



**COLLERINA**  
**Cobalt** Limited

ABN 79 106 879 690

**ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED  
30 JUNE 2018**

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## Collerina Cobalt Limited

ABN 79 106 879 690

### Chairman's Letter



Dear Fellow Shareholders,

The last year has been an extremely busy one for our Company with significant steps having been taken towards our objective of becoming a globally significant, low cost producer of High Purity Alumina (HPA).

While our initial efforts were focused on producing a 4N (99.99% purity) HPA together with nickel and cobalt, generated from acid leaching of the Collerina project ore, it was during the advancement of our Collerina Pre-Feasibility Study (PFS) that an opportunity was identified to apply our proprietary licensed solvent extraction (SX) and HPA refining technology on an alternate feedstock (made up of a blend of readily available industrial products).

This modified path to HPA production, which we introduced to the market as our 'HPA First' strategy, has the capacity to deliver aluminium at significant higher concentrations to the process, and will see a significant recalibration of the projected capital requirements and operating cost profile and is expected to deliver a dramatically improved business case for advancing the Project through to a Definitive Feasibility Study (DFS) and Final Investment Decision (FID). In addition to enhanced project economics, the modified process flow sheet will allow the Company to pursue its HPA ambitions independent of developing a mining operation and hence is expected to have significant positive implications for the project's permitting, financing, project implementation and operational cash flow timetables. It is now with great anticipation we look forward to the release of the PFS in late October/early November and the advancement of the necessary environmental permitting for an intended processing facility in Newcastle.

Led by our Managing Director Rimas Kairaitis, whose NSW project development experience is already proving invaluable, we look forward over this coming year delivering to the market not only our PFS but a DFS (incorporating pilot plant production metrics) that we believe will confirm a highly compelling, long-life operation, that will see our Company emerge as the preferred investment exposure, globally, to the rapidly growing HPA market that is still in its infancy.

Importantly, and it should not be overlooked, while delivering on our 'HPA First' strategy is our prime objective, we have preserved the very valuable optionality of developing the Collerina project which hosts a highly valuable nickel, cobalt and aluminium resource. Our commitment to the advancement of this project was demonstrated with our May/June RC drill program which confirmed a new high-grade cobalt zone at the C1 Anomaly approximately 10 kilometres to the north of the main Homeville deposit.

Finally, on behalf of the Board, I thank you for your continued support over the last 12 months and encourage to you to look ahead with great confidence and optimism to what promises to be a most exciting upcoming year.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Norman A. Seckold'. The signature is fluid and cursive, with a large loop at the end.

Norman A. Seckold

# Review of Operations

## OVERVIEW

Collerina Cobalt Limited ('Collerina Cobalt' or 'the Company') is an Australian based, ASX-listed mineral exploration and development company focused on advancing its 100% owned Collerina aluminium-nickel-cobalt project in central NSW. The Company also holds a 45% interest in the Wonogiri project in Indonesia which contains the Randu Kuning gold-copper deposit.

With the increasing innovation and adoption of clean, energy efficient technologies such as lithium-ion batteries and LED lighting the Company sees strong future demand growth for the high purity alumina ('HPA'), nickel and cobalt products it intends to produce.

### Collerina (100% Collerina Cobalt and subject to commodity split agreement)

The Collerina project is located 40 kilometres south of Nyngan in central NSW, covering an area of 150km<sup>2</sup> within the Fifield Platinum Province. The tenement contains the Homeville nickel-cobalt deposit, which was discovered by Collerina Cobalt in 2008. The Company and Helix Resources Limited ('Helix') are parties to an exploration and development agreement over the Collerina project whereby Collerina Cobalt retains 100% ownership of the known nickel and cobalt mineralisation within the Homeville, Yethella and C1 Anomaly areas, with Helix having the right to explore these areas for precious metals and other base metals. Helix receives 100% of the precious and base metal rights (excluding nickel and cobalt mineralisation), with Collerina Cobalt retaining a 1.5% net smelter royalty over any discoveries by Helix.

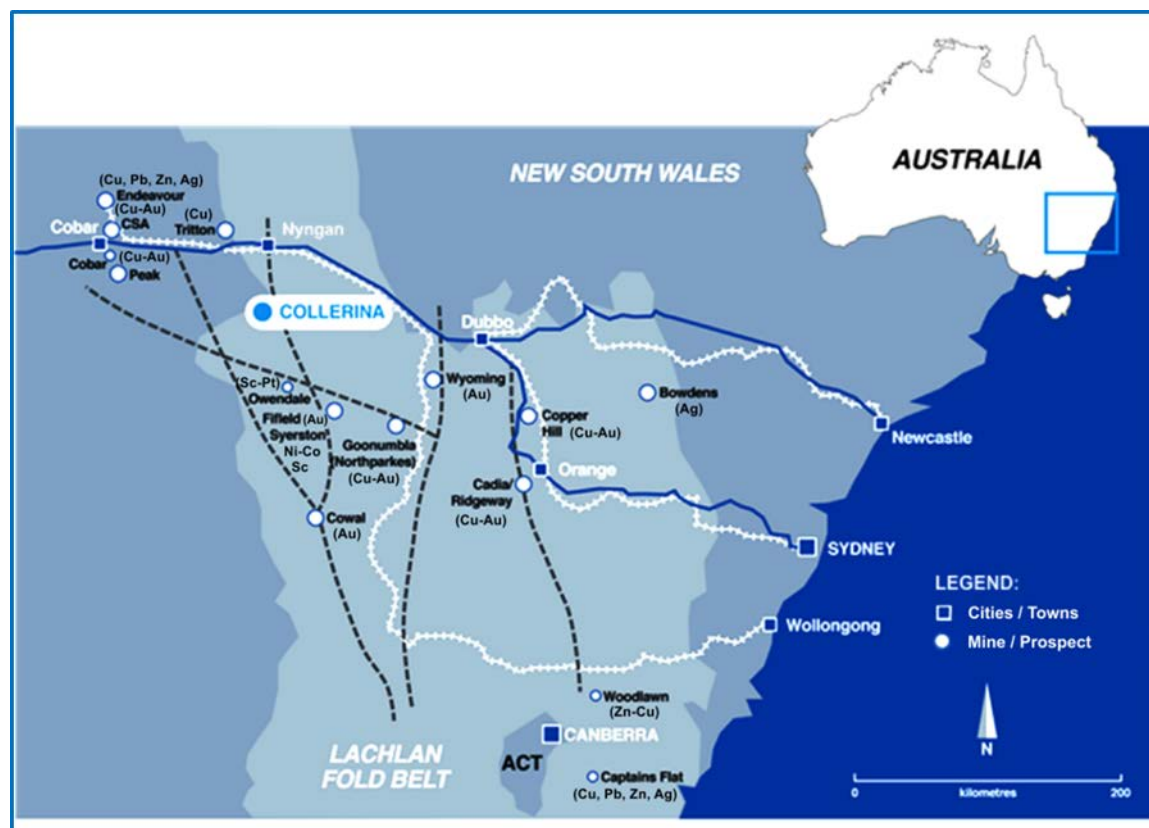


Figure 1: Collerina project situated about 40 kilometres south of Nyngan, NSW.

# Review of Operations

## Introduction

Operations for the year were initially focused on exploration activities on the Collerina project, as well as process testwork and pre-feasibility study ('PFS') work on the Collerina project mineralisation.

Late in FY18, the Company identified a major opportunity to fast track the production of HPA (the 'HPA First' process) using the Company's proprietary solvent extraction ('SX') and HPA refining technology.

## HPA FIRST – Fast Track to HPA Production

During the expanded testwork program for the PFS, the opportunity was identified to apply the Company's licenced proprietary technology on a feedstock, made up of a blend of readily available industrial products, rather than a pregnant leach solution ('PLS') liquor generated from acid leaching of the Collerina project ore. The alternate feedstock provides aluminium to the SX circuit at multiples higher tenor than achieved using the Collerina project PLS.

Following bench scale testwork confirming that the HPA First process is amenable to the production of 99.99% ('4N') HPA, the scope of the PFS was modified to deliver the initial findings based on the HPA First process.

The modified PFS is expected to allow the Company to rapidly fast track the production of HPA, the dominant revenue product, and is expected to confirm a dramatically improved business case by delivering a number of very significant advantages over the previous process path, namely:

- a far simpler process flow sheet than the original process flow sheet which does not require the development of a mining operation or associated acid plant, leach vessels, filtration, neutralisation circuits or tailings facilities;
- a significant reduction in process plant equipment and vessel sizing;
- significant CapEx reductions;
- significant OpEx reductions;
- the simplification of the process flow sheet substantially de-risks the project, providing a fast track through a definitive feasibility study, permitting, financing, project implementation and improved operational cash flows; and
- retains the option to integrate PLS feed from the Collerina project at a future date, to expand the revenue base into nickel, cobalt and scandium.

## Pre-Feasibility Study

With the decision to modify the PFS to deliver study outcomes based on the HPA First process, the Company engaged PFS managers, Prudentia Process Consulting, to complete the PFS on this basis. The modified study will require additional engineering and 'mini-rig' runs to collect key process information for the PFS.

## Collerina Project Nickel-Cobalt-Scandium

The HPA First process represents the acceleration of the HPA as the dominant, and highest margin revenue product whilst retaining the option of the future integration of HPA First with the Collerina project to produce nickel, cobalt and scandium.

Accordingly, the Company still considers that the chemical characteristics of the Collerina project ore represent a unique opportunity to produce nickel and cobalt under a compelling business case when compared to other nickel-cobalt laterite proponents.

# Review of Operations

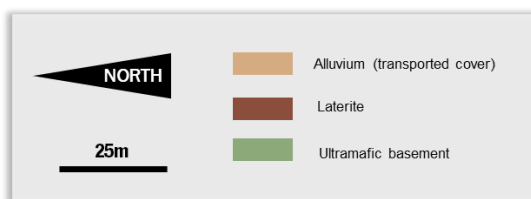
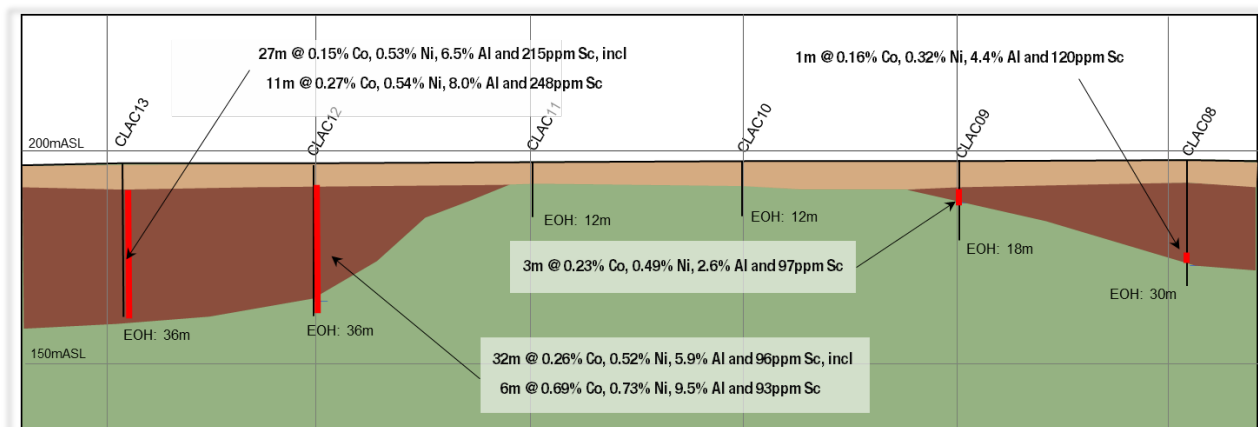
The Company expects to update the market on the nickel-cobalt-scandium process following the completion and delivery of the HPA First PFS.

## Collerina Drill Program

During the year the Company completed a reconnaissance exploration drilling program at northern end of the Collerina project.

