |
| Impairment of exploration expenditure | 2 | (1,631,505) | (356,571) |
| Impairment of financial assets | | - | (1,240,000) |
| Loss before income tax expense from continuing operations | | (2,758,530) | (2,574,485) |
| Income tax expense | 4(a) | - | - |
| **Loss for the year attributable to members of the Company** | | **(2,758,530)** | **(2,574,485)** |
| **Items that may be reclassified subsequently to profit or loss** | | | |
| Net fair value loss on financial assets | 14 | (760,000) | - |
| Total other comprehensive income | | (760,000) | - |
| **Total comprehensive loss for the year** | | **(3,518,530)** | **(2,574,485)** |
| **Total comprehensive loss attributable to members of the Company** | | **(3,518,530)** | **(2,574,485)** |
| | | **Cents Per Share** | **Cents Per Share** |
| Basic and diluted loss per share from continuing operations | 3 | (1.52) | (1.42) |

The accompanying notes form part of these financial statements.

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | 5 | 362,005 | 354,778 |
| Trade and other receivables | 6 | 15,742 | 7,683 |
| **Total Current Assets** | | **377,747** | **362,461** |
| **Non-Current Assets** | | | |
| Property, plant and equipment | 7 | 102,146 | 111,970 |
| Exploration and evaluation assets | 8 | 3,083,524 | 4,167,067 |
| Financial assets | 9 | - | 760,000 |
| **Total Non-Current Assets** | | **3,185,670** | **5,039,037** |
| **Total Assets** | | **3,563,417** | **5,401,498** |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | 10 | 128,254 | 119,713 |
| Provisions | 11 | 128,373 | 129,947 |
| **Total Current Liabilities** | | **256,627** | **249,660** |
| **Non-Current Liabilities** | | | |
| Borrowings | 12 | 6,727,493 | 5,209,661 |
| **Total Non-Current Liabilities** | | **6,727,493** | **5,209,661** |
| **Total Liabilities** | | **6,984,120** | **5,459,321** |
| **NET LIABILITIES** | | **(3,420,703)** | **(57,823)** |
| **EQUITY** | | | |
| Contributed equity | 13 | 29,058,955 | 29,058,955 |
| Parent and shareholder contribution | | 2,041,776 | 1,886,126 |
| Reserves | 14 | (760,000) | - |
| Accumulated losses | | (33,761,434) | (31,002,904) |
| **TOTAL EQUITY** | | **(3,420,703)** | **(57,823)** |

The accompanying notes form part of these financial statements.

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| | Note | Contributed Equity $ | Accumulated Losses $ | Financial Assets Reserve $ | Parent and Shareholder Contribution $ | Total Equity $ |
|---|---|---|---|---|---|---|
| **Balance at 1 July 2017** | | **29,058,955** | **(28,428,419)** | **-** | **1,237,982** | **1,868,518** |
| **Comprehensive Income** | | | | | | |
| Loss for the year | | - | (2,574,485) | - | - | (2,574,485) |
| **Total comprehensive loss for the year** | | - | (2,574,485) | - | - | (2,574,485) |
| **Transactions with owners in their capacity as owners** | | | | | | |
| Contribution from shareholder | 12 | - | - | - | 648,144 | 648,144 |
| **Balance at 30 June 2018** | | **29,058,955** | **(31,002,904)** | **-** | **1,886,126** | **(57,823)** |
| **Comprehensive Income** | | | | | | |
| Loss for the year | | - | (2,758,530) | - | - | (2,758,530) |
| Net fair value loss on financial assets | 14 | - | - | (760,000) | - | (760,000) |
| **Total comprehensive loss for the year** | | **-** | **(2,758,530)** | **(760,000)** | **-** | **(2,758,530)** |
| **Transactions with owners in their capacity as owners** | | | | | | |
| Contribution from shareholder | 12 | - | - | - | 155,650 | 155,650 |
| **Balance at 30 June 2019** | | **29,058,955** | **(33,761,434)** | **(760,000)** | **2,041,776** | **(3,420,703)** |

The accompanying notes form part of these financial statements.

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Payments to suppliers and employees | | (456,984) | (395,450) |
| Interest received | | 12,762 | 13,932 |
| Net cash used in operating activities | 16(a) | **(444,222)** | **(381,518)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Proceeds from sale of plant and equipment | | - | - |
| Payments for plant and equipment | | (2,650) | (5,901) |
| Payments for exploration and evaluation | | (545,901) | (611,877) |
| Net cash used in investing activities | | **(548,551)** | **(617,778)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Proceeds from borrowings | | 1,000,000 | 1,000,000 |
| Net cash from financing activities | 16(b) | **1,000,000** | **1,000,000** |
| Net decrease in cash and cash equivalents held | | 7,227 | 704 |
| Cash and cash equivalents at the beginning of the financial year | | 354,778 | 354,074 |
| Cash and cash equivalents at the end of the financial year | 5 | **362,005** | **354,778** |

The accompanying notes form part of these financial statements.

## 1. GENERAL INFORMATION

Accent Resources NL **(**the Company) is a Company limited by shares incorporated and registered in Australia. The address of the Company's registered office is shown on page 1.

The principal activities of the Company and the nature of the Company's operations are explained on page 5.

The functional currency and presentation currency of Accent Resources NL is Australian dollars.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations and complies with other requirements of the law. Australian Accounting Standards ensure compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements cover the individual entity of Accent Resources NL. Accent Resources NL is a listed public company incorporated and domiciled in Australia.

The financial statements were authorised for issue on 18 September 2019.

### Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a net loss of $2,758,530 (2018: $2,574,485) and experienced net cash outflows from operating and investing activities of $992,773 for the year ended 30 June 2019 (2018: $999,296). As at 30 June 2019, the Company had a cash balance of $362,005, a working capital surplus of $121,120 (June 2018: $112,801) and a net liability position of $3,420,703 (June 2018: $57,823).

Subsequent to the year end, the Company has entered into a loan agreement for $2,000,000 with Rich Mark Development (Group) Pty Ltd and has received Tranche 1 funds of $500,000 to date. The further three Tranches of $500,000 available under the agreement will be able to drawn down at the commencement of each remaining quarter for the year ending 30 June 2020. Refer to Note 23 Events after the balance sheet date for details.

The directors have prepared a cash flow forecast for the period ending 30 September 2020 which indicates current cash resources will not meet expected cash outflows without additional funding. The ability of the Company to continue as a going concern is dependent on:

- Drawing on the additional $1,500,000 relating to Tranche 2, 3 and 4 of the Rich Mark Development (Group) Pty Ltd Loan; and
- Managing and deferring costs where applicable to coincide with the funding received outlined above to ensure all obligations can be met.