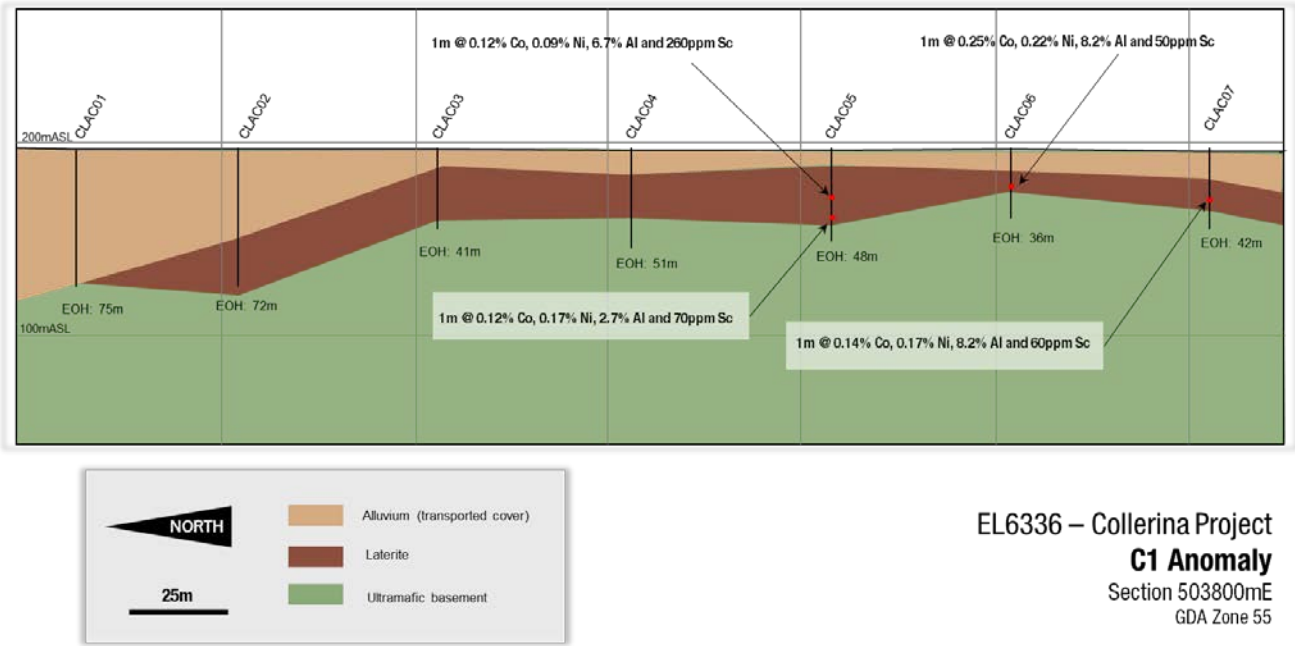
The program consisted of 42 vertical aircore holes for a total of 1,668 metres drilled. The drilling was designed as a series of reconnaissance drill traverses to test a number of aeromagnetic highs within a broad northwest trending structural zone, located approximately 10 kilometres north of the Homeville aluminium-nickel-cobalt deposit. The drilling was targeting high grade nickel-cobalt mineralisation in laterite profiles. Results confirmed the discovery of high cobalt tenor, nickel-cobalt laterite mineralisation beneath shallow alluvial cover on the C1 anomaly with significant intercepts including:

- CLAC12: 32 metres @ 0.26% Co, 0.52% Ni, 5.9% Al and 96ppm Sc, including 6 metres @ 0.69% Co, 0.73% Ni, 9.5% Al and 93ppm Sc
- CLAC13: 11 metres @ 0.27% Co, 0.54% Ni, 8.0% Al and 248ppm Sc

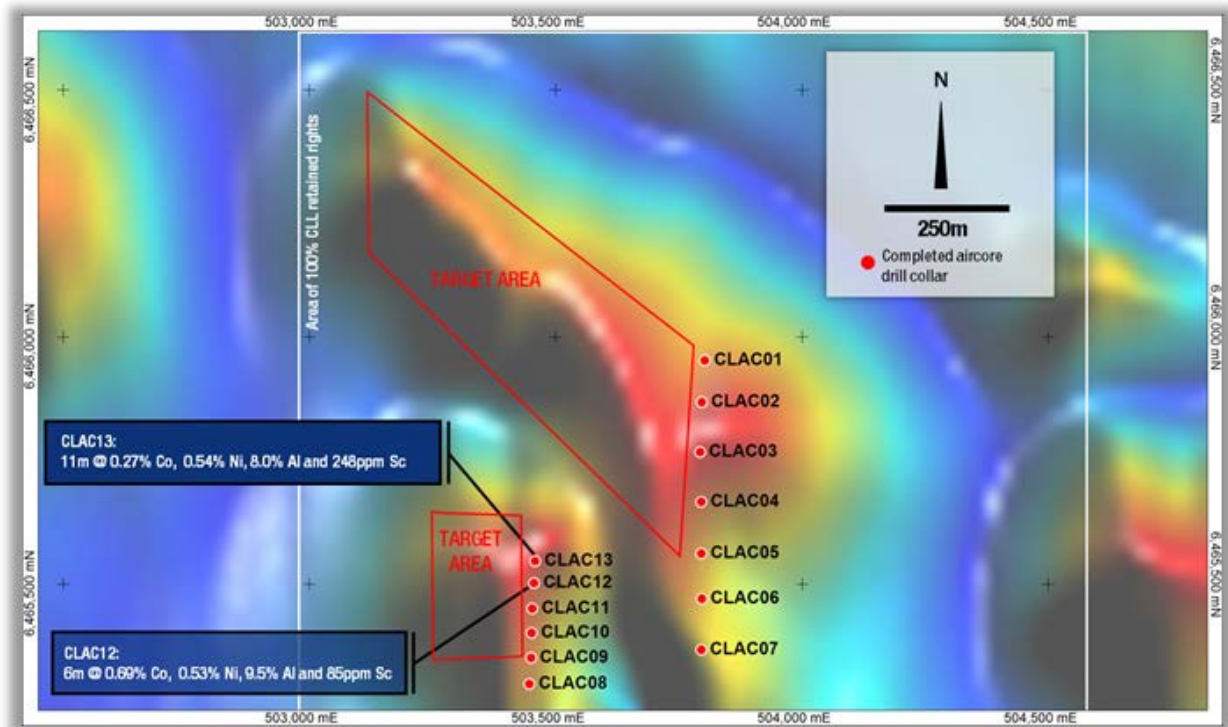


EL6336 – Collerina Project  
**C1 Anomaly**  
 Section 503460mE  
 GDA Zone 55

# Review of Operations



A re-interpretation of the C1 area aeromagnetics indicated that both C1 drill traverses intersected the flanks of the target magnetic high and that considerable scope exists to extend the wide, high-grade mineralisation intersected in holes CLAC012 and CLAC013 to the north, east and west.



C1 Anomaly. Drill hole collar location over tilt-filtered aeromagnetics.

# Review of Operations

## Wonogiri Project (45% Collerina Cobalt)

The 3,928 hectare Wonogiri copper-gold project, located in central Java at an altitude of approximately 200 metres above sea level, is one of the most recent major discoveries in the highly mineralised Indonesian archipelago.

The Wonogiri project is supported by quality infrastructure, with access by sealed roads approximately 30 kilometres south of the provincial city of Solo, and is easily accessible by daily flights from Jakarta. The surrounding area has grid power, a large dam and numerous river and stream systems. The surface area above the Randu Kuning deposit has no forestry restrictions.

The Randu Kuning deposit, is a gold-rich porphyry copper deposit which, based on an updated JORC 2012 resource estimate using a cut-off grade of 0.2 g/t gold equivalent ('AuEq'), contains 81.56 million tonnes ('Mt') at 0.44 g/t AuEq (0.38 g/t gold and 0.11% copper). This represents 996,500 ounces of gold and 190 million pounds of copper, or 1.15 million ounces AuEq. At a 0.5 g/t AuEq cut-off grade used in the Scoping Study, the total contained resource estimate is 20.95 million tonnes at 0.85 g/t Au and 0.16% copper, representing 573,000 ounces AuEq consisting of 533,000 ounces of gold and 74 million pounds of copper.

## AMDAL 20 year Operation Production IUP and Aggregate Licence

The Company is continuing to advance its AMDAL study (environmental impact study) for the Randu Kuning gold-copper deposit. On acceptance of the AMDAL, the Company will be awarded a 20 year operation production IUP which can be extended for a further 10 years. Separately, the Company is ready to initiate an Environmental Management Efforts and Environment Monitoring Efforts (UKL-UPL) report for its planned aggregate operation adjacent to the Randu Kuning deposit. Upon approval the Company will be granted an initial 5 year aggregate operation licence, which can be extended for two additional 5 year terms.

## Relinquishment of Gorontalo properties

The Company was unable to find a buyer for the Toluludu and Tapadaa IUPs during the year and subsequent to the year these properties were relinquished.

## CORPORATE ACTIVITIES

### Board Changes

In November 2017 the Company expanded its Board of Directors to include Mr Rimas Kairaitis as Technical Director and Mr Tony Sgro as a Non-Executive Director. Subsequent to year end, Mr Kairaitis assumed the role of Managing Director. Mr Werner will remain on the Board as a Non-Executive Director with the Company.

### Sale of Becker Project

With the Company's primary focus on the advancement of its HPA First and Collerina aluminium-nickel-cobalt project, the Company sold the Becker project in Chile, in which the Company had rights to earn up to an 85% interest, to Santana Minerals Limited ('Santana'). Consideration for the sale is:

- 10,000,000 fully paid ordinary shares in Santana (ASX:SMI);
- the repayment to the Company of a loan, capped at a maximum of \$500,000 payable in 10 equal monthly instalments in cash unless the Company elects to receive an payment in the form of Santana shares (to be issued pending Santana's sufficient placement capacity) and based on the 7-day VWAP prior to the issue of those Santana shares; and
- additional 'Top-Up' payments comprising:
  - \$850,000 upon definition of a Resource of 1,000,000 ounce gold or gold equivalent; plus
  - \$425,000 for each additional Resource defined of 500,000 ounce gold or gold equivalent.



# Review of Operations

## Issue of Shares and Options

During the year the Company granted 30 million options, each exercisable to acquire one fully paid ordinary share at any time up to 31 October 2019 for 10 cents, and completed a share placement of approximately 64 million fully paid ordinary shares to professional and sophisticated investors raising \$3,545,000 before costs.

## Fully Underwritten Non-Renounceable Rights Issue

Subsequent to the end of the year the Company completed a fully underwritten 1 for 10 pro-rata, non-renounceable rights issue ('Offer') at an issue price of \$0.08 per share to raise approximately \$4.0 million before costs of the Offer.

## MINERAL RESOURCES STATEMENT

Summarised below by resource category are the JORC resource estimates for the Collerina and Wonogiri projects.

### Collerina Project - Homeville Deposit

The Mineral Resource Estimate is presented below at 0.54% Ni, 0.7% Ni, and 1.0% nickel cut-off grades:

Category	Cut Off Grade (Ni %)	Tonnes (Mt)	Ni %	Co %	Fe %	Al %
Indicated	0.5	2.2	0.97	0.04	19	2.8
Inferred	0.5	18.8	0.84	0.06	23	3.7
<b>TOTAL</b>		<b>21</b>	<b>0.85</b>	<b>0.06</b>	<b>22</b>	<b>3.6</b>
Category	Cut Off Grade (Ni %)	Tonnes (Mt)	Ni %	Co %	Fe %	Al %
Indicated	0.7	2.2	0.98	0.04	19	2.8
Inferred	0.7	15.7	0.88	0.06	23	3.7
<b>TOTAL</b>		<b>17.9</b>	<b>0.89</b>	<b>0.06</b>	<b>22</b>	<b>3.6</b>
Category	Cut Off Grade (Ni %)	Tonnes (Mt)	Ni %	Co %	Fe %	Al %
Indicated	1.0	0.9	1.1	0.04	18	2.4
Inferred	1.0	3.1	1.1	0.05	20	2.9
<b>TOTAL</b>		<b>4.0</b>	<b>1.1</b>	<b>0.05</b>	<b>19</b>	<b>2.8</b>

### Wonogiri Project

Category	Cut Off (AuEq g/t)	Million Tonnes	AuEq (g/t)	Gold (g/t)	Copper (%)
Measured	1	4.88	1.36	1.28	0.23
	0.5	15.65	0.91	0.83	0.17
	0.2	21.59	0.77	0.69	0.15
Indicated	1	0.25	1.37	1.39	0.16
	0.5	1.67	0.74	0.73	0.11
	0.2	3.08	0.58	0.56	0.09
Inferred	1	0.1	1.37	1.49	0.09
	0.5	3.64	0.67	0.62	0.12
	0.2	56.89	0.31	0.25	0.09
<b>Total</b>	<b>1</b>	<b>5.22</b>	<b>1.36</b>	<b>1.29</b>	<b>0.23</b>
	<b>0.5</b>	<b>20.95</b>	<b>0.85</b>	<b>0.79</b>	<b>0.16</b>
	<b>0.2</b>	<b>81.56</b>	<b>0.44</b>	<b>0.38</b>	<b>0.11</b>

# Review of Operations

## Resource Comparison 2018 to 2017

As part of its annual review of Mineral Resources and Ore Reserves the Company engaged Optiro Consultants (Optiro) to conduct a JORC 2012 compliant Mineral Resource Estimate (MRE). The two MRE's are compared below:

2011 MRE (JORC 2004)	Category	Cut Off Grade (Ni %)	Tonnes (Mt)	Ni %	Co %	Fe %	Al %
	Indicated	0.7	4.4	0.99	0.06	20	3.4
	Inferred	0.7	11.9	0.91	0.05	18	3
	<b>TOTAL</b>		<b>16.3</b>	<b>0.93</b>	<b>0.05</b>	<b>19</b>	<b>3.1</b>
2018 MRE (JORC 2012)	Category	Cut Off Grade (Ni %)	Tonnes (Mt)	Ni %	Co %	Fe %	Al %
	Indicated	0.7	2.2	0.98	0.04	19	2.8
	Inferred	0.7	15.7	0.88	0.06	23	3.7
	<b>TOTAL</b>		<b>17.9</b>	<b>0.89</b>	<b>0.06</b>	<b>22</b>	<b>3.6</b>

The 2012 JORC MRE, in comparison to the 2004 JORC MRE, represents:

- A 10% increase in total tonnes
- A 50% decrease in indicated tonnes
- A 4% decrease in nickel grade
- An 11% increase in cobalt grade
- A 15% increase in aluminium grade.

A review of the Wonogiri project concluded that no adjustment to the resource estimate at the Wonogiri project was necessary at this time.

## Statement of Compliance

### **Competent Persons Statement – Collerina Project Testwork**

Information in this announcement that relates to metallurgical results is based on information compiled by or under the supervision of Mr Boyd Willis, an Independent Consultant trading as Boyd Willis Hydromet Consulting. Mr Willis is a Fellow and Chartered Professional of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Willis has sufficient experience to the activity which he is undertaking to qualify as a Competent Persons under the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Willis consents to the inclusion of the technical data in the form and context in which it appears.