The directors are satisfied that they will achieve the matters set out above and therefore the going concern basis of preparation is appropriate.

Should the Company be unable to achieve the matters listed above, there is a material uncertainty that may cast significant doubt as to whether the Company will be able to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business.

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

**Adoption of New and revised Standards**

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period, being the year end 30 June 2019. New and revised standards and amendments thereof and interpretations effective for the current reporting period that are relevant to the Company include:

- AASB 9 *Financial Instruments*, and relevant amending standards;
- AASB 15 *Revenue from Contracts with Customers*

The adoption of new and revised standards and amendments has not affected the amounts reported for the current or prior years. A discussion on the important of the adoption of AASB 9 and AASB 15 is included below. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**AASB 9 - Financial Instruments ('AASB 9')**

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and new impairment model for financial assets.

The Company has adopted AASB 9 from 1 July 2018, which have resulted in changes to accounting policies, and the analysis for possible adjustments to amounts recognised in, the yearly report. In accordance with transitional provisions in AASB 9, the reclassifications and adjustments are not reflected in the balance sheet as at 30 June 2018, but recognised in the opening balance sheet as at 1 July 2018.

***Classification and Measurement***
On 1 July 2018, the Company has assessed financial instruments held by the Company and have classified them into the appropriate AASB 9 categories. The main effects resulting from this reclassification are shown in the table below.

On adoption of AASB 9, the Company classified financial assets and liabilities measured at either amortised cost or fair value, depending on the business model for those assets and on the asset's contractual cash flow characteristics. The Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income.

The following table summarises the impact on the classification and measurement of the Company's financial instruments 1 July 2018:

| Presented in statement of financial position | Financial Instrument | AASB 139 | AASB 9 | Reported $ | Restated $ |
|---|---|---|---|---|---|
| Financial asset | Investment in shares | Available for sale | Fair value through OCI | No change | No change |
| Cash and cash equivalents | Term deposit | Held to maturity | Amortised cost | No change | No change |
| Trade and other receivables | Loans and receivables | Loans and receivables | Amortised cost | No change | No change |
| Trade and other payables | Trade payables | Amortised cost | Amortised cost | No change | No change |
| Borrowings | Borrowings | Amortised cost | Amortised cost | No change | No change |

The Company does not currently engage in any hedging activities and accordingly any changes to hedge accounting rules under AASB 9 do not have any impact on the Company.

***Impairment***
AASB 9 introduces a new expected credit loss ("ECL") impairment model that requires the Company to adopt an ECL position across the Company's financial assets from 1 July 2018. The loss allowances for financial assets are based on the assumption about risk of default and expected loss rates as opposed to the previously applied incurred loss model. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company has assessed that the risk of

default is minimal for trade receivables, and as such, no impairment loss has been recognised against these receivables as at 30 June 2019.

**AASB 15 – Revenue from Contracts with Customers ('AASB 15')**

AASB 15 supersedes the prior standards for revenue recognition including, AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations. AASB 15 applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers and is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The adoption of AASB 15 has not affected any of the Company's revenue recognition areas.

***Standards and Interpretations issued but not yet effective***

Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the year ending 30 June 2019. Management is in the process of assessing the impact of the adoption of these standards and interpretations on the Company.

**AASB 16 – Leases ('AASB 16')**

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The leases disclosed in note 15 would be recognised in accordance with AASB 16 by recognising the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application on 1 July 2019.

**Summary of Significant Accounting Policies**

The accounting policies described below have been applied consistently to both financial years.

***(a) Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

***(b) Plant and Equipment***

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a reducing balance basis to write off the net cost of each item of plant and equipment over its expected useful life commencing from the time the asset is ready for use.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|---|---|
| Plant and Equipment | 7.5 – 40% |
| Motor Vehicles | 25% |

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

***(c) Exploration and Evaluation Expenditure***

Exploration and evaluation expenditure incurred is capitalised at cost and include acquisition of rights to explore, studies, exploratory drilling, sampling and associated activities. Costs are accumulated in respect of each identifiable area of interest. General and administrative are only included in the measurement of exploration and evaluation costs where they relate directly to operational activities in a particular area of interest.

These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and
(ii) at least one of the following conditions is also met:

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

Accumulated costs in relation to an abandoned area are written off in full in the profit or loss for the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are reclassified to development assets and amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

***(d) Impairment of Assets***

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset carrying value. Any excess of the asset carrying value over its recoverable amount is expensed to the income statement of profit or loss.

***(e) Financial Instruments***

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

***(f) Financial Assets***

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a. Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Company may make the following irrevocable election at initial recognition of the financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

b. Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

c. Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at

FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination. A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings. Dividends on these investments in equity instruments are recognised in profit or loss in accordance with AASB 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item (note 10) in profit or loss. The Company has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of AASB 9.

d. Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

e. Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

***(g) Financial Liabilities***

**Financial liabilities measured subsequently at amortised cost**

Financial liabilities are measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

*Derecognition*

The company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

***(h) Employee benefits***

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year including entitlements arising from wages and salaries and annual leave, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

Other employee benefits expected to be wholly settled later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

***(i) Revenue recognition***

*Interest Revenue*

Interest income is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial asset.

***(j) Income Tax***

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

Deferred income tax is calculated on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss, nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised directly in equity and not in the income statement.

***(k) Other Taxes – Goods and Services (GST)***

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

***(l) Issued Capital***

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

***(m) Earnings Per Share***

Basic EPS is calculated as net profit/(loss) attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is determined when the Company has on issue potential ordinary shares which are dilutive. It is calculated by dividing net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and any expenses associated with dividends and interest of dilutive potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) adjusted for any bonus element.

***(n) Critical Accounting Estimates and Judgments***

The Directors evaluate estimates and judgments incorporated into the Financial Statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(i) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or relating to, the area of interest are continuing. Refer to Note 8 for impairment losses incurred during the year.

The recoverability of these assets depends on the Company's ability to realise their values either through future development or sale.

(ii) 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.