For further information on testwork results and processes see ASX announcements dated 6 September 2018, 31 August 2018, 9 July 2018, 30 April 2018, 26 April 2018, 21 March 2018, 6 March 2018, 21 February 2018, 8 December 2017, 30 November 2017, 29 November 2017, 24 November 2017 and 13 November 2017.

### **Competent Persons Statement – Exploration Results and Mineral Resources Statement**

The information in this report that relates to Exploration Results is based on information compiled by Rimas Kairaitis, who is a Member of the Australasian Institute of Mining and Metallurgy. Rimas Kairaitis is a Director of Collerina Cobalt Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Kairaitis consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Information relating to the Mineral Resources Statement is based on, and fairly represents, information and supporting documentation prepared by Collerina staff and contractors and approved by Rimas Kairaitis. The Mineral Resource Statement as a whole has been approved by Rimas Kairaitis and he has consented to the form and context in which it appears in this report.

# Review of Operations

## ***Competent Persons Statement – Homeville Mineral Resource Estimate***

The Mineral Resource Estimate for the Homeville deposit has been compiled by Kahan Cervoj B. App. Sci (Geology), MAIG MAusIMM. Mr Cervoj is an employee of Mineral Industry Consultants, Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cervoj consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

## ***Competent Persons Statement – Randu Kuning Resource Estimate***

The information in this report that relates to the Randu Kuning Resource estimate is based on information compiled by Collerina staff and contractors and approved by Mr Michael Corey, PGeo., who is a Member of the Association of Professional Geoscientists of Ontario (APGO) in Canada. Mr Corey is employed by the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Corey has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

## **1 Gold Equivalent Calculation for the Randu Kuning JORC 2012 Compliant Resource**

Where reported in relation to the Wonogiri mineral resource estimate, gold equivalent results are calculated using a gold price of US\$1,250/ounce and a copper price of US\$5,500/tonne. Silver is excluded from the gold equivalent calculation. In calculating gold equivalents for the JORC 2012 resource estimate, gold and copper recoveries are assumed to be 85%. As previously reported, metallurgical testing has resulted in mean recoveries from sulphide material of over 90% for gold and 94% for copper. It is the Company's opinion that all metals used in the equivalent calculation have a reasonable potential to be recovered in the event that material from the Wonogiri project was to undergo processing.

The gold equivalent calculation used is:

$$\text{AuEq} = (\text{Au\_g/t} * \$40.20 * 85\% + \text{Cu\_ppm} * \$0.0055 * 85\%) / (\$40.20)$$

(i.e.: 1.0% Cu = 1.36 g/t Au)

## **CORPORATE GOVERNANCE STATEMENT**

The Board is committed to maintaining standards of Corporate Governance. Corporate Governance is about having a set of core values and behaviours that underpin the Company's activities and ensure transparency, fair dealing and protection of the interests of stakeholders. The Company has reviewed its corporate governance practises against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2018 Corporate Governance Statement is dated as at 28 September 2018 and reflects the corporate governance practises throughout the 2018 financial year. The 2018 Corporate Governance Statement was approved by the Board on 28 September 2018. A description of the Company's current corporate governance practises is set out in the Company's Corporate Governance Statement which can be viewed at [www.collerinacobalt.com.au/index.cfm/about-us/corporate-governance/](http://www.collerinacobalt.com.au/index.cfm/about-us/corporate-governance/).

## Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising of Collerina Cobalt Limited (the 'Company'), and its controlled entities for the financial year ended 30 June 2018 and the auditor's report thereon.

### Directors

The names of the directors in office at any time during or since the end of the financial year are:

Norman A. Seckold	-	Chairman
Rimas Kairaitis	-	Managing Director (appointed Director 1 November 2017 and Managing Director 23 August 2018)
Peter J. Nightingale	-	Director
Anthony Sgro	-	Director (appointed 1 November 2017)
Justin C. Werner	-	Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Company Secretary

The Company Secretary in office during the financial year was Richard J. Edwards.

### Principal Activities

The principal activities of the Group mineral processing and are to acquire, explore, develop and, subject to economic viability, mine mineral deposits.

No significant changes in the nature of these activities occurred during the year.

### Financial Results

The loss of the Group for the financial year after providing for income tax amounted to \$1,834,498 (2017 - \$2,889,795 loss).

### Review of Operations

A review of the Group's operations for the year ended 30 June 2018 is set out in the Review of Operations.

### Dividends Paid or Recommended

The directors do not recommend the payment of a dividend in respect of the financial year ended 30 June 2018. No dividends have been paid or declared during the financial year (2017 - nil).

### Environmental Regulations

The Group is subject to state, federal and international environmental legislation. The Group has complied with its environmental obligations and the Group have not received a notification for environmental breaches by any Government agency to the date of this Directors' Report, and the directors do not anticipate any obstacles in complying with the legislation.

# Directors' Report

## Significant Changes in State of Affairs

In the opinion of the directors, significant changes in the state of affairs of the Group that occurred during the year ended 30 June 2018 were as follows:

- The continued exploration and development of the Group's projects.
- Disposal of an economic interest in the Becker project in Chile.

## After Balance Date Events

Subsequent to the end of the financial year, the Company issued 50,827,274 ordinary shares for cash totalling \$4,066,182 (before costs) under a fully underwritten 1 for 10 pro-rata, non-renounceable rights issue offer.

In addition, in July 2018 the company adopted a strategy termed 'HPA First' designed to accelerate the production of High Purity Alumina.

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

## Likely Developments

The Group will continue to explore and evaluate the Company's exploration projects with the aim of identifying potential mineral resources and undertake further studies at the Collierina and Wonogiri projects ahead of anticipated decisions to mine.

## Information on Directors



**Norman Alfred Seckold**  
**Chairman**

Director since 30 November 2009.

Norman Seckold graduated with a Bachelor of Economics degree from the University of Sydney in 1970. He has spent more than 30 years in the full time management of natural resource companies, both in Australia and overseas.

Mr Seckold has been the Chairman of a number of publicly listed companies including Moruya Gold Mines (1983) N.L., which acquired the Golden Reward heap leach gold deposit in South Dakota, USA, Pangea Resources Limited, which acquired and developed the Pauper's Dream gold mine in Montana, USA, Timberline Minerals, Inc. which acquired and completed a feasibility study for the development of the MacArthur copper deposit in Nevada, USA, Perseverance Corporation Limited, which discovered and developed the Nagambie gold mine in Victoria, Valdora Minerals N.L., which developed the Rustler's Roost gold mine in the Northern Territory and the Ballarat East Gold Mine in Victoria, Viking Gold Corporation, which discovered a high grade gold deposit in northern Sweden, Mogul Mining N.L., which drilled out the Magistral and Ocampo gold deposits in Mexico and Bolnisi Gold N.L, which discovered and developed the Palmarejo and Guadalupe gold and silver mines in Mexico, and was previously Chairman of Cockatoo Coal Limited, an Australian coal mining, exploration and project development company and Equus Mining Limited, a mineral and development company operating in Chile.

Mr Seckold is currently Chairman of ASX listed Planet Gas Limited and Santana Minerals Ltd and Deputy Chairman of ASX listed Nickel Mines Limited. He is also a director of the unlisted public company Mekong Minerals Ltd.

**Other current listed company directorships:** Nickel Mines Limited, Planet Gas Limited and Santana Minerals Ltd.

**Former directorships in the last three years:** None.

**Interests in shares and options:** 67,291,194 shares indirectly held as at the date of this report.

## Directors' Report

### **Rimas Kairaitis** **Managing Director**

Technical Director since 1 November 2017. Appointed as Managing Director on 23 August 2018.

Mr Kairaitis is a geologist with over 24 years' experience in minerals exploration and resource development in gold, base metals and industrial minerals. In his most recent role, Mr Kairaitis was founding Managing Director and CEO of Aurelia Metals (ASX: AMI), which he steered from a junior exploration company IPO to a profitable NSW based gold and base metals producer. Mr Kairaitis' technical and commercial capacity and his recent project development experience in NSW are considered to be well matched to the Company's near-term development ambitions for the Collierina project.



**Other current listed company directorships:** None.

**Former directorships in the last three years:** None.

**Interests in shares and options:** 330,000 shares indirectly held and 10,000,000 \$0.10 31 October 2019 unlisted options held directly as at the date of this report.

### **Peter James Nightingale** **Director and Chief Financial Officer**

Director since 30 November 2009.

Peter Nightingale graduated with a Bachelor of Economics degree from the University of Sydney and is a member of the Institute of Chartered Accountants in Australia. He has worked as a chartered accountant in both Australia and the USA.



As a director or company secretary Mr Nightingale has, for more than 25 years, been responsible for the financial control, administration, secretarial and in-house legal functions of a number of private and public listed companies in Australia, the USA and Europe including Pangea Resources Limited, Timberline Minerals Inc., Perseverance Corporation Limited, Valdora Minerals N.L., Mogul Mining N.L., Bolnisi Gold N.L., Callabonna Uranium Limited, Sumatra Cooper & Gold plc and Cockatoo Coal Limited. Mr Nightingale is currently a director of ASX listed Nickel Mines Limited, Planet Gas Limited and unlisted public company Prospech Limited.

**Other current listed company directorships:** Nickel Mines Limited and Planet Gas Limited.

**Former directorships in the last three years:** Argent Minerals Limited.

**Interests in shares and options:** 13,612,500 shares indirectly held and 3,000,000 \$0.10 31 October 2019 unlisted options held directly as at the date of this report.



## Directors' Report



**Anthony Sgro**  
**Director**

Director since 1 November 2017.

Mr Sgro is a Chemical Engineer, graduating from University of Sydney in 1970. His studies included an emphasis on Minerals Chlorination, which focused on the application of chlorination techniques to the extractive metallurgy of various minerals including titanium, nickel, chromium and tungsten ores.

His early career was spent with an international engineering group, including an extended period managing operations in Indonesia.

In 1979, with two partners, Mr Sgro started Kelair Pumps which grew to be the largest privately owned pumping equipment supply company in Australia. The company was sold to an international group in 2004 but Mr Sgro remained with the company as General Manager until his retirement in 2015.

In a career spanning 45 years, Mr Sgro was deeply involved in the technical and commercial aspects of supply of specialised equipment to the major process industries including oil and gas, petrochemical, chemical and mining industries, including equipment specification, material selection, commercial and technical aspects of large tenders, contract negotiation and contract management.

**Other current listed company directorships:** None.

**Former directorships in the last three years:** None.

**Interests in shares and options:** 155,297 shares indirectly held and 3,000,000 \$0.10 31 October 2019 unlisted options held directly as at the date of this report.



**Justin Charles Werner**  
**Director**

Director since 23 December 2010. Appointed Managing Director on 8 August 2014. Resigned as a Managing Director on 23 August 2018.

Justin Werner, who has a Bachelor of Management from the University of Sydney, has been involved in the mining industry for more than 10 years. He was a founding partner of PT Gemala Borneo Utama, a private Indonesian exploration and mining company, which developed a heap leach gold mine in West Kalimantan and discovered the highly prospective Romang Island in Indonesia which was acquired by Padiham resources from Robust Resources Limited in November 2014.

Prior to focusing on developing projects in Indonesia, Justin worked as a consultant for specialist mining consultancies GPR Dehler, Jamieson Consulting and Partners in Performance, leading many successful turnaround projects for blue chip mining companies including Freeport McMoran (Grasberg deposit, Indonesia where he spent 2 years), Lihir Gold (Lihir mine, Papua New Guinea), Placer Dome (Nevada, USA), BHP Billiton (Ingwe Coal, South Africa), Rio Tinto (West Angeles Iron Ore, Australia), Nickel West (Western Australia) and QNI Yabulu refinery (Queensland, Australia). Mr Werner is currently a director of listed public company Nickel Mines Limited.

**Other current listed company directorships:** Nickel Mines Limited.

**Former directorships in the last three years:** None.

**Interests in shares and options:** 7,316,835 shares indirectly held and 10,000,000 \$0.10 31 October 2019 unlisted options held directly as at the date of this report.

# Directors' Report

## Meetings of Directors

Directors	Directors' Meetings	
	N° eligible to attend	N° attended
Norman A. Seckold	8	8
Peter J. Nightingale	8	8
Justin C. Werner	8	8
Rimas Kairaitis	6	6
Anthony Sgro	6	6

## Company Secretary

The Company Secretary, Richard Edwards, was appointed on 3 September 2012.

Richard Edwards graduated with a Bachelor of Commerce degree from the University of New South Wales, is a Fellow of the Governance Institute of Australia, is a member of CPA Australia and holds a Graduate Diploma of Applied Finance and Investment from FINSIA. Following eight years as an owner/manager of his own business, Mr Edwards has worked for over ten years providing financial reporting and company secretarial services to a range of publicly listed companies in Australia with a focus on the mining sector. He is also Company Secretary of ASX listed Nickel Mines Limited and unlisted public companies Indo Mines Limited and Prospech Limited.

## Directors' Interests

The following table provides the total ordinary shares held by each director as at the date of this report:

	Directly held	Indirectly held
Norman A. Seckold	-	67,291,194
Peter J. Nightingale	-	13,612,500
Rimas Kairaitis	-	330,000
Anthony Sgro	-	155,297
Justin C. Werner	-	7,316,835
<b>Total</b>	-	<b>88,705,826</b>

The following table provides the total options held by each director as at the date of this report:

	Directly held	Indirectly held
Norman A. Seckold	-	-
Peter J. Nightingale	3,000,000	-
Rimas Kairaitis	10,000,000	-
Anthony Sgro	3,000,000	-
Justin C. Werner	10,000,000	-
<b>Total</b>	<b>26,000,000</b>	-



## Directors' Report

### Unissued Shares Under Option

At the date of this report, unissued ordinary shares of the Company under option are:

Number of options	Exercise price	Expiry date
8,000,000	\$0.02	24 October 2018
30,000,000	\$0.10	31 October 2019
2,000,000	\$0.15	31 October 2020

### Shares Issued on Exercise of Options

During or since the end of the financial year, the Group issued ordinary shares as a result of the exercise of options as follows (there are no amounts unpaid on the shares issued):

Number of Shares	Amount paid on each share
2,000,000	\$0.02

### Indemnification of Officers and Auditor

During or since the end of the financial year, the Group has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company against a liability incurred by such an officer or auditor. In addition, the Group has not paid or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

### Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

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

### Non-audit Services

During the year ended 30 June 2018 KPMG, the Company's auditor, has not performed other services in addition to their statutory audit duties.

	2018	2017
Statutory Audit	\$	\$
Auditors of the Company		
Audit of annual and interim financial reports - KPMG	81,700	80,750

### Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001.

The lead auditor's independence declaration is set out on page 20 as required under section 307C of the *Corporations Act 2001*.

## Directors' Report

### Remuneration Report - (Audited)

#### Principles of Compensation - (Audited)

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the directors of the Company. No other employees have been deemed to be key management personnel.

The policy of remuneration of directors and senior executives is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board is responsible for reviewing and evaluating its own performance. The evaluation process is intended to assess the Group's business performance, whether long term strategic objectives are being achieved and the achievement of individual performance objectives.

Remuneration generally consists of salary payments. Longer term incentives are able to be provided through the Group's Incentive Option Plan which acts to align the directors and senior executives' actions with the interests of the shareholders. The remuneration disclosed below represents the cost to the Group for the services provided under these arrangements.

No directors or senior executives receive performance related remuneration.

There were no remuneration consultants used by the Group during the year ended 30 June 2018, or in the prior year.

#### Details of Remuneration for the Year Ended 30 June 2018 - (Audited)

Details of director and senior executive remuneration and the nature and amount of each major element of the remuneration of each director of the Company, and other key management personnel of the Group are set out below:

Key management personnel	Year	Short term	Post-employment	Share based payments	Total	Proportion of remuneration performance related %	Value of options as a proportion of remuneration %
		Salary and fees \$	Superannuation \$	Options \$			
Norman Seckold	2018	90,000	-	-	90,000	-	-
	2017	90,000	-	-	90,000	-	-
Peter Nightingale	2018	90,000	-	96,037	186,037	-	51.62
	2017	90,000	-	-	90,000	-	-
Justin Werner	2018	150,000	-	320,124	470,124	-	68.09
	2017	150,000	-	-	150,000	-	-
Rimas Kairaitis	2018	161,064	-	320,124	481,188	-	66.53
	2017	-	-	-	-	-	-
Anthony Sgro	2018	26,667	-	96,037	122,704	-	78.26
	2017	-	-	-	-	-	-
Total	2018	517,731	-	832,322	1,350,053	-	61.65
Total	2017	330,000	-	-	330,000	-	-

## Directors' Report

### Remuneration Report - (Audited) (Cont.)

Other than the share based payments outlined above, no bonuses were paid during the financial year and no performance based components of remuneration exist. The Group employed no other key management personnel.

#### Consequences of Performance on Shareholder Wealth - (Audited)

In considering the Group's performance and benefits for shareholder wealth, the Board of Directors have regard to the following indices in respect of the current financial year and the previous four financial years:

	2018	2017	2016	2015	2014
Loss attributable to owners of the Company	\$1,770,554	\$2,519,816	\$832,714	\$738,499	\$2,316,023
Dividends paid	Nil	Nil	Nil	Nil	Nil
Change in share price	\$0.077	\$0.009	\$0.003	(\$0.02)	\$0.015
Return on capital employed*	(17%)	(32%)	(9%)	(8%)	(23%)

\* Return on capital employed is calculated by dividing the profit or loss for the year by total assets less current liabilities.

The overall level of key management personnel's compensation is assessed on the basis of market conditions, status of the Group's projects, and financial performance of the Company.

#### Movement in shares

No shares were granted to key management personnel during the reporting period as compensation in 2017 or 2018. The movement during the reporting period in the number of ordinary shares in the Company held directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

Key management personnel	Held at 1 July 2017*	Purchased shares	Sales	Held at 30 June 2018
Norman A. Seckold	52,082,903	9,090,909	-	61,173,812
Peter J. Nightingale	12,375,000	-	-	12,375,000
Justin C. Werner	5,568,334	1,083,333	-	6,651,667
Rimas Kairaitis	300,000	-	-	300,000
Anthony Sgro	141,179	-	-	141,179

\*Balance at the beginning of the financial year or at the date of appointment.

Key management personnel	Held at 1 July 2016	Purchased shares	Sales	Held at 30 June 2017
Norman A. Seckold	52,082,903	-	-	52,082,903
Peter J. Nightingale	12,375,000	-	-	12,375,000
Justin C. Werner	5,568,334	-	-	5,568,334

#### Movement in options

#### Options granted as compensation - Audited

Details of options granted as compensation to each key management person:

Director	Grant Date	Number of Options Granted	Fair Value at Grant Date	Option Terms (Exercise Price and Term)
Peter Nightingale	1 November 2017	3,000,000	\$96,037	\$0.10 at any time to 31 October 2019
Justin Werner	1 November 2017	10,000,000	\$320,124	\$0.10 at any time to 31 October 2019
Rimas Kairaitis	1 November 2017	10,000,000	\$320,124	\$0.10 at any time to 31 October 2019
Anthony Sgro	1 November 2017	3,000,000	\$96,037	\$0.10 at any time to 31 October 2019

## Directors' Report

### Remuneration Report - (Audited) (Cont.)

The fair value of the options at grant date was determined based on Black- Scholes formula. The model inputs of the options issued, were the Company's share price of \$0.065 at the grant date, a volatility factor of 106% based on historic share price performance, a risk free rate of 1.84% based on the 2 year government bond rate and no dividends paid.

No options were granted during the 2017 financial year. The number of options that vested as at 30 June 2018 is 26,000,000 (2017 - nil). No options lapsed during 2018 and 2017 financial years.

#### Modification of terms of equity-settled share-based payment transactions - Audited

No terms of equity-settled share-based payment transactions (including options granted as compensation to a key management person) have been altered or modified by the Company during the 2018 financial year.

#### Exercise of options granted as compensation - Audited

There were no shares issued on the exercise of options previously granted as compensation during the 2018 and 2017 financial years.

#### Analysis of options and rights over equity instruments granted as compensation - Audited

All options refer to options over ordinary shares of Collierina Cobalt Limited, which are exercisable on a one-for-one basis.

Director	Options granted		% vested at year end	% forfeited at year end	Financial year in which grant vests
	Number	Date			
Peter Nightingale	3,000,000	1 November 2017	100%	-	30 June 2018
Justin C. Werner	10,000,000	1 November 2017	100%	-	30 June 2018
Rimas Kairaitis	10,000,000	1 November 2017	100%	-	30 June 2018
Anthony Sgro	3,000,000	1 November 2017	100%	-	30 June 2018

The number of options that had vested as at 30 June 2018 is 26,000,000 (2017 - nil). No options were granted subsequent to year end.

#### Analysis of movements in options - Audited

Director	Granted in the year	Valuation of options exercised in the year	Lapsed in the year
Peter Nightingale	3,000,000	-	-
Justin C. Werner	10,000,000	-	-
Rimas Kairaitis	10,000,000	-	-
Anthony Sgro	3,000,000	-	-

#### Options and rights over equity instruments - Audited

The movement during the reporting period in the number of options over ordinary shares in the Company held directly, indirectly or beneficially, by each key management person, including their personally related entities, is as follows:

## Directors' Report

### Remuneration Report - (Audited) (Cont.)

#### Option holdings 2018 - Audited

	Held at 1 July 2017	Granted/ Purchased <sup>i</sup>	Exercised	Expired	Held at 30 June 2018	Vested and exercisable at 30 June 2018
Directors						
Norman A. Seckold	-	-	-	-	-	-
Peter Nightingale	-	3,000,000	-	-	3,000,000	3,000,000
Justin C. Werner	-	10,000,000	-	-	10,000,000	10,000,000
Rimas Kairaitis	-	10,000,000	-	-	10,000,000	10,000,000
Anthony Sgro	-	3,000,000			3,000,000	3,000,000

<sup>i</sup> Granted as part of remuneration.

There were no options issued to key management personnel during the prior year.

#### Loans to key management personal and their related parties - Audited

There were no loans made to key management personnel or their related parties during the 2018 and 2017 financial years and no amounts were outstanding at 30 June 2018 (2017 - \$nil).

#### Other transactions with key management personnel - Audited

These key management personnel related entities transacted with the Group during the year as follows:

Peter Nightingale and Norman Seckold hold a controlling interest in an entity, MIS Corporate Pty Limited ('MIS'), which provided full administrative services, including administrative, accounting and investor relations staff both within Australia and Indonesia, rental accommodation, services and supplies, to the Group. Fees charged by MIS Corporate Pty Limited during the year amounted to \$246,332 (2017 - \$294,916) which included a monthly fee of \$20,000 per month until September 2017 and \$15,000 per month thereafter as well as reimbursement of consultant expenses incurred by MIS on behalf of the Group. At 30 June 2018, \$271,076 (30 June 2017: \$269,213) remained outstanding and was included in the creditor's balance.

Included within current liabilities are amounts totalling \$223,369 (2017- \$330,000) due to the Directors of the Company.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Director's interests existing at year end.

Signed at Sydney this 28th day of September 2018 in accordance with a resolution of the Board of Directors.



Rimas Kairaitis  
Managing Director



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Collerina Cobalt Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Collerina Cobalt Limited for the financial year ended 30 June 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Adam Twemlow  
*Partner*

Brisbane  
28 September 2018

**Collerina Cobalt Limited**

and its controlled entities

**Consolidated Statement of Profit or Loss and Other Comprehensive Income****For the year ended 30 June 2018**

	Notes	Consolidated	
		2018	2017
		\$	\$
<b>Continuing operations</b>			
Other income		31,815	204,375
Administration and consultant expenses		(584,422)	(525,653)
Audit and other professional fees	6	(92,650)	(80,750)
Depreciation and amortisation expenses	6	(1,301)	(1,780)
Directors' and company secretarial fees		(261,498)	(220,250)
Exploration and evaluation expenditure – pre-licence costs		-	(101,868)
Legal fees		(51,436)	(16,986)
Share based payment	17	(960,372)	-
Loss on sale of subsidiary		(94,364)	-
Impairment loss – exploration and evaluation expenditure	12	(15,646)	(1,969,432)
<b>Operating loss before financing income</b>		<b>(2,029,874)</b>	<b>(2,712,344)</b>
Finance income	5	195,376	1,803
Finance expense	5	-	(179,254)
Net financing income/(expense)		195,376	(177,451)
<b>Loss before income tax expense</b>		<b>(1,834,498)</b>	<b>(2,889,795)</b>
Income tax expense	8	-	-
<b>Loss after income tax expense</b>		<b>(1,834,498)</b>	<b>(2,889,795)</b>
<b>Other comprehensive income for the year</b>			
<b>Items that may be classified subsequently to profit or loss</b>			
Net change in fair value of available-for-sale financial assets		-	(300)
Foreign currency translation		(185,726)	15,701
<b>Total other comprehensive income</b>		<b>(185,726)</b>	<b>15,401</b>
<b>Total comprehensive loss for the year</b>		<b>(2,020,224)</b>	<b>(2,874,394)</b>
<b>Loss is attributable to:</b>			
Owners of the Company		(1,770,554)	(2,519,816)
Non-controlling interest		(63,944)	(369,979)
<b>Loss for the year</b>		<b>(1,834,498)</b>	<b>(2,889,795)</b>
<b>Total comprehensive loss is attributable to:</b>			
Owners of the Company		(1,848,621)	(2,498,146)
Non-controlling interest		(171,603)	(376,248)
<b>Total comprehensive loss for the year</b>		<b>(2,020,224)</b>	<b>(2,874,394)</b>
<b>Earnings per share</b>			
<b>Basic and diluted loss per share (cents)</b>	9	<b>(0.37)</b>	<b>(0.74)</b>

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

## Consolidated Statement of Financial Position

As at 30 June 2018

		Consolidated	
		2018	2017
	Notes	\$	\$
<b>Current assets</b>			
Cash and cash equivalents	10	288,007	594,029
Trade and other receivables	11	774,027	189,774
Prepayments		99,143	82,550
<b>Total current assets</b>		<b>1,161,177</b>	<b>866,353</b>
<b>Non-current assets</b>			
Property, plant and equipment		948	5,642
Exploration and evaluation expenditure	12	9,764,421	8,698,397
Investments	13	110,000	-
Other assets		45,000	15,000
<b>Total non-current assets</b>		<b>9,920,369</b>	<b>8,719,039</b>
<b>Total assets</b>		<b>11,081,546</b>	<b>9,585,392</b>
<b>Current liabilities</b>			
Trade and other payables	14	841,682	892,436
Taxes payable	15	-	789,365
<b>Total current liabilities</b>		<b>841,682</b>	<b>1,681,801</b>
<b>Non-current liabilities</b>			
Taxes payable	15	-	103,015
<b>Total non-current liabilities</b>		<b>-</b>	<b>103,015</b>
<b>Total liabilities</b>		<b>841,682</b>	<b>1,784,816</b>
<b>Net assets</b>		<b>10,239,864</b>	<b>7,800,576</b>
<b>Equity</b>			
Issued capital	16	30,187,206	26,712,574
Reserves	16	999,735	122,630
Accumulated losses		(21,464,136)	(19,693,582)
<b>Total equity attributable to equity holders of the Company</b>		<b>9,722,805</b>	<b>7,141,622</b>
Non-controlling interest		517,059	658,954
<b>Total equity</b>		<b>10,239,864</b>	<b>7,800,576</b>