## 2. REVENUE AND EXPENSES

| | 2019 $ | 2018 $ |
|---|---|---|
| **(a) Other income** | | |
| Interest income | 12,762 | 13,932 |
| **Total other income** | 12,762 | 13,932 |

| | 2019 $ | 2018 $ |
|---|---|---|
| **(b) Impairment of exploration expenditure** | | |
| Impairment of exploration expenditure | 1,631,505 | 356,571 |

During the year ended 30 June 2019, the exploration and evaluation expenditure relating to the Meekatharra (Arcadia) Project was fully impaired to $nil.

| | 2019 $ | 2018 $ |
|---|---|---|
| **(c) Employee benefits expense** | | |
| Defined contribution expense | 43,657 | 43,871 |
| Other employee benefits | 507,969 | 551,589 |
| | **551,626** | **595,460** |

The employee benefits expense shown here includes amounts that have been capitalised to exploration expenditure, and amounts paid to directors of the Company disclosed as Directors Fees.

| | 2019 $ | 2018 $ |
|---|---|---|
| **(d) Rental expense on operating leases** | | |
| Minimum lease payments | 56,400 | 56,400 |

### 3. LOSS PER SHARE

| | 2019 Cents per share | 2018 Cents per share |
|---|---|---|
| Basic and diluted loss per share | (1.52) | (1.42) |
| | $ | $ |
| Loss attributable to ordinary equity holders of the Company used in calculating basic and diluted earnings per share | (2,758,530) | (2,574,485) |
| | **Number of shares** | **Number of shares** |
| Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted earnings per share | 181,000,233 | 181,000,233 |

There is no impact on basic and diluted Earnings per share from the adoption of AASB 9 and AASB 15.

### 4. INCOME TAX

| | 2019 $ | 2018 $ |
|---|---|---|
| **(a)** The prima facie tax expense/(benefit) on loss before tax is reconciled to the income tax as follows: | | |
| Prima facie tax benefit on loss before tax at 30% (2018: 30%) | (827,559) | (772,346) |
| Add: | | |
| Tax effect of: | | |
| - non-allowable items | 1,353 | 1,681 |
| - net current year tax losses not recognised, temporary differences and deductible exploration expenditure. | 827,559 | 772,346 |
| | 1,353 | 1,681 |
| Less: | | |
| Tax effect of: | | |
| - capitalised legal fees | (1,353) | (1,681) |
| Income tax benefit/(expense) attributable to loss | - | - |
| Deferred tax assets arising from tax losses that have not been recognised: | | |
| Tax losses carried forward | (29,287,274) | (28,085,608) |
| Temporary differences – exploration costs | (925,057) | (1,250,120) |
| Temporary differences – other | 62,155 | 48,454 |
| Net Deferred tax asset not recognised | (30,150,176) | (29,287,274) |
| Balance of franking account at year end | - | - |

Potential deferred tax assets attributable to tax losses carried forward and temporary differences have not been brought to account because Directors do not believe realisation of the deferred tax assets is probable. These benefits will only be obtained if:

(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
(ii) the Company continue to comply with the conditions for deductibility imposed by law, and
(iii) no changes in tax legislation adversely affect the Company in realising the benefit from the deductibility for the loss.

## 5. CASH AND CASH EQUIVALENTS

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **Current** | | |
| Cash at bank | 112,005 | 354,778 |
| Short term deposits | 250,000 | - |
| | 362,005 | 354,778 |

## 6. TRADE AND OTHER RECEIVABLES

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **Current** | | |
| Goods and services tax refunds | 3,941 | 881 |
| Other current assets | 11,801 | 6,802 |
| | 15,742 | 7,683 |

## 7. PROPERTY, PLANT AND EQUIPMENT

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Plant and equipment at cost | 349,633 | 347,225 |
| Accumulated depreciation | (247,487) | (235,255) |
| | 102,146 | 111,970 |
| *Reconciliation of plant and equipment:* | | |
| Carrying amount at beginning of the year | 111,970 | 122,194 |
| Additions | 2,407 | 5,900 |
| Disposals | - | - |
| Depreciation expense | (12,232) | (16,124) |
| Carrying amount at end of the year | 102,146 | 111,970 |

In the year ended 30 June 2019, $2,171 (2018: $2,881) of the depreciation expense was capitalised in relation to expenditure and evaluation activities.

## 8. EXPLORATION AND EVALUATION EXPENDITURE

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Carrying amount at the beginning of the year (net of R&D incentives) | 4,167,067 | 3,919,394 |
| Deferred exploration expenditure incurred during the year | 547,962 | 604,244 |
| Impairment of capitalised expenditure | (1,631,505) | (356,571) |
| Carrying amount at the end of the year | 3,083,524 | 4,167,067 |

During the year ended 30 June 2019, $1,631,505 (2018: $356,571) was incurred at this project for tenement holding costs. Included within this was expenditure relating to Meekatharra (Arcadia) project which was fully impaired to Nil.

## 9. FINANCIAL ASSETS

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| **At Fair Value** | | |
| Carrying amount at beginning of year | 760,000 | 2,000,000 |
| Net loss from fair value adjustments | - | - |
| Impairment of financial asset | (760,000) | (1,240,000) |
| Carrying amount at end of year | - | 760,000 |

The Company has acquired 10m shares in MZI at an issue price of 40 cents for a total consideration of $4.0 million. Refer to note 22 in relation to the determination of fair value.

At 30 June 2019 the investment was determined to be impaired due to a prolonged decline in value in comparison to the original acquisition. The Company has recognised a total of $760,000 (2018: nil) as an impairment expense in other comprehensive income. The Company has recognised a total of $nil (2018:

$1,240,000) as an impairment expense in the profit and loss. MZI Resources Ltd entered into voluntary administration and therefore the asset has been fully impaired to $nil.

## 10. TRADE AND OTHER PAYABLES

| | 2019 $ | 2018 $ |
|---|---|---|
| **Current** | | |
| Trade creditors | 1,874 | 512 |
| Accruals and other liabilities | 126,380 | 119,201 |
| | 128,254 | 119,713 |

All payables are denominated in AUD. The average credit period is 30 days. No interest is charged on other payables.

## 11. PROVISIONS

| | 2019 $ | 2018 $ |
|---|---|---|
| **Current** | | |
| Provision for employee entitlements | 128,373 | 129,947 |

## 12. Borrowings

| | 2019 $ | 2018 $ |
|---|---|---|
| **Non-Current** | | |
| Borrowings | 6,727,493 | 5,209,661 |

In the 2016 year the major shareholder of the Company, Xingang Resources (HK) Ltd, extended a loan facility of $4 million to enable the Company to participate in a placement of shares by MZI Resources Ltd. The borrowings have been drawn as a source of long-term finance. During the period ending 30 June 2018, this loan has been extended to 31 December 2021. The extension has been accounted for as an extinguishment of the old loan with the extension being treated as a new loan with principal of $4,785,760. This resulted in an additional contribution by the parent of $420,205. The loan is unsecured and presented as a non-current liability with an effective interest rate of 10% per annum. At 30 June 2019, the carrying value of the liability is $3,724,729 (2018: $3,370,225), and the balance recognised as contribution by the parent is $1,515,482 (2018: $1,515,482).