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



**Collerina Cobalt Limited**

and its controlled entities

**Consolidated Statement of Changes in Equity for the year ended 30 June 2018**

	Notes	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$	Non- controlling interest \$	Total equity \$
<b>Attributable to equity holders of the Group</b>							
<b>Balance at 1 July 2016</b>		<b>25,628,095</b>	<b>74,959</b>	<b>(17,173,766)</b>	<b>8,529,288</b>	<b>254,810</b>	<b>8,784,098</b>
<b>Total comprehensive income for the year</b>							
Loss for the year		-	-	(2,519,816)	(2,519,816)	(369,979)	(2,889,795)
Total other comprehensive income		-	21,671	-	21,671	(6,269)	15,402
Total comprehensive loss for the year		-	21,671	(2,519,816)	(2,498,146)	(376,248)	(2,874,394)
<b>Transactions with owners recorded directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Issue of shares		1,200,000	-	-	1,200,000	-	1,200,000
Costs of issue		(115,521)	26,000	-	(89,521)	-	(89,521)
Contribution from non-controlling interest		-	-	-	-	780,392	780,392
<b>Balance at 30 June 2017</b>		<b>26,712,574</b>	<b>122,630</b>	<b>(19,693,582)</b>	<b>7,141,622</b>	<b>658,954</b>	<b>7,800,576</b>
<b>Balance at 1 July 2017</b>		<b>26,712,574</b>	<b>122,630</b>	<b>(19,693,582)</b>	<b>7,141,622</b>	<b>658,954</b>	<b>7,800,576</b>
<b>Total comprehensive income for the year</b>							
Loss for the year		-	-	(1,770,554)	(1,770,554)	(63,944)	(1,834,498)
Total other comprehensive income		-	(78,067)	-	(78,067)	(107,659)	(185,726)
Total comprehensive loss for the year		-	(78,067)	(1,770,554)	(1,848,621)	(171,603)	(2,020,224)
<b>Transactions with owners recorded directly in equity</b>							
<b>Contributions by and distributions to owners of the Company</b>							
Issue of shares	16	3,660,302	-	-	3,660,302	-	3,660,302
Costs of issue	16	(190,870)	-	-	(190,870)	-	(190,870)
Exercise of Options		5,200	(5,200)	-	-	-	-
Share Based Payments	17	-	960,372	-	960,372	-	960,372
Contribution from non-controlling interest		-	-	-	-	29,708	29,708
<b>Balance at 30 June 2018</b>		<b>30,187,206</b>	<b>999,735</b>	<b>(21,464,136)</b>	<b>9,722,805</b>	<b>517,059</b>	<b>10,239,864</b>

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

**Consolidated Statement of Cash Flows for the year ended 30 June 2018**

		<b>Consolidated</b>	
	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Cash payments in the course of operations		(945,288)	(469,485)
Interest received		13,329	1,803
<b>Net cash used in operating activities</b>	18	<b>(931,959)</b>	<b>(467,682)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation expenditure		(2,105,556)	(1,005,779)
Proceeds from disposal of investment		-	4,050
Proceeds from sale of property, plant and equipment		32,569	977
Payments for bonds		(30,000)	-
Repayment of R&D tax incentive		(694,359)	(199,052)
<b>Net cash used in investing activities</b>		<b>(2,797,346)</b>	<b>(1,199,804)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		3,585,000	1,200,000
Transaction costs on share issue		(190,870)	(89,521)
Contribution by non-controlling interest		29,708	886,533
Proceeds from borrowings		-	5,371
Repayment of borrowings		-	(5,371)
<b>Net cash provided by financing activities</b>		<b>3,423,838</b>	<b>1,997,012</b>
<b>Net increase/(decrease) in cash held</b>		<b>(305,467)</b>	<b>329,526</b>
<b>Cash and cash equivalents at 1 July</b>		<b>594,029</b>	<b>262,657</b>
<b>Effect of exchange rate adjustments on cash held</b>		<b>(555)</b>	<b>1,846</b>
<b>Cash and cash equivalents at 30 June</b>	10	<b>288,007</b>	<b>594,029</b>

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

# Collerina Cobalt Limited

and its controlled entities

## Notes to the Consolidated Financial Statements

### 1 REPORTING ENTITY

Collerina Cobalt Limited (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is at Level 2, 66 Hunter Street, Sydney, NSW, 2000. The consolidated financial statements of the Company as at and for the year ended 30 June 2018 comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is a for-profit entity and is primarily engaged in the acquisition, exploration and development of mineral deposits in Australia and Indonesia.

### 2 BASIS OF PREPARATION

#### (a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The consolidated financial statements comply with the International Financial Reporting Standards ('IFRSs') adopted by the International Accounting Standards Board ('IASB').

The consolidated financial statements were authorised for issue by the directors on 28 September 2018.

#### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items in the Statement of Financial Position:

- Investments - Available-for-sale financial assets are measured at fair value.

#### (c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

#### (d) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

- Note 2(e) - Going concern
- Note 8 - Unrecognised deferred tax assets
- Note 12 - Exploration and evaluation expenditure

#### (e) Going concern

The consolidated financial statements have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

During the year ended 30 June 2018, the Group incurred a net loss before tax of \$1,834,498 for the year ended 30 June 2018 and used \$3,037,515 of cash in operations, including payments for exploration and evaluation activities. As at 30 June 2018, the Group had net assets of \$10,239,864, including unrestricted cash of \$288,007.

## **Notes to the Consolidated Financial Statements**

### **2 BASIS OF PREPARATION (con't)**

#### **(e) Going concern (con't)**

Subsequent to the end of the financial year, the Company issued 50,827,274 ordinary shares for cash totalling \$4,066,182 (before costs) under a fully underwritten 1 for 10 pro-rata, non-renounceable rights issue offer.

The Directors have prepared cash flow projections for the coming 12 months that support the ability of the Group to continue as a going concern. These cashflow projections assumes the Group maintains expenditure in line with the level of funding available.

#### **(f) Changes in accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by entities in the Group.

### **3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by all entities in the Group.

#### **(a) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entities and the revenue can be reliably measured.

#### **(b) Finance income and finance costs**

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income and gains on the disposal of available-for-sale financial assets. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, losses on disposal of available-for-sale financial assets and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

#### **(c) Exploration, evaluation and development expenditure**

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in profit or loss.

Exploration and evaluation assets are only recognised if the rights to the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- 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.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

## Collerina Cobalt Limited

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### Notes to the Consolidated Financial Statements

#### 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

##### (c) Exploration, evaluation and development expenditure (Cont.)

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to mining property and development assets within property, plant and equipment.

##### (d) Property, plant and equipment

Items of property, plant and equipment are measured on the cost basis less depreciation and impairment losses.

##### *Depreciation*

The depreciable amount of all fixed assets is depreciated over the assets' estimated useful lives to the Group commencing from the time the asset is ready for use.

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

Class of fixed asset	Depreciation rates	Depreciation basis
Furniture and fittings	25.0%	Prime cost
Motor vehicles	25.0%	Prime cost
Office equipment	25.0%	Prime cost
Plant and equipment	25% to 37.5%	Prime cost

##### (e) Research and development grants

Where a rebate is received relating to research and development costs that have been expensed, the rebate is recognised as other income when the rebate becomes receivable and the Company complies with all attached conditions. If the research and development costs have been capitalised, the rebate is deducted from the carrying value of the underlying asset when the grant becomes receivable and the Group complies with all attached conditions.

##### (f) Financial instruments

##### *Non-derivative financial assets*

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories:

## **Notes to the Consolidated Financial Statements**

### **3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

#### **(f) Financial instruments (Cont.)**

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which take into account any dividend income, are recognised in profit or loss.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. They are included in current assets, except for those with maturities greater than 12 months after the reporting period, which are classified as non-current assets. Loans and receivables comprise cash and cash equivalents and trade and other receivables.

##### *Available-for-sale financial assets*

The Group's investments in equity securities are classified as available-for-sale financial assets. Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the cumulative gain or loss is reclassified to profit or loss.

##### ***Non-derivative financial liabilities***

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Other financial liabilities comprise trade and other payables.

##### ***Share capital***

###### *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

#### **(f) Basis of consolidation**

##### ***Subsidiaries***

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The accounting policies of the subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

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# Notes to the Consolidated Financial Statements

## 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

### (f) Basis of consolidation (Cont.)

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the Statement of Profit or Loss and Other Comprehensive Income and within equity in the Consolidated Statement of Financial Position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary.

#### ***Loss of control***

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently that retained interest is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Investments in associates and jointly controlled entities are accounted for under the equity method and are initially recognised at cost. The cost of the investment includes transaction costs.

#### ***Transactions eliminated on consolidation***

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

### (g) Tax

Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

#### ***Current tax***

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

#### ***Deferred tax***

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; or
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## Collerina Cobalt Limited

and its controlled entities

# Notes to the Consolidated Financial Statements

## 3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)

### (g) Tax

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### (h) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

### (i) Goods and services tax (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 Australian Taxation Office. 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. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Consolidated Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### (j) Impairment

#### ***Non-derivative financial assets***

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

For an investment in an equity security classified as available-for-sale, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. The Group consider a decline of 20 per cent to be significant and a period of 9 months to be prolonged.

#### ***Financial assets measured at amortised cost***

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised within profit or loss. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

#### ***Available-for-sale financial assets***

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss recognised previously in profit or loss. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.



## **Notes to the Consolidated Financial Statements**

### **3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

#### **(j) Impairment (con't)**

##### ***Non-financial assets***

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Impairment losses are recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **(k) Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

#### **(l) Foreign operations**

The assets and liabilities of foreign operations are translated to the functional currency at the foreign exchange rate ruling at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportion of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such items are considered to form part of the net investment in the foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

## **Collerina Cobalt Limited**

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# **Notes to the Consolidated Financial Statements**

## **3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

### **(m) Segment reporting**

#### ***Determination and presentation of operating segments***

The Group determines and presents operating segments based on the information that is provided internally to the Managing Director, who is the Group's chief operating decision maker.

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

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

### **(n) Employee benefits**

#### ***Short-term employee benefits***

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

#### ***Share-based payment transactions***

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

### **(o) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

#### ***Site restoration***

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land, and the related expense, is recognised when the land is contaminated.

## **Notes to the Consolidated Financial Statements**

### **3 SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

#### **(p) New standards and interpretations not yet adopted**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017, and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

#### ***AASB 9 Financial Instruments***

AASB 9 published in July 2014, replaces the existing guidance in AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group does not plan to adopt this standard early and the standard is not expected to have a significant effect on the financial statements.

#### ***AASB 16 Leases***

AASB 16 replaces existing leases guidance, including AASB 17 Leases. The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 at or before the date of initial application of IFRS 16.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

The Group has not yet completed a detailed assessment of the potential impact of applying AASB 16 on the financial statements.

### **4 DETERMINATION OF FAIR VALUES**

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

#### ***Equity securities***

The fair values of investments in equity securities are determined with reference to their quoted closing bid price at the measurement date.

#### ***Share-based payment transactions***

The fair value of the employee share options is measured using the Black-Scholes formula. Measurement inputs include share price on the measurement date, exercise price of the instrument, expected volatility (based on an evaluation of the historic volatility of the Company's share price, particularly over the historical period commensurate with the expected term), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions are not taken into account in determining fair value.

## Notes to the Consolidated Financial Statements

	<b>Consolidated</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>5 FINANCE INCOME AND FINANCE COSTS</b>		
<b>Recognised in profit or loss</b>		
Interest income on cash deposits	13,329	1,803
Remission of general interest charge	110,338	-
Foreign exchange gain	71,709	-
Net finance income recognised in profit or loss	<u>195,376</u>	<u>1,803</u>
<b>Recognised in profit or loss</b>		
Interest expense	-	179,254
Net finance expense recognised in profit or loss	<u>-</u>	<u>179,254</u>
<b>6 LOSS FOR THE YEAR</b>		
<b>Loss before income tax expense has been determined after:</b>		
Depreciation of non-current assets		
- Plant and equipment	1,301	1,780
Foreign exchange (gain)/loss	(71,709)	61,987
Remuneration of the auditors of the Company - KPMG		
- Audit of annual and interim financial statements	81,700	80,750
Total remuneration of the auditors	<u>81,700</u>	<u>80,750</u>

## 7 FINANCIAL INSTRUMENTS

### Financial risk management objectives and policies

The Group's financial instruments comprise deposits with banks, receivables, investments in available-for-sale financial assets, trade and other payables and from time to time short term loans from related parties. The Group does not trade in derivatives or in foreign currency.

The Group manages its risk exposure of its financial instruments in accordance with the guidance of the Board of Directors. The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risks. This note presents information about the Group's exposure to each of these risks, its objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

### Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. These policies are reviewed regularly to reflect changes in market conditions and the Group's activities.

The primary responsibility to monitor the financial risks lies with the Chief Financial Officer and the Company Secretary under the authority of the Board.

## Notes to the Consolidated Financial Statements

### 7 FINANCIAL INSTRUMENTS (Cont.)

#### Market risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Interest rate risk

The Group's exposure to market interest rates relates exclusively to cash and cash equivalents.

At balance date the Group's variable interest bearing financial instruments were:

	Consolidated	
	2018	2017
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents	<b>288,007</b>	594,029

The Group did not have any variable interest bearing financial liabilities in the current or prior year.

The Group does not have interest rate swap contracts. The Group has two interest bearing accounts from where it draws cash when required to pay liabilities as they fall due. The Group normally invests its funds in at least two accounts to maximise the available interest rates. The Group always analyses its interest rate exposure when considering renewals of existing positions including alternative financing.

The following sensitivity analysis is based on the interest rate risk exposures at balance date.

For the year ended 30 June 2018, if the interest rates had moved, as illustrated in the table below, with all other variables held constant, the post-tax loss and equity would have been affected as follows:

Judgement of reasonable possible movements:

	Post tax loss (Higher)/Lower 2018	Post tax loss (Higher)/Lower 2017	Total equity (Higher)/Lower 2018	Total equity (Higher)/Lower 2017
	\$	\$	\$	\$
+ 1% higher interest rate	4,410	4,283	4,410	4,283
- 0.5% lower interest rate	<b>(2,205)</b>	(2,142)	<b>(2,205)</b>	(2,142)

The movements in the loss after tax are due to higher/lower interest earned from variable movement in the interest rate on cash balances.

The Groups functional currency is Australian dollars. The Group is exposed to foreign currency risks due to the fact that the functional currency of its operating subsidiaries PT MME and PT Alexis is in Indonesian Rupiah and the intercompany transfers are denominated in United States Dollars.

The Group's gross financial position exposure to foreign currency risk at 30 June 2018 is as follows:

- US\$1,750 (A\$2,380) cash at bank;
- IDR 638,828,882 (A\$60,206) cash at bank;
- IDR800,052,149 (A\$75,401) of receivables;
- IDR951,022,449 (A\$89,629) of prepayments;
- US\$24,000 (A\$32,411) of trade and other payables;
- IDR394,974,324 (A\$37,224) of trade and other payables.

## Notes to the Consolidated Financial Statements

### 7 FINANCIAL INSTRUMENTS (Cont.)

#### Market risks (Cont.)

##### *Interest rate risk (Cont.)*

The Group's gross financial position exposure to foreign currency risk at 30 June 2017 is as follows:

- US\$26,565 (A\$35,165) cash at bank;
- IDR115,927,799 (A\$11,340) cash at bank;
- IDR857,467,022 (A\$83,877) of receivables;
- IDR771,993,272 (A\$75,516) of prepayments;
- US\$18,000 (A\$23,421) of trade and other payables;
- IDR162,166,021 (A\$15,863) of trade and other payables.

##### *Currency risk*

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2018	2017	2018	2017
AUD				
IDR	10,541	9,980	10,611	10,223
USD	0.7749	0.7536	0.7405	0.7686

The following sensitivity analysis is based on the exchange rate risk exposures at balance date.

For the year ended 30 June 2018, if the exchange rate between the Australian dollar to the United States dollar and Indonesian Rupiah had moved, as illustrated in the table below, with all other variables held constant, the post-tax loss and equity would have been affected as follows:

Judgement of reasonable possible movements:

	Post tax loss (Higher)/Lower 2018 \$	Post tax loss (Higher)/Lower 2017 \$	Total equity (Higher)/Lower 2018 \$	Total equity (Higher)/Lower 2017 \$
+ 10% higher AUD to USD exchange rate	3,138	(1,068)	(3,138)	1,068
- 5% lower AUD to USD exchange rate	(1,569)	534	1,569	(534)
+ 10% higher AUD to IDR exchange rate	(17,092)	(14,079)	17,092	14,079
- 5% lower AUD to IDR exchange rate	8,456	7,040	(8,456)	(7,040)

##### *Price risk*

As the investments held by the Group and classified in the balance sheet as available-for-sale were sold during the year the Group is no longer exposed to equity securities price risk.

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors rolling forecasts of liquidity on the basis of expected fund raisings, trade payables and other obligations for the ongoing operation of the Group.

At balance date, the Group has available funds of \$288,007 for its immediate use.

## Notes to the Consolidated Financial Statements

### 7 FINANCIAL INSTRUMENTS (Cont.)

#### Market risks (Cont.)

#### Liquidity risk (Cont.)

The following are the contractual maturities of financial liabilities, including estimated interest payments:

Financial liabilities	Carrying amount \$	Contractual cash flows \$	Less than 6 months \$	6 to 12 months \$	1 to 5 years \$	More than 5 years \$
<b>30 June 2018</b>						
Trade and other payables	841,682	841,682	841,682	-	-	-
	<b>841,682</b>	<b>841,682</b>	<b>841,682</b>	-	-	-

Included within trade and other payables are amounts totalling \$494,448 due to related parties.

Financial liabilities	Carrying amount \$	Contractual cash flows \$	Less than 6 months \$	6 to 12 months \$	1 to 5 years \$	More than 5 years \$
<b>30 June 2017</b>						
Trade and other payables	892,436	892,436	892,436	-	-	-
Taxes payable	892,380	939,568	416,224	416,224	107,120	-
	<b>1,784,816</b>	<b>1,832,004</b>	<b>1,308,660</b>	<b>416,224</b>	<b>107,120</b>	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2018 \$	2017 \$
Cash and cash equivalents	288,007	594,029
Trade and other receivables	774,027	189,774
Other financial assets	45,000	15,000
	<b>1,107,034</b>	<b>798,803</b>

Other financial assets for the year ended 30 June 2018 and 30 June 2017 represent environmental bonds held with Government Departments.

All financial assets and liabilities are current, with the exception of environmental bonds totalling \$45,000. All financial assets are not past due or impaired and the Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group except as described below.

## **Collerina Cobalt Limited**

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# **Notes to the Consolidated Financial Statements**

## **7 FINANCIAL INSTRUMENTS (Cont.)**

### ***Receivables***

During the year, the Company has, at the Wonogiri project, been incurring expenditures on behalf of PT Smart Resources, holder of a 55% interest in PT Alexis Perdana Mineral, holder of the exploration IUP covering Wonogiri. At 30 June 2018, there was a receivable amount of \$88,966 outstanding (2017 - \$85,572).

At 30 June 2018, there was a receivable amount of \$500,000 outstanding (2017 - \$Nil) from Santana Minerals Limited in relation to the sale of the Becker Gold project (refer to Note 12).

### ***Cash and cash equivalents***

The Group held cash and cash equivalents of \$288,007 at 30 June 2018 (2017 - \$594,029), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Aa2 (\$225,704) to Baa3 (\$62,303), based on rating agency Moody's Investor Service ratings.

### **Capital management**

Management controls the capital of the Group in order to maintain an appropriate debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's capital includes ordinary share capital supported by financial assets. There are no externally imposed capital requirements on the Group.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of cash levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.



## Notes to the Consolidated Financial Statements

	Consolidated	
	2018	2017
	\$	\$
<b>8 INCOME TAX</b>		
<b>Current tax expense</b>		
Current year	(385,753)	(305,028)
Tax losses not recognised	<u>385,753</u>	<u>305,028</u>
	<u>-</u>	<u>-</u>
Numerical reconciliation of income tax expense to prima facie tax payable:		
Loss before tax	<u>(1,834,498)</u>	<u>(2,889,795)</u>
Prima facie income tax benefit at the Australian tax rate of 27.5%	(504,487)	(794,694)
Increase in income tax expense due to:		
Non-deductible expenses	470,065	577,070
Tax losses not recognised	385,753	305,028
Effect of net deferred tax assets not brought to account	<u>(351,331)</u>	<u>(87,404)</u>
Income tax expense	<u>-</u>	<u>-</u>
<b>Unrecognised deferred tax assets</b>		
Deferred tax assets have not been recognised in respect of the following items:		
Taxable temporary differences (net)	(575,310)	(276,469)
Tax losses	<u>2,174,112</u>	<u>2,075,683</u>
Net	<u>1,598,802</u>	<u>1,799,214</u>

Deferred tax assets have not been recognised in respect of these items because it is not considered probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

## 9 LOSS PER SHARE

**Basic and diluted loss per share have been calculated using:**

Net loss for the year attributable to equity holders of the Company	<u>(1,770,554)</u>	<u>(2,519,816)</u>
	N° of shares	N° of shares
<b>Weighted average number of ordinary shares (basic and diluted)</b>		
- Issued ordinary shares at the beginning of the year	435,818,198	315,818,198
- Effect of shares issued on 1 August 2017	5,489,011	-
- Effect of shares issued on 13 November 2017	28,544,931	-
- Effect of shares issued on 13 December 2017	1,093,407	-
- Effect of shares issued on 19 December 2017	10,117,557	-
- Effect of shares issued on 22 March 2017	-	13,014,486
- Effect of shares issued on 28 April 2017	-	12,570,105
Weighted average number of shares at the end of the year	<u>481,063,104</u>	<u>341,402,789</u>

As the Group is loss making, none of the potentially dilutive securities are currently dilutive.

## Notes to the Consolidated Financial Statements

	Consolidated	
	2018	2017
	\$	\$
<b>10 CASH AND CASH EQUIVALENTS</b>		
Cash at bank	288,007	594,029
Cash and cash equivalents in the statement of cash flows	<u>288,007</u>	<u>594,029</u>

### 11 TRADE AND OTHER RECEIVABLES

#### Current

GST receivable - Australia	78,560	-
Consideration on sale of subsidiary	500,000	-
Other receivables	195,467	189,774
	<u>774,027</u>	<u>189,774</u>

### 12 EXPLORATION AND EVALUATION EXPENDITURE

Costs carried forward in respect of areas of interest in exploration phase:

New South Wales – opening balance	1,324,886	1,151,964
Additions	1,189,400	172,922
Net book value	<u>2,514,286</u>	<u>1,324,886</u>
Indonesia – opening balance	7,148,180	8,365,238
Additions	199,792	899,846
Impairment*	(15,646)	(1,969,432)
Exchange movements	(82,191)	(147,472)
Net book value	<u>7,250,135</u>	<u>7,148,180</u>
Chile – opening balance	225,331	-
Additions	460,080	225,331
Disposal of tenement interest	(685,411)	-
Net book value	<u>-</u>	<u>225,331</u>
	<u>9,764,421</u>	<u>8,698,397</u>

Exploration programs in each area of interest continue but have not reached a stage which permits a reasonable assessment of economically recoverable reserves. The ultimate recoupment of these costs is dependent on the successful development and exploitation, or alternatively sale, of the respective areas of interest.

At 30 June 2017 the Directors decided, given the lack of activity at the Gorontalo properties during 2017 to fully impair the carry value of the projects. Subsequent to the end of the year the Company relinquished the remaining licences that made up the Gorontalo properties.

## Collerina Cobalt Limited

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# Notes to the Consolidated Financial Statements

## 12 EXPLORATION AND EVALUATION EXPENDITURE(Cont.)

On 17 May 2018, the Company relinquished its interest in the Becker Gold project by selling 100% of its shares in Carlin Resources Pty Ltd ('Carlin') a fully owned subsidiary of Collerina to Santana Minerals Limited ('Santana'). Santana has entered into a Share Purchase Agreement pursuant to which Santana has agreed to purchase all of the shares in Carlin for the consideration of:

- i. 10,000,000 fully paid ordinary shares in Santana;
- ii. Repayment of a loan from Collerina to Carlin, capped at a maximum of \$500,000 payable in 10 equal monthly instalments. Instalments will be paid in cash with an option for Collerina to elect to receive an instalment in the form of Santana shares (to be issued pending Santana's sufficient placement capacity) and based on the 20- day VWAP prior to the issue of Santana shares; and
- iii. The Additional Top-Up consisting of:
  - (A) \$850,000 upon definition of a Reserve of 1,000,000 ounces gold or gold equivalent on the tenements; plus
  - (B) \$425,000 for each additional Resource defined of 500,000 ounces gold or gold equivalent on the tenements.

<b>Consolidated</b>	
<b>2018</b>	<b>2017</b>
<b>\$</b>	<b>\$</b>

## 13 INVESTMENTS

Opening balance	-	-
Additions – shares received from sale of Becker project	<b>110,000</b>	-
Closing balance	<b>110,000</b>	-

As detailed in Note 12, upon sale of the Becker Project the Company received 10,000,000 fully paid ordinary shares in Santana Minerals Limited. On 1 June 2018 when the shares were allotted the price was \$0.011 per share. The share price remained \$0.011 per share at 30 June 2018.

## 14 TRADE AND OTHER PAYABLES

### Current

Trade creditors	<b>724,182</b>	672,370
Sundry creditors and accruals	<b>117,500</b>	220,066
	<b>841,682</b>	892,436

## 15 TAXES PAYABLE

### Current

Taxes payable <sup>(1)</sup>	-	789,365
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### Non-current

Taxes payable <sup>(1)</sup>	-	103,015
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<sup>(1)</sup>During the prior year, a review of the R&D claims made by the Company for the 2014 and 2015 financial years was completed. This review indicated that the claims made did not meet the criteria for eligible R&D expenditure. The Company submitted a voluntary tax amendment with the Australian Taxation Office ('ATO') during the year and entered into a repayment arrangement with the ATO that will allow the Company to continue with the ongoing development of its projects.