The Company has borrowings of $1 million from Rich Mark Development (Group) Pty Ltd which has shareholdings representing 15.590% of the Company. During the period, this loan has been extended to 31 August 2022. The extension has been accounted for as an extinguishment of the old loan with the extension being treated as a new loan with a principal of $1,313,731. This resulted in an additional shareholder contribution of $15,132. The loan is unsecured and subject to interest at 4% per annum which accrues six monthly and is payable along with the principal at maturity. At 30 June 2019, the carrying value of the liability is $1,070,661 (2018: $930,704), and the balance recognised as shareholder contribution is $243,070 (2018: $227,939).

The Company also has borrowings of $1 million from Rich Mark Development (Group) Pty Ltd. The loan is unsecured and subject to interest at 4% per annum which accrues six monthly and is payable along with the principal of $1,105,962 at maturity on 19 August 2021. The liability is presented as a non-current liability with an effective interest rate of 12%. The fair value of the loan at draw down was $857,295 with the difference of $142,705 recognised as a shareholder contribution. As at 30 June 2019, the carrying value of the liability is $930,704 (2018: $908,732), and the balance recognised as shareholder contribution is $227,939 (2018: $142,705).

During the year, the Company borrowed a further $1 million from Rich Mark Development (Group) Pty Ltd. The loan is unsecured and subject to interest at 10% per annum which accrues six monthly and is payable along with the principal at maturity on 31 July 2021. The liability is presented as a non-current liability with an effective interest rate of 12%. The fair value of the loan at draw down was $944,715 with the difference of $55,285 recognised as a shareholder contribution. As at 30 June 2019, the carrying value of the liability is $1,001,397 (2018: $nil), and the balance recognised as shareholder contribution is $55,285 (2018: $nil).

## 13. ISSUED CAPITAL

| | 2019 $ | 2018 $ |
|---|---|---|
| 181,000,233 fully paid ordinary shares (2018: 181,000,233 shares) | 29,058,955 | 29,058,955 |

| **(a) Movements in Ordinary Shares** | **Number of Shares 2019** | **Number of Shares 2018** |
|---|---|---|
| **Summary of Movements:** | | |
| At the beginning of the year | 181,000,233 | 181,000,233 |
| At the end of the year | 181,000,233 | 181,000,233 |

The Company has no authorised capital and its ordinary shares have no par value.

**(b) Options**

There are no options on issue (2018: nil).

There were no options exercised during the financial year (2018: nil).

**(c) Terms and Conditions of Issued Capital**

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

At the shareholders' meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**(d) 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 programs 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 is as follows:

| | 2019 $ | 2018 $ |
|---|---|---|
| Cash and cash equivalents | 362,005 | 354,778 |
| Trade and other receivables | 15,742 | 7,683 |
| Trade and other payables and provisions | (256,627) | (249,660) |
| Working capital position | 121,120 | 112,801 |

## 14. FINANCIAL ASSETS RESERVES

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Opening balance | - | - |
| Impairment to other comprehensive income | (760,000) | - |
| Closing Balance | (760,000) | - |

The financial assets reserve represents the cumulative gains and losses arising on the revaluation of other financial assets that have been recognised in other comprehensive income.

## 15. COMMITMENTS AND CONTINGENT LIABILITIES

**Tenement Expenditure Commitments:**

The Company is required to maintain current rights of tenure to tenements, which require outlays of expenditure in 2018/2019. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however, they are expected to be fulfilled in the normal course of operations.

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| The Company also has tenement rental and expenditure commitments of: | | |
| Payable: | | |
| – not later than 12 months | 321,412 | 367,348 |
| – between 12 months and 5 years | 496,073 | 640,049 |
| – greater than 5 years | 741,117 | 1,061,756 |
| | 1,558,602 | 2,069,153 |

**Other Commitments:**

Operating Lease Commitments:
The Company currently has an operating lease in place upon its West Perth office and three of its car bays. The operating lease agreement runs for three years and ends 31 December 2019. Commitments are detailed below.

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Payable: | | |
| – not later than 12 months | 22,560 | 22,560 |
| – between 12 months and 5 years | 33,840 | 33,840 |
| | 56,400 | 56,400 |

**Contingencies:**

It is possible that native title, as defined in the *Native Title Act 1993*, might exist over land in which the Company has an interest. It is not possible at this stage to quantify the impact (if any) that the existence of native title may have on the operations of the Company. The Directors are aware that applications for native title claims have been accepted by the Native Title Tribunal over tenements held by the Company.

The company has received applications for forfeiture against M63/229, M63/247 M63/369 and P63/1893. The company has submitted their amended Form 5s, which details exploration commitment spent and are currently defending the forfeiture applications.

## 16. CASH FLOW INFORMATION

### (a) Reconciliation of loss after tax to the net cash flows used in operating activities

| | 2019 $ | 2018 $ |
|---|---|---|
| Loss after income tax | (2,758,530) | (2,574,485) |
| Non-Cash Items: | | |
| Depreciation | 10,061 | 13,243 |
| Profit on sale of fixed assets | - | - |
| Write-off capitalised expenditure | 1,631,505 | 356,571 |
| Interest on borrowings | 685,700 | 551,219 |
| Impairment of available for sale financial assets | - | 1,240,000 |
| Changes in assets and liabilities: | | |
| (Increase)/decrease in trade and other receivables | (3,636) | (633) |
| Increase/(decrease) in trade and other payables | (9,321) | 32,567 |
| Net Cash flows (used in) operating activities | (444,222) | (381,518) |

### (b) Reconciliation of loss after tax to the net cash flows used in financing activities

| | Balance at 1 July 2018 $ | Financing Cash flows $ | Non-cash changes $ | Balance at 30 June 2019 $ |
|---|---|---|---|---|
| Borrowings | 5,209,661 | 1,000,000 | 517,832 | 6,727,493 |
| Total | 5,209,661 | 1,000,000 | 517,832 | 6,727,493 |

### (c) Non-Cash Investing Activities

There were no non-cash investing activities during the financial year.