## Notes to the Consolidated Financial Statements

### 15 TAXES PAYABLE (Con't)

During the year the Company engaged Economos Pty Ltd ('Economos') to liaise with the Australian Taxation Office ('ATO') regarding removal of the General Interest Charge's ('GIC's') that had been applied on taxes owing to the ATO.

The basis of this request was that the R&D tax incentive claims were made on the basis of incorrect advice provided to the Company. The Company took reasonable steps by engaging Economos to undertake a detailed independent review of such claims. The ATO reviewed the case and ruled to return the entire GIC on a fair and reasonable basis. During the current year, GIC's waived by the ATO to the Company amounted to \$141,927, of which \$110,338 related to interest expensed in the prior period. During the year, with the existing repayment arrangement and the reversal of GIC's, the Company fully repaid to the ATO the amounts incorrectly claimed during the 2014 and 2015 financials years.

<b>Consolidated</b>	
<b>2017</b>	<b>2016</b>
\$	\$

### 16 CAPITAL AND RESERVES

#### Share capital

508,272,744 (2017 - 435,818,198) fully paid ordinary shares 30,187,206 26,712,574

	<b>2018</b>		<b>2017</b>	
	<b>Nº of shares</b>	<b>\$</b>	<b>Nº of shares</b>	<b>\$</b>
Ordinary shares				
Balance at the beginning of the year	435,818,198	26,712,574	315,818,198	25,628,095
Issue of shares	70,454,546	3,625,502	120,000,000	1,200,000
Exercise of options	2,000,000	40,000	-	-
Costs of issue	-	(190,870)	-	(115,521)
Balance at the end of the year	<u><u>508,272,744</u></u>	<u><u>30,187,206</u></u>	435,818,198	26,712,574

During the year, the Group issued 64,454,546 shares at \$0.055 each for cash totaling \$3,545,000. There were no amounts unpaid on the shares issued. Share issue costs totalled \$190,870.

During the year, the Group issued 2,000,000 shares at \$0.02 each for cash totaling \$40,000. These were in relation to 2,000,000 options exercised by Bell Potter Securities. The fair value of the share options exercised was \$5,200.

In addition, during the year ended 30 June 2018 the Group issued 6,000,000 ordinary shares with a fair value of \$75,302 to a consultant as payment for geological consultancy services provided to the Group.

During the prior year, the Group issued 120,000,000 shares at \$0.01 each for cash totalling \$1,200,000. There were no amounts unpaid on the shares issued. Shares issue costs totalled \$115,521 including non-cash costs of \$26,000 relating to options issued for broker services (Refer Note 17).

#### **Terms and conditions - shares**

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

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

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

## Notes to the Consolidated Financial Statements

### 16 CAPITAL AND RESERVES (Cont.)

#### Nature and purpose of reserves

##### *Fair value reserve*

Changes in fair value of investments, such as equities; classified as available-for-sale financial assets, are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

##### *Foreign currency translation reserve*

The foreign currency translation reserve records the foreign currency differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

	<b>Consolidated</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Option premium reserve	<b>981,172</b>	26,000
Foreign currency translation reserve	<b>18,563</b>	96,630
	<b>999,735</b>	122,630
Non-controlling interest	<b>517,059</b>	658,954
<b>Movements during the period</b>		
<b>Option premium reserve</b>		
Balance at beginning of period	26,000	-
Share options issued	960,372	26,000
Exercise of Options	(5,200)	-
Balance at end of period	<b>981,172</b>	26,000
<b>Fair value reserve</b>		
Balance at beginning of period	-	300
Net change in fair value of available-for-sale financial assets	-	(300)
Balance at end of period	-	-
<b>Foreign currency translation reserve</b>		
Balance at beginning of period	<b>96,630</b>	74,659
Currency translation differences	<b>(78,067)</b>	21,971
Balance at end of period	<b>18,563</b>	96,630
<b>Non-controlling interests</b>		
Balance at beginning of period	<b>658,954</b>	254,810
Current period loss	<b>(63,944)</b>	(369,979)
Share of foreign currency translation reserve	<b>(107,659)</b>	(6,269)
Contribution by non-controlling interest	<b>29,708</b>	780,392
Balance at end of period	<b>517,059</b>	658,954

## Collerina Cobalt Limited

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# Notes to the Consolidated Financial Statements

## 17 SHARE BASED PAYMENTS

During the period, the Company issued 10,000,000 \$0.02 options with a grant date of 8 March 2017, and an expiry date of 24 October 2018, to Bell Potter Securities. The options were issued as brokerage fees in relation to the two tranche placement to sophisticated investors completed during the year ended 30 June 2017.

In addition, during the year ended 30 June 2018 the Group issued 6,000,000 ordinary shares with a fair value of \$75,302 to a consultant as payment for geological consultancy services provided to the Group.

The fair value of the options granted is measured using a Black-Scholes formula, taking into account the terms and conditions upon which the options were granted. The fair value of the options granted on 8 March 2017 was \$26,000. The Black-Scholes formula model inputs were the Company's share price of \$0.01 at the grant date, a volatility factor of 90% (based on historical share price performance), a risk-free interest rate of 1.50% and a dividend yield of 0%. The options fully vested on grant date.

During the year, 2,000,000 of these options were exercised by Bell Potter Securities for consideration of \$40,000 (refer Note 16).

In addition, during the year, the Company issued 30,000,000 \$0.10 options for no consideration with a grant date of 1 November 2017 and an expiry date of 31 October 2019, to Directors and key employees. The options were issued under the Collerina Cobalt Option Incentive Plan.

The fair value of the options granted is measured using a Black-Scholes formula, taking into account the terms and conditions upon which the options were granted. The fair value of the options granted on 1 November 2017 was \$960,372. The Black-Scholes formula model inputs were the Company's share price of \$0.065 at the grant date, a volatility factor of 106% (based on historical share price performance), a risk-free interest rate of 1.84% and a dividend yield of 0%. The options fully vested on grant date.

	<b>Consolidated</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>18 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash flows from operating activities</b>		
Loss from ordinary activities after income tax	<u><b>(1,834,498)</b></u>	<u><b>(2,889,795)</b></u>
Adjustments for:		
Depreciation	<b>1,301</b>	1,780
Impairments	<b>15,646</b>	1,969,432
Net interest expense- GIC	<b>(110,338)</b>	110,338
Revaluation of investment	<b>10,000</b>	-
Share based payment	<b>960,372</b>	-
Loss on sale of subsidiary	<b>84,364</b>	-
Effect of exchange rate adjustments	<b>557</b>	63,310
Exploration and evaluation expenditure pre-licence costs	-	101,868
Changes in assets and liabilities:		
Trade and other receivables	<b>(171,936)</b>	(1,837)
Prepayments	<b>10,687</b>	(7,209)
Trade and other payables	<b>101,886</b>	294,769
Net cash used in operating activities	<u><b>(931,959)</b></u>	<u><b>(467,682)</b></u>

## Collerina Cobalt Limited

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# Notes to the Consolidated Financial Statements

## 19 RELATED PARTIES

### Parent and ultimate controlling party

Collerina Cobalt Limited is both the parent and ultimate controlling party of the Group.

### Key management personnel compensation

Information regarding individual key management personnel's compensation and some equity instruments disclosures as required by the *Corporations Act* and *Corporations Regulations 2M.3.03* are provided in the Remuneration Report section of the Directors' Report. Compensation paid to key management personnel during the year is set out in the table below. At 30 June 2018 there were \$223,369 of fees outstanding (2017 - \$330,000).

Primary fees/salary	517,731	330,000
Share based payments	832,322	-
	<u>1,350,053</u>	<u>330,000</u>

### Key management personnel and director transactions

The following key management personnel holds a position in another entity that results in them having control or joint control over the financial or operating policies of that entity, and this entity transacted with the Company during the year as follows:

During the year, Peter Nightingale and Norman Seckold hold a controlling interest in an entity, MIS Corporate Pty Limited ('MIS'), which provided full administrative services, including administrative, accounting and investor relations staff both within Australia and Indonesia, rental accommodation, services and supplies, to the Group. Fees charged by MIS Corporate Pty Limited during the year amounted to \$246,332 (2017 - \$294,916) which included a monthly fee of \$20,000 per month until September 2017 and \$15,000 per month thereafter as well as reimbursement of consultant expenses incurred by MIS on behalf of the Group. At 30 June 2018, \$271,076 (30 June 2017: \$269,213) remained outstanding and was included in the creditor's balance.

## 20 SEGMENT INFORMATION

Segment information is presented in respect of the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period in that geographic region.

### Geographical segments

For the year ended 30 June 2018, the Group had three segments, being minerals exploration in NSW, Indonesia and South America. During the year, the Group relinquished its interests in South America (refer note 12).

The Group has three reportable geographical segments as follows:

## Notes to the Consolidated Financial Statements

### 20 SEGMENT INFORMATION (Cont.)

	NSW \$	Indonesia \$	South America	Total \$
<b>30 June 2018</b>				
External revenues	-	-	-	-
Reportable segment loss before tax	-	(111,089)	(94,364)	<b>(205,453)</b>
Interest income	-	-	-	-
Depreciation and amortisation	-	(1,301)	-	<b>(1,301)</b>
Impairment of exploration and evaluation expenditure	-	(15,646)	-	<b>(15,646)</b>
Loss on sale of investment	-	-	(94,364)	<b>(94,364)</b>
Reportable segment assets	2,495,898	7,516,311	-	<b>10,012,209</b>
Reportable segment liabilities	-	37,224	-	<b>37,224</b>
<b>30 June 2017</b>				
External revenues	-	-	-	-
Reportable segment loss before tax	-	(2,120,370)	(101,821)	<b>(2,222,191)</b>
Interest income	-	-	-	-
Depreciation and amortisation	-	(1,780)	-	<b>(1,780)</b>
Impairment of exploration and evaluation expenditure	-	(1,969,432)	-	<b>(1,969,432)</b>
Reportable segment assets	1,339,886	7,328,307	257,090	<b>8,925,283</b>
Reportable segment liabilities	-	94,545	-	<b>94,545</b>

<b>Consolidated</b>	
<b>2018</b>	<b>2017</b>
<b>\$</b>	<b>\$</b>

### Reconciliations of reportable segment revenues and profit or loss

#### Profit or loss

Total loss for reportable segments	<b>(205,043)</b>	(2,222,191)
Unallocated amounts:		
Interest income	<b>13,329</b>	1,803
Other income	<b>31,815</b>	179,480
Net other corporate expenses	<b>(1,674,599)</b>	(848,887)
Consolidated loss before tax	<b>(1,834,498)</b>	(2,889,795)



## Notes to the Consolidated Financial Statements

### 20 SEGMENT INFORMATION (Cont.)

#### Reconciliations of reportable assets and liabilities

##### Assets

Total assets for reportable segments	<b>10,012,209</b>	8,925,283
Unallocated corporate assets	<b>1,069,337</b>	660,109
Consolidated total assets	<b>11,081,546</b>	9,585,392

##### Liabilities

Total liabilities for reportable segments	<b>37,224</b>	94,545
Unallocated corporate liabilities	<b>804,458</b>	1,690,271
Consolidated total liabilities	<b>841,682</b>	1,784,816

#### Geographical information

In presenting information on the basis of geography, segment revenue and segment assets are based on the geographical location of the operations.

### 21 COMMITMENTS AND CONTINGENCIES

There are no contingent assets or liabilities as at the date of this financial report apart from the Additional Top-Up consideration potentially due from the sale of Carlin Resources Pty Ltd (refer to Note 25).

Company	
2018	2017
\$	\$

### 22 PARENT ENTITY DISCLOSURES

As at and throughout the financial year ended 30 June 2018 the parent and ultimate controlling entity of the Group was Collerina Cobalt Limited.

#### Result of the parent entity:

Net loss	<b>(1,828,555)</b>	(1,139,338)
Other comprehensive income	-	(300)
Total comprehensive loss	<b>(1,828,555)</b>	(1,139,638)

#### Financial position of the parent entity:

Current assets	<b>1,049,337</b>	660,109
Non-current assets	<b>2,587,932</b>	1,339,886
Total assets	<b>3,637,269</b>	1,999,995
Current liabilities	<b>804,458</b>	1,665,418
Total non-current liabilities	-	103,015
Total liabilities	<b>804,458</b>	1,768,433
Net assets	<b>2,832,811</b>	231,562

#### Total equity of the parent entity:

Share capital	<b>30,187,206</b>	26,712,574
Option premium reserve	<b>981,172</b>	26,000
Accumulated losses	<b>(28,335,567)</b>	(26,507,012)
Total equity	<b>2,832,811</b>	231,562

## Collerina Cobalt Limited

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# Notes to the Consolidated Financial Statements

## 22 PARENT ENTITY DISCLOSURES (Cont.)

The directors are of the opinion that no contingencies existed at, or subsequent to year end apart from the Additional Top-Up consideration potentially due from the sale of Carlin Resources Pty Ltd (refer to Note 25).

The Company had no capital commitments at the balance date.

## 23 EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the financial year, the Company issued 50,827,274 ordinary shares for cash totalling \$4,066,182 (before costs) under a fully underwritten 1 for 10 pro-rata, non-renounceable rights issue offer.

In addition, in July 2018 the company adopted a strategy termed 'HPA First' designed to accelerate the production of High Purity Alumina.

Other than the matters detailed above, no matters or circumstances have arisen since the end of the reporting period, which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## 24 GROUP ENTITIES

Particulars in relation to controlled entities:

	Country of incorporation	Company interest in ordinary shares	
		2018 %	2017 %
<i>Parent entity</i>			
Collerina Cobalt Limited	Australia		
<i>Controlled entities</i>			
Augur Investments Pty Limited	Australia	100	100
Bugis Pty Ltd	Australia	100	100
Carlin Resources Pty Ltd	Australia	-	100
Goron Pty Ltd	Australia	100	100
MMG Exploration Singapore (Number One) Pte. Ltd.	Singapore	80	80
MMG Exploration Singapore (Number Two) Pte. Ltd.	Singapore	80	80
PT Alexis Perdana Mineral	Indonesia	45	45
PT Explorasi Indonusa Jaya	Indonesia	80	80
PT Gunung Mulia Mineral	Indonesia	80	80
PT Multi Mineral Explorasi	Indonesia	80	80
PT Oxindo Exploration	Indonesia	80	80
PT Panah Emas	Indonesia	80	80
Solindo Pty Ltd	Australia	100	100
Wonogiri Pty Ltd	Australia	100	100

The Company continues to control the PT Alexis Perdana Mineral subsidiary through the operation of a shareholders agreement.

## **Collerina Cobalt Limited**

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# **Notes to the Consolidated Financial Statements**

## **25 DISPOSAL OF SUBSIDIARY**

On 17 May 2018, the Group completed the sale of Carlin Resources Pty Ltd, the subsidiary entity which held the Becker Project in Chile to Santana Minerals Limited ('Santana'). The Group received consideration totalling \$610,000 in exchange for 100% of the shareholding of the subsidiary. The consideration comprised the following:

- 10,000,000 fully paid ordinary shares in Santana;
- Repayment of a loan from Collerina to Carlin, capped at a maximum of \$500,000 payable in 10 equal monthly instalments. Instalments will be paid in cash with an option for Collerina to elect to receive an instalment in the form of Santana shares (to be issued pending Santana's sufficient placement capacity) and based on the 20- day VWAP prior to the issue of Santana shares; and
- The Additional Top-Up consisting of:
  - (C) \$850,000 upon definition of a Reserve of 1,000,000 ounces gold or gold equivalent on the tenements; plus
  - (D) \$425,000 for each additional Resource defined of 500,000 ounces gold or gold equivalent on the tenements.

On 17 May 2018 the subsidiary had net assets of \$704,364 and a net loss of \$94,364 was recognised in respect of the sale for the year ended 30 June 2018.

## **26 COMPANY DETAILS**

The registered office of the Company is:

Collerina Cobalt Limited  
Level 2, 66 Hunter Street  
Sydney NSW 2000  
Australia

## DIRECTORS' DECLARATION

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1. In the opinion of the directors of Collierina Cobalt Limited (the Company):
  - (a) the consolidated financial statements and notes thereto, set out on pages 21 to 49, and the Remuneration Report in the Directors Report, as set out on pages 16 to 19, are in accordance with the *Corporations Act 2001*, including:
    - (i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
    - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial year ended 30 June 2018.

Signed at Sydney this 28th day of September 2018 in accordance with a resolution of the Board of Directors.



Rimas Kairaitis  
Managing Director



# Independent Auditor's Report

To the shareholders of Collierina Cobalt Limited

## Report on the audit of the Financial Report

### Opinion

We have audited the **Financial Report** of Collierina Cobalt Limited (the Company).

In our opinion, the accompanying Financial Report of Collierina Cobalt Limited is in accordance with the *Corporations Act 2001*, including

- giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

The **Financial Report** comprises the:

- Consolidated statement of financial position as at 30 June 2018;
- Consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

The **Group** consists of Collierina Cobalt Limited (the Company) and the entities it controlled at the year end and from time to time during the financial year.

### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Group in accordance with 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 fulfilled our other ethical responsibilities in accordance with the Code.

## Key Audit Matters

The **Key Audit Matters** we identified are:

- Exploration and evaluation expenditure; and
- Going concern

**Key Audit Matters** are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Exploration and evaluation expenditure (\$9,764,421)

Refer to Note 12 of the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Exploration and evaluation expenditure is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• the significance of the balance (representing 88% of total assets) at 30 June 2018;</li> <li>• management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6, an industry specific accounting standard, requires the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset, and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset; and</li> <li>• the assessment of impairment of exploration and evaluation expenditure can be inherently difficult, particularly in uncertain market conditions such as Indonesia where one of the Group's major exploration projects is based.</li> </ul> <p>Areas of significant judgement for us and management included:</p> <ul style="list-style-type: none"> <li>• the assessment of specific areas of interest;</li> <li>• whether specific exploration licence</li> </ul>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We evaluated the Group's accounting policy to recognise exploration and evaluation assets using the criteria in the accounting standard;</li> <li>• We assessed management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Group holds an interest, including separation by geographical location and type of mineral deposit;</li> <li>• For each area of interest, we assessed the Group's current rights to tenure by corroborating the ownership of the relevant license to government registries or government correspondence. We also sample tested for compliance with any requirements to maintain the licences in good standing, such as consideration of any minimum spend requirements;</li> <li>• We tested capitalised exploration and evaluation expenditure for the period by evaluating a statistical sample of recorded expenditure for consistency to underlying records and the capitalisation requirements of AASB 6;</li> <li>• We considered the activities in each area of interest, and assessed the Group's planned future activities for each area of interest, by evaluating work programmes and budgets to determine whether the carry forward conditions of AASB 6 have been satisfied;</li> <li>• We assessed each area of interest for one or more of the circumstances, as described in the left column</li> </ul>

requirements are complied with, particularly where there are complex agreements in place with other parties and/or where the licence is in a foreign jurisdiction;

- whether expenditure meets the capitalisation carry forward conditions of AASB 6. This included consideration of management's assessment of whether exploration and evaluation expenditure is expected to be recouped through successful development and exploitation of the area of interest, or alternatively through sale; and
- whether there are indicators of impairment, in particular:
  - licences for the right to explore expiring in the near future or are not expected to be renewed;
  - substantive expenditure for further exploration in the specific area is neither budgeted nor planned;
  - decision or intent by the Group to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
  - data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration assets is unlikely to be recovered in full from successful development or sale.

that may indicate impairment of the capitalised expenditure. We did this through testing the status of the Group's tenure and documented planned future activities, reading board minutes, considering the results of exploration programmes completed to date, and discussion with management.

## Going Concern basis of accounting

Refer to Note 2e to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>The Group's use of the going concern basis of accounting and the associated extent of uncertainty is a key audit matter due to:</p> <ul style="list-style-type: none"><li>the high level of judgement required by us in evaluating the Group's assessment of going concern and the events or conditions that may cast significant doubt on its ability to continue as a going concern. These are outlined in Note 2e; and</li><li>the cash flow projections prepared as the basis of the Director's assessment that the use of the going concern basis of accounting is appropriate in preparing the Financial report incorporate a number of assumptions and significant judgements.</li></ul> <p>We critically assessed the levels of uncertainty, as it related to the Group's ability to continue as a going concern, within these assumptions and judgements, focusing on the Group's planned levels of operational expenditures, and the ability of the Group to manage cash outflows within available funding, particularly in light of the historical cash outflows from operations and loss making operations.</p> <p>In assessing this key audit matter, we involved senior audit team members who understand the Group's business, industry and the economic environment it operates in.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"><li>We analysed the cash flow projections by:<ul style="list-style-type: none"><li>Evaluating the underlying data used to generate the Group prepared cash flow projections. We specifically looked for their consistency with the Group's intentions, and their comparability to past practices;</li><li>Assessing the resultant impact to the ability of the Group to pay debts as and when they fall due and continue as a going concern. The specific areas we focused on were informed from our test results of the accuracy of previous Group cash flow projections on key cash flow projection assumptions;</li><li>Assessing the planned levels of operating expenditures for consistency of relationships and trends to the Group's historical results, particularly in light of the historical cash outflows from operations, loss making operations, results since half year end, and our understanding of the business, industry and economic conditions of the Group;</li></ul></li><li>We evaluated the Group's going concern disclosures in the Financial Report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Group's plans to address those events or conditions, and accounting standard requirements.</li></ul>



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## Other Information

Other Information is financial and non-financial information in Collierina Cobalt Limited's financial reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Group and the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the Audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_files/ar1.pdf](http://www.auasb.gov.au/auditors_files/ar1.pdf)

This description forms part of our Auditor's Report.

## Report on the Remuneration Report

### Opinion

In our opinion, the Remuneration Report of Collierina Cobalt Limited for the year ended 30 June 2018, complies with *Section 300A of the Corporations Act 2001*.

### Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 16 to 19 of the Directors' report for the year ended 30 June 2018.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.



KPMG  
Brisbane  
28 September 2018



Adam Twemlow  
Partner

## Collerina Cobalt Limited

ABN 79 106 879 690

### Additional ASX Information

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 31 August 2018.

#### Distribution of Equity Securities

ORDINARY SHARES		
Range	Number of Holders	Number of Shares
1 - 1,000	49	8,077
1,001 - 5,000	77	268,443
5,001 - 10,000	135	1,215,736
10,001 - 100,000	313	12,757,437
100,001 - 9,999,999	307	544,850,325
<b>Total</b>	<b>881</b>	<b>559,100,018</b>

The number of shareholders holding less than a marketable parcel is 104.

#### Twenty Largest Shareholders

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

Nº	ORDINARY SHARES SHAREHOLDER	Nº OF SHARES	TOTAL %
1	PT Muara Mulya Propertindo	110,536,400	19.77
2	Permgold Pty Ltd	67,291,194	12.04
3	Budworth Capital Pty Ltd <Rolling Hills Capital A/C>	39,306,001	7.03
4	BT Portfolio Services Limited <Warrell Holdings S/F A/C>	34,312,500	6.14
5	Palmer Bookmaking Pty Limited	19,388,999	3.47
6	Rosignol Pty Ltd <Nightingale Family A/C>	13,612,500	2.43
7	J P Morgan Nominees Australia Limited	11,705,609	2.09
8	Mr Robert Simeon Lord	11,492,500	2.06
9	Oon Peng Lim	10,000,000	1.79
10	HSBC Custody Nominees (Australia) Limited	8,676,954	1.55
11	Motte & Bailey Pty Ltd <Bailey Super Fund A/C>	7,025,501	1.26
12	Morgan Stanley Australia Securities (Nominee) Pty Limited <No 1 Account>	5,651,221	1.01
13	Rigi Investments Pty Limited <The Cape A/C>	5,543,001	0.99
14	Spinite Pty Ltd	5,500,000	0.98
15	Ninan Pty Ltd	5,263,282	0.94
16	Mrs Susan Holt	4,786,586	0.86
17	Guy Jones Pty Ltd <The Guy Jones Family S/F A/C>	4,500,000	0.80
18	Topaz Pty Ltd	4,000,000	0.72
19	Quality Life Pty Ltd <The Viking Fund A/C>	3,740,000	0.67
20	John Wardman & Associates Pty Ltd <The Wardman Super Fund A/C>	3,430,000	0.61
	<b>Total</b>	<b>375,762,248</b>	<b>67.21</b>

There are no current on-market buy backs.

## Collerina Cobalt Limited

ABN 79 106 879 690

### Additional ASX Information

#### Substantial Shareholders

Substantial shareholders and the number of equity securities in which it has an interest, as shown in the Company's Register of Substantial Shareholders is:

Shareholder	N <sup>o</sup> of Shares Held	% to Issued Shares
PT Muara Mulya Propertindo	110,536,400	19.77
Permgold Pty Ltd	67,291,194	12.04
Budworth Capital Pty Ltd <Rolling Hills Capital A/C>	39,306,001	7.03
BT Portfolio Services Limited <Warrell Holdings S/F A/C>	34,312,500	6.14

#### Class of Shares and Voting Rights

The voting rights attached to ordinary shares, as set out in the Company's Constitution, are that every member in person or by proxy, attorney or representative, shall have one vote when a poll is called, otherwise each member present at a meeting has one vote on a show of hands.

#### Tenement Schedule

Project	Tenement number	Interest %
<b>Australia</b>		
Collerina	EL 8703	100%
	EL 8752	100%
	EL 8768	100%
Yeoval	ML 811	25%
<b>Indonesia</b>		
Wonogiri	IUP No. 545.21/054/2009	45%

## **Collerina Cobalt Limited**

ABN 79 106 879 690

### **Corporate Directory**

#### **Directors:**

Mr Norman A. Seckold (Chairman)  
Mr Rimantas Kairaitis (Managing Director)  
Mr Peter J. Nightingale  
Mr Anthony Sgro  
Mr Justin C. Werner

#### **Company Secretary:**

Mr Richard J. Edwards

#### **Principal Place of Business and Registered Office:**

Level 2, 66 Hunter Street  
SYDNEY NSW 2000  
Phone: 61-2 9300 3310  
Fax: 61-2 9221 6333  
Homepage: [www.collerinacobalt.com.au](http://www.collerinacobalt.com.au)

#### **Auditors:**

KPMG  
Level 16, Riparian Plaza  
71 Eagle Street  
BRISBANE QLD 4000

#### **Share Registrar:**

Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
SYDNEY NSW 2000  
Phone: 1300 787 272  
Overseas Callers: 61-3 9415 4000  
Fax: 61-3 9473 2500

#### **Solicitors:**

DLA Piper Australia  
1 Martin Place  
Sydney NSW 2000