## 17. KEY MANAGEMENT PERSONNEL COMPENSATION

### (a) Details of Directors and Key Management Personnel

(i) Directors

The following persons were Directors of Accent Resources NL during the financial year:

Yuzi (Albert) Zhou – Executive Chairman
Dian Zhou He – Non Executive Director and Deputy Chairman
Jun Sheng (Jerry) Liang – Non Executive Director
Jie You (alternate Director to Jun Sheng Liang)

(ii) Other Key Management Personnel

Robert Allen – Company Secretary

### (b) Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's Key Management Personnel for the year ended 30 June 2019. The totals of remuneration paid to key management personnel of the Company during the year are as follows:

| | 2019 | 2018 |
|---|---|---|
| | $ | $ |
| Short-term employee benefits | 277,927 | 275,877 |
| Post-employment benefits | 19,083 | 19,083 |
| | 297,010 | 294,960 |

**(c) Equity Instrument Disclosures Relating to Key Management Personnel**

(i) Options provided as remuneration and shares issued on any exercise of such options

No share options were granted to Key Management Personnel as remuneration during the financial year (2018: nil).

(ii) Option holdings

There are no options on issue.

(iii) Share holdings

The number of ordinary shares in the Company held during the financial year by each Director and any other key management personnel of the Company, including related parties, are set out in the Remuneration Report contained in the Directors Report.

**(d) Other Transactions with Key Management Personnel**

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

**18. RELATED PARTY TRANSACTIONS**

**(a) Loans from Related Parties**

The company funded its participation in the MZI placement in 2016 by way of a $4 million loan facility extended by the Company's major shareholder Xingang Resources (HK) Ltd. As per Note 12, the loan is unsecured, presented as a non-current liability with an effective interest rate of 10% per annum and maturity is 31 December 2021. This loan incurred interest of $354,409 during the reporting period (2018: $349,038).

The Company has also borrowed $1 million from Rich Mark Development (Group) Pty Ltd which has shareholdings representing 15.590% of the Company. The loan is unsecured and subject to interest at 4% which accrues six monthly and is payable along with the principal at maturity. The loan matures on 31 August 2022. This loan incurred interest of $119,441 during the reporting period (2018: $108,047).

During the financial year ending 30 June 2018 the Company has also borrowed a further $1 million from Rich Mark Development (Group) Pty Ltd. The loan is unsecured and subject to interest at 4% which accrues six monthly and is payable along with the principal at maturity. The loan matures on 19 August 2021. This loan incurred interest of $108,461 during the reporting period (2018: $90,275).

During the current period the Company has also borrowed a further $1 million from Rich Mark Development (Group) Pty Ltd. The loan is unsecured and subject to interest at 10% which accrues six monthly and is payable along with the principal at maturity. The loan matures on 21 July 2021. This loan incurred interest of $103,389 during the reporting period (2018: Nil).

**(b) Transactions with Related Parties**

The Company also pays rent of $500 (2018: $500) and $200 (2018: $200) in outgoings per month for the lease of the Melbourne office from Rich Mark Development (Group) Pty Ltd which has shareholdings representing 15.590% of the Company.

Disclosures relating to Key Management Personnel are set out in Note 17 and the Remuneration Report in the Directors Report in compliance with Australian Accounting Standards AASB *124: Related Party Disclosures*, the *Corporations Act 2001* and the *Corporations Regulations 2001*.

There are no other related party transactions.

## 19. AUDITOR'S REMUNERATION

| | 2019 $ | 2018 $ |
|---|---|---|
| Remuneration of the auditor of the Company for: | | |
| - auditing and reviewing the financial statements | 29,000 | 26,900 |

The auditor of Accent Resources NL is Deloitte Touche Tohmatsu (2018: Deloitte Touche Tohmatsu).

## 20. SEGMENT REPORTING

**Identification of Reportable Segments**

The Company identifies its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Company operates in mineral exploration in Australia. The financial information in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Financial Position is the same as that presented to the chief operating decision maker.

## 21. FINANCIAL RISK MANAGEMENT

### (a) Financial Risk Management

The Company's financial assets consist mainly of deposits with banks and accounts.

The main purpose of non-derivative financial assets is to raise finance for the Company's operations.

Derivatives are not currently used by the Company for hedging purposes. The Company does not speculate in the trading of derivative instruments.

(i) Treasury Risk Management

The Board of the Company meets on a regular basis to analyse interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

(ii) Financial Risks

The main risks the Company is exposed to through its financial assets are interest rate risk, liquidity risk and credit risk.

*Interest Rate Risk*

The Company does not have any debt that may be affected by interest rate risk as the loan from the parent entity is interest free and loans from other shareholders are at a fixed interest rate. The Company seeks to utilise fixed interest rate products to assist in managing its deposit funds and is subject to interest rate risk as detailed below in *sensitivity analysis.*

*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 Company would have been \$5,925 lower/higher (2018: \$4,106 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

*Liquidity Risk*

Liquidity risk arises from the possibility that the Company may encounter difficulty in settling its debts or otherwise meeting its financial obligations related to financial liabilities. The Company manages liquidity risk by monitoring forecast cash flows.

*Financial Liability and Financial Asset Maturity Analysis:*

| | Within 1 Year | | 1 to 5 Years | | No Maturity Date | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2019 $ | 2018 $ | 2019 $ | 2018 $ | 2019 $ | 2018 $ | 2019 $ | 2018 $ |
| **Financial liabilities due for payment** | | | | | | | | |
| Trade and other payables | (128,254) | (119,713) | - | - | - | - | (128,254) | (119,713) |
| Borrowings | - | - | (6,727,493) | (5,209,661) | - | - | (6,727,493) | (5,209,661) |
| Total Expected outflows | (128,254) | (119,713) | (6,727,493) | (5,209,661) | - | - | (6,855,747) | (5,329,374) |
| **Financial assets – cash flows realisable** | | | | | | | | |
| Cash and cash equivalents | 362,005 | 354,778 | - | - | - | - | 362,005 | 354,778 |
| Trade and other receivables | 15,742 | 7,683 | - | - | - | - | 15,742 | 7,683 |
| Financial assets | - | - | - | - | - | 760,000 | - | 760,000 |
| Total Anticipated Inflows | 377,747 | 362,461 | - | - | - | 760,000 | 377,747 | 1,122,461 |
| Net inflow/(outflow) on financial instruments | 249,493 | 242,748 | (6,727,493) | (5,209,661) | - | 760,000 | (6,478,000) | (4,206,913) |

There are no assets or liabilities that have a maturity date greater than five years.

*Credit Risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

Credit risk on liquid funds is limited because counter parties are banks with high credit rating.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial assets entered into by the economic entity.

*Price Risk*

Price risk relates to the risk that the fair value or future cash flows of a financial assets will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Company is exposed to equity price risk arising from the equity investment in MZI Resources Ltd. This equity investment is held for strategic rather than trading purposes. The Company does not actively trade this investment. MZI's production at Keysbrook did not reach budgeted levels due primarily to continued recovery problems and together with very high debt burden resulted in significant continuing operating losses. This led to a decision to put MZI into administration in April 2019.

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 10% higher/lower:

Loss for the year ended 30 June 2019 would have been $nil lower/higher (2018: $80,000) as changes in fair value of equity investments classified as available-for-sale were impaired.

**(b) Fair value of assets and liabilities**

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Financial assets, held in listed entities.

All financial assets in listed securities are classified as fair value hierarchy 1, which fair values are by reference to quoted prices in an active market. There have been no transfer of fair value hierarchy levels during the period.

**Fair Value of Financial Assets and Liabilities Not Measured at Fair Value**

The Directors are of the opinion that the carrying value of the following financial instruments approximates the fair value of these instruments:

- trade and other receivables
- trade and other payables
- loan from related parties (refer note 18 for details).

**(c) Interest Rate Risk**

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

| | Floating Interest Rate | | Fixed Interest Rate | | | | Non-Interest Bearing | | Total | | Weighted Effective Interest Rate | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1 Year or Less | | 1 to 5 Years | | | | | | | |
| | 2019 $ | 2018 $ | 2019 $ | 2018 $ | 2019 $ | 2018 $ | 2019 $ | 2018 $ | 2019 $ | 2018 $ | 2019 $ | 2018 $ |
| Financial Assets | | | | | | | | | | | | |
| Cash | 362,005 | 354,778 | - | - | - | - | - | - | 362,005 | 354,778 | 2.15 | 5.17 |
| Trade and other receivables | | - | - | - | - | - | 15,742 | 7,683 | 15,742 | 7,683 | N/A | N/A |
| Financial assets | | - | - | - | - | - | - | 760,000 | - | 760,000 | N/A | N/A |
| Total Financial Assets | 362,005 | 354,778 | - | - | - | - | 15,742 | 767,683 | 377,747 | 1,122,461 | - | - |
| Financial Liabilities | | | | | | | | | | | | |
| Trade and other payables | - | - | - | - | - | - | 137,320 | 119,713 | 128,254 | 119,713 | N/A | N/A |
| Borrowings | - | - | - | - | 6,727,493 | 5,209,661 | - | - | 6,727,493 | 5,209,661 | 10.0% | 10.0% |
| Total Financial Liabilities | - | - | - | - | 6,727,493 | 5,209,661 | 137,320 | 119,713 | 6,855,747 | 5,329,374 | - | - |

## 22. FAIR VALUE MEAUREMENTS

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Financial assets.

**(a) Fair Value Hierarchy**

The Company classifies fair value of financial instruments using the fair value hierarchy, in order to reflect the most significant input used in their valuation.

**Level 1:** Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

**Valuation techniques**

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

All investments in listed securities are valued by reference to quoted prices in an active market.

The following tables provide the fair values of the Company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

| **2019** | **Note** | **Level 1 $** | **Level 2 $** | **Level 3 $** | **Total $** |
|---|---|---|---|---|---|
| **Recurring fair value measurements** | | | | | |
| *Financial assets* | | | | | |
| Financial assets | | - | - | - | - |
| - shares in listed companies | 9 | | | | |
| **Total financial assets recognised at fair value on a recurring basis** | | - | - | - | - |

| **2018** | **Note** | **Level 1 $** | **Level 2 $** | **Level 3 $** | **Total $** |
|---|---|---|---|---|---|
| **Recurring fair value measurements** | | | | | |
| *Financial assets* | | | | | |
| Financial assets | | | | | |
| - shares in listed companies | 9 | 760,000 | - | - | 760,000 |
| **Total financial assets recognised at fair value on a recurring basis** | | 760,000 | - | - | 760,000 |

## 23. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to the end of the financial year, the Company signed an agreement with a Rich Mark Development (Group) Pty Ltd. The loan is available for drawdown in 4 quarterly Tranches of $500,000, with $500,000 having been received to date. The further three Tranches of $500,000 available under the agreement will be able to drawn down at the commencement of each remaining quarter for the year ended 30 June 2020. There are no conditions attached to the drawdown of the remaining Tranches. The loan is unsecured and subject to interest at 6% pa which accrues six monthly and is payable along with the principle at maturity. The loan matures on 30 June 2021.

Further, subsequent to the end of the financial year, Tranche B of $300,000 relating to the loan with Rich Mark Development Group Pty Ltd which was executed during August 2018, has been rendered void and terminated based on exploration results at the Meekatharra and Norseman Projects.
No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## 24. ULTIMATE PARENT COMPANY

The Ultimate Parent Company of Accent Resources NL is Xingang Resources (HK) Limited.

## 25. COMPANY DETAILS

The registered office of the Company is: 9/250 Queen Street, Melbourne VIC 3000

The principal place of business of the Company is: 4/29 Ord Street, WEST PERTH WA 6005

The Directors of the Company declare that:

1. the attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:

   a. complying with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Report Standard (IFRS) and *Corporations Regulations 2001*, and

   b. giving a true and fair view of the Company's financial position at 30 June 2019 and of its performance for the year ended on that date; and

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

3. In the Directors' opinion 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

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

周郁斌

Yuzi Zhou
Executive Chairman

Dated this 18th day of September 2019

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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# Independent Auditor's Report to the members of Accent Resources NL

## Report on the Audit of the Financial Report

*Opinion*

We have audited the financial report of Accent Resources NL (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, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the 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 then ended; and

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

*Basis for Opinion*

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

We 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.

*Material Uncertainty Related to Going Concern*

We draw attention to Note 1 in the financial report which indicates that the Company incurred a net loss of $2,758,530 and had net cash outflows from operating and investing activities of $992,773 during the year ended 30 June 2019 and, as of that date had a net liability position of $3,420,703. As stated in

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Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our procedures in relation to going concern included, but were not limited to:

- inquiring of management and the directors in relation to events and conditions that may impact the assessment of the Company's ability to continue as a going concern;
- challenging the assumptions contained in management's cash flow forecast in relation to the Company's ability to continue as a going concern; and
- assessing the adequacy of the disclosures related to going concern.

*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 for 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

| Key Audit Matter | How the scope of our audit responded to the Key Audit Matter |
|---|---|
| Carrying value of Exploration and Evaluation Assets<br><br>As at June 2019 the Company has $3,083,524 of capitalised exploration and evaluation expenditure as disclosed in Note 8.<br><br>Judgement is applied in determining the treatment of exploration expenditure including:<br>➢ whether the conditions for capitalisation are satisfied;<br>➢ which elements of exploration and evaluation expenditures qualify for recognition; and<br>➢ whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. | Our procedures included, but were not limited to:<br><br>• Obtaining a schedule of the areas of interest held by the Company and assessing whether the rights to tenure of those areas of interest remained current at balance date;<br>• Holding discussions with management as to the status of ongoing exploration programmes in the respective areas of interest;<br>• Assessing whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;<br>• Testing on a sample basis, evaluation expenditure capitalised during the year for compliance with the relevant accounting standards; and<br>• Assessing whether any facts or circumstances existed to suggest impairment testing was required.<br><br>We also assessed the appropriateness of the disclosures in Note 8 to the financial statements. |

*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 we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

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

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

*Auditor's Responsibilities for the Audit of the Financial Report*

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

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

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

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 these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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**Report on the Remuneration Report**

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 12 to 15 of the Director's Report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of the Company, 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

N Menezes

**Nicole Menezes**
Partner
Chartered Accountants
Perth, 18 September 2019

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
Accent Resources NL
Level 9, 250 Queen Street
MELBOURNE, VIC 3000

18 September 2019

Dear Board Members

**Auditor's Independence Declaration to Accent Resources NL**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Accent Resources NL.

As lead audit partner for the audit of the financial statements of Accent Resources NL for the financial year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

N Menezes

**Nicole Menezes**
Partner
Chartered Accountants

**As at INSERT August 2019**

**1. Numbers of Holders of Equity Securities**

**a. Ordinary Share Capital**

181,000,233 fully paid ordinary shares are held by INSERT individual shareholders.

**b. Listed Options**

There are no listed options.

**c. Unlisted Options**

There are no unlisted options.

**d. Distribution of Holders of Equity Securities**

| | Fully Paid Ordinary Shares | Listed Options | Unlisted Options |
|---|---|---|---|
| 1 - 1,000 | | - | - |
| 1,001 – 5,000 | | - | - |
| 5,001 – 10,000 | | - | - |
| 10,001 – 100,000 | | - | - |
| 100,001 – and over | | - | - |
| Total | | - | - |

**e. Substantial Share and Option Holders**

The names of the substantial shareholders listed in the Company's register as at INSERT August 2019:

| | Number | Percentage |
|---|---|---|
| 1. Xinyang Resources (HK) Limited | 98,026,518 | 54.158% |
| 2. Rich Mark Development (Group) Pty Ltd | 28,218,366 | 15.590% |
| 3. Grandmaster Fortune Limited | 21,563,603 | 11.914% |
| 4. Sino Oriental International Limited | 10,000,000 | 5.525% |
| 5. Mr Bin Cui | 9,977,998 | 5.513% |

**f. Other Information**

The voting rights attached to ordinary shares are governed by the Constitution of the Company. On a show of hands every person present who is a Member or representative of a Member shall have one vote on a poll, every Member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options have any voting rights.

**Unmarketable Parcels**

At the date of this report, there were INSERT holders who held shares that were unmarketable parcels.

## 2. Twenty Largest Shareholders

| | Number | Percentage |
|---|---|---|
| XINYANG RESOURCES (HK) LIMITED | 98,026,518 | 54.158% |
| RICH MARK DEVELOPMENT (GROUP) PTY LTD | 28,218,366 | 15.590% |
| GRANDMASTER FORTUNE LIMITED | 21,563,603 | 11.914% |
| SINO ORIENTAL INTERNATIONAL LIMITED | 10,000,000 | 5.525% |
| MR BIN CUI | 9,977,998 | 5.513% |
| Mr LI ZHAO | 2,102,500 | 1.162% |
| GREGORY IAN WILLIMS & JUDITH ANNE WILLIMS | 875,000 | 0.483% |
| TONY JAMES PEARS & LYNDA PAMELA PEARS | 650,300 | 0.359% |
| TOLSUTRA PTY LTD | 500,000 | 0.276% |
| BROWNWARD PTY LTD <BRIAN HAYWARD SF A/C> | 500,000 | 0.276% |
| DONG LIANG | 493,959 | 0.273% |
| BORROMINI PTY LTD | 475,000 | 0.262% |
| DESKGLEN PTY LTD <HEILBRONN'S SUPER FUND A/C> | 400,000 | 0.221% |
| XIA LI | 320,156 | 0.177% |
| TOLSUTRA PTY LTD | 250,000 | 0.138% |
| KHEE KWONG LOO | 250,000 | 0.138% |
| JF APEX SECURITIES BERHAD <CLIENT A/C> | 232,150 | 0.128% |
| MAGNIM PTY LTD <THE COX SUPER FUND A/C> | 223,880 | 0.124% |
| BOND STREET CUSTODIANS LIMITED | 160,675 | 0.089% |
| MR WILLIAM PHARIES TOOMA | 153,776 | 0.085% |
| | 175,373,881 | 96.892% |

## 3. Twenty Largest Listed Option Holders

There were no listed options as at INSERT August 2019.

## 4. Restricted Securities

At INSERT August 2019 there were no restricted securities.

For the Year ended 30 June 2019

**WESTERN AUSTRALIA**

All of the Company's Mineral resources and Ore Reserves are located within Western Australia.

**IRON (MAGNETITE) RESOURCES**

There was no change to the Company's iron (magnetite) resources during FY2019

**Table: Magnetite Range Project**

| JORC 2004 Category | Tonnes (Mt) | DTR Wt Recovery (%) | Whole Rock Assay | | | | DTR Concentrate Assay | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Fe (%) | Al2O3 (%) | S (%) | SiO2 (%) | Fe (%) | Al2O3 (%) | S (%) | SiO2 (%) | P (%) | FeO (%) | LOI (%) |
| Measured | 6.8 | 41.66 | 33.86 | 0.86 | 0.11 | 46.92 | 69.61 | 0.1 | 0.16 | 2.93 | 0.01 | 24.53 | -3.08 |
| Indicated | 305.7 | 37.26 | 31.82 | 1.92 | 0.33 | 46.27 | 67.32 | 0.24 | 0.49 | 5.32 | 0.01 | 27.37 | -2.77 |
| Inferred | 122 | 32.57 | 30.28 | 2.34 | 0.41 | 47.12 | 67.6 | 0.24 | 0.62 | 4.91 | 0.01 | 27.43 | -2.68 |
| **Total** | **434.5** | **36.01** | **31.42** | **2.02** | **0.35** | **46.52** | **67.43** | **0.24** | **0.52** | **5.17** | **0.01** | **27.34** | **-2.75** |

- Source: ACS 30/06/2018 Annual Report
- Small discrepancies may occur due to rounding effects
- Calculated on the fresh zone, 15% DTR weight recovery cut off

**GOLD RESOURCES**

There was no change to the Company's gold resources during FY2019.

**Table: Norseman Project (at 0.5 g/t Au lower cut off)**

| Deposit | JORC 2004 Category | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Measured | | | Indicated | | | Inferred | | | Total | | |
| | Ore (t) | Grade (g/t) | Total (Oz) | Ore (t) | Grade (g/t) | Total (Oz) | Ore (t) | Grade (g/t) | Total (Oz) | Ore (t) | Grade (g/t) | Total (Oz) |
| Iron Duke | 450,900 | 1.8 | 25,300 | 272,500 | 1.6 | 14,000 | 126,500 | 1.6 | 6,400 | 850,000 | 1.7 | 45,700 |
| Surprise | 299,200 | 1.4 | 13,300 | 137,600 | 1.3 | 5,900 | 94,300 | 1.2 | 3,600 | 531,100 | 1.3 | 22,800 |
| **Total** | **750,100** | **1.6** | **38,600** | **410,100** | **1.5** | **19,900** | **220,800** | **1.4** | **10,000** | **1,381,000** | **1.5** | **68,500** |

**Table: Norseman Project (at 1 g/t Au lower cut off)**

| Deposit | JORC 2004 Category | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Measured | | | Indicated | | | Inferred | | | Total | | |
| | Ore (t) | Grade (g/t) | Total (Oz) | Ore (t) | Grade (g/t) | Total (Oz) | Ore (t) | Grade (g/t) | Total (Oz) | Ore (t) | Grade (g/t) | Total (Oz) |
| Iron Duke | 328,300 | 2.1 | 22,200 | 213,700 | 1.8 | 12,500 | 111,100 | 1.7 | 6,000 | 653,200 | 1.9 | 40,700 |
| Surprise | 210,800 | 1.6 | 10,900 | 111,900 | 1.4 | 5,200 | 63,500 | 1.4 | 2,800 | 386,200 | 1.5 | 18,800 |
| **Total** | **539,100** | **1.9** | **33,100** | **325,600** | **1.7** | **17,700** | **174,600** | **1.6** | **8,800** | **1,039,400** | **1.8** | **59,500** |

- Source: ACS 30/06/2018 Annual Report
- Small discrepancies may occur due to rounding effects

The Mineral Resource estimate for the Magnetite Range and Norseman Gold Projects was prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

## MINERAL RESOURCE AND ORE RESERVE CORPORATE GOVERNANCE

Due to the nature, stage and size of the Company's existing projects, ACS believe there would be no efficiencies gained by establishing a separate committee responsible for reviewing and monitoring the Company's processes for calculating Mineral Resources and Ore Reserves and for ensuring that the appropriate internal controls are applied to such calculations.

However, the Company ensures that data collected and utilised, and all Mineral Resource or Ore Reserve Estimations, are supervised and prepared by Competent Persons in accordance with JORC Code.

The Company will report any future Mineral Resource and Ore Reserves updates in accordance with the 2012 JORC Code.

## COMPETENT PERSONS STATEMENTS

For the Year Ended 30 June 2019

**Competent Persons Statement – Magnetite Range Project**
The information that relates to Mineral Resources at the Magnetite Range Iron (magnetite) Ore Project is based on a resource estimate that was prepared by Mr Stephen Hyland of Ravensgate Mineral Industry Consultants. Mr Hyland is a Fellow of the Australasian Institute of Mining and Metallurgy. The preparation was supervised by Mr G Rodney Dale FRMIT of PROMET Engineers Pty Ltd. Mr Dale is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hyland takes overall responsibility for the Resource Estimate; Mr Dale takes responsibility for the geological model. Mr Hyland and Mr Dale have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hyland and Mr Dale consent to the inclusion in this report of the matters based on their information (and the public reporting of these statements) in the form and context that the information appears.

**Competent Persons Statement – Norseman Project**
The information that relates to Mineral Resources at the Norseman Gold Project is based on a resource estimate that was prepared by Mr Stephen Hyland of Ravensgate Mining Industry Consultants. Mr Hyland is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Hyland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hyland consents to the inclusion in this report of the matters based on his information (and the public reporting of these statements) in the form and context that the information appears.

**Competent Persons Statement – Annual Mineral Reserves and Resources Statement**
The Mineral Resources and Ore Reserves statement in this Annual Report is based on, and fairly represents, information and supporting documentation prepared by a competent person or persons. The Mineral Resources and Ore Reserves statement as a whole has been approved by Ms G Morton, who is a full-time employee of the Company and a Member of the Australian Institute of Geoscientists. Ms Morton consents to the inclusion of the Mineral Resources and Ore Reserves statement in the form and context in which it appears in this Annual Report.

For Year Ended 30 June 2019

**WESTERN AUSTRALIA**

All of the Company's projects are located within Western Australia.

| PROJECT | TENEMENT | STATUS / GRANT DATE | EXPIRY DATE | % OWNERSHIP |
|---|---|---|---|---|
| Mt Gibson | E59/875 | 22/03/2006 | 21/03/2019 | 100% |
| (Magnetite | M59/166 | 05/10/1989 | 04/10/2031 | 100% |
| Range) | L59/106 | 01/08/2012 | 31/07/2033 | 100% |
| | E59/2303 | Application | Application | 100% |
| | E59/1878 | 10/07/2013 | 09/07/2018 | 100% |
| | E59/2043 | 18/06/2015 | 17/06/2020 | 100% |
| | E59/2044 | 18/06/2015 | 17/06/2020 | 100% |
| Norseman | M63/225 | 04/01/1991 | 03/01/2033 | 100% |
| | M63/226 | 04/01/1991 | 03/01/2033 | 100% |
| | M63/229 | 19/11/1990 | 18/11/2032 | 100% |
| | M63/247 | 04/12/1992 | 03/12/2034 | 100% |
| | M63/369 | 01/07/2011 | 30/07/2032 | 100% |
| | M63/657 | Application | Application | 100% |
| | P63/1642 | 06/06/2008 | 05/06/2016[3] | 100% |
| | P63/1380 | 05/09/2007 | 04/09/2015[4] | 100% |
| | P63/1381 | 05/09/2007 | 04/09/2015[4] | 100% |
| | P63/1383 | 05/09/2007 | 04/09/2015[4] | 100% |
| | P63/1384 | 05/09/2007 | 04/09/2015[4] | 100% |
| | P63/1893 | 03/09/2012 | 02/09/2016[4] | 100% |
| | P63/1904 | 07/09/2012 | 06/09/2016[4] | 100% |
| | P63/1997 | 04/07/2016 | 03/07/2020 | 100% |
| | P63/2052 | 26/10/2017 | 25/10/2021 | 100% |

[3] Subject to consolidation under Mining Lease Application 63/657

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