



# ANNUAL REPORT 30 JUNE 2018

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# FIJI

Figure 1 – Tenement Location Map



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## Chairman's Message

Dear Shareholder

I am pleased to present the Annual Report of Dome Gold Mines Limited for the year ended 30 June 2018.

The past twelve months have seen significant advances at both our Sigatoka Ironsand Project and Ono Island Gold Project in Fiji, while our third project (Nadrau Copper-Gold) currently has a lower priority and awaits further exploration at a later date.

At Sigatoka, the main focus of activity was on Koroua Island, near the mouth of the Sigatoka River, where a comprehensive drilling programme was completed, utilising the company's own sonic drill rig. This work filled an important gap in our knowledge of sand distribution and thickness within the currently delineated Sigatoka JORC 2012 mineral resource, defined by earlier sonic drilling. Correlation from hole to hole was good, with generally about 2m of silty clay/loam overburden above some 8m of coarse to very coarse sand and up to 15m of finer sand below that. Most drill holes extended from surface to about 25m and the majority of these ended in mineralised fine sand. The results from the island drilling are very encouraging, with thick sand sequences and heavy mineral abundances, including magnetite, consistent with those in the existing resource. A little more drilling remains to be done in this area and once that is completed, a new mineral resource estimate will be commissioned for Sigatoka.

While we await that resource upgrade we are pleased to note the emergence of strong domestic demand for sand and gravel within Fiji as a result of the country's ongoing infrastructure development and economic growth. We expect therefore to find local markets for most if not all of our expected industrial sand and gravel production, with only the magnetite and bulk heavy mineral concentrates to be exported in full. Our ability to supply high quality industrial sand to the Fijian domestic market will be of significant economic benefit to the country and its people. For Dome, that will be a very pleasing outcome, as we are always very conscious that we are guests in Fiji. As such, we are well aware of the need to meet our social and economic responsibilities for our host nation and constantly strive to exceed expectations in that regard.

Ono Island, situated approximately 80km south of Fiji's main island, has been the other principal site of exploration activity by Dome over the past year. Here the targets of interest are two adjacent gold prospects of high sulphidation, epithermal type. These are expressed at surface by intense rock alteration and (oxidised) sulphide mineralisation over a wide area, accompanied by anomalous gold, silver, arsenic and other metals in soil samples. Encouraged by the size and intensity of alteration and mineralisation at Ono, and recognising the significant analogy between Ono and other Southwest Pacific gold prospects and mines, Dome conducted a geophysical (IP) survey over the two prospects in 2016. That work identified strong chargeability anomalies at depth, with attendant zones of high resistivity. This was interpreted as strongly indicative of the potential for epithermal gold mineralisation at depth and represented a very attractive exploration target.

Accordingly, an initial diamond drilling programme was designed and implemented during the first half of 2018. That work was performed for Dome by a Fiji-based contractor known as Geodrill. This first phase programme saw a total of 2276m of drilling in seven holes, testing parts of both the eastern and western Naqara prospects on Ono.

All seven holes intersected rock displaying strong to intense argillic (clay) alteration, accompanied by silicification and the presence of sulphides (mainly pyrite) on fractures, in veins and as disseminated grains. Maximum sulphide mineralisation corresponded well to the targeted zones of high chargeability, confirming the veracity of the IP survey and interpretation. Anomalous copper, molybdenum and weakly anomalous gold and silver values were reported from assays of drill core and these results provide much encouragement that the Naqara prospects comprise a fertile, metal-bearing system. With such a large volume of rock to be tested (roughly 2km<sup>3</sup> in the top 500m), as yet quite limited information on what might actually be controlling metal distribution, and only seven drill holes to date, the search for gold at Ono is very much a work in progress. A good deal more drilling will be required to unveil Ono's secrets. In keeping with industry best practice in mineral exploration, Dome will carry out a thorough review of results to date, including 3-D modelling of geophysics, geochemistry, alteration and sulphide distribution, before we launch a second phase of drilling. That modelling should help us identify specific gold targets more definitively than was possible before any direct sub-surface information was available from drilling. In particular, we will be looking for evidence of boiling zones and other geological factors that may control the distribution and deposition of gold.

## Chairman's Message

As mentioned above, Dome takes its social responsibility towards the Government and people of Fiji very seriously and over the past year we have continued to give financial and material support to the Fijian communities in which we work. Ms Jean White has once again led that process and her expertise in this area is much appreciated by both Dome and our Fijian hosts.

At the end of July, 2018, Dome announced that it had signed a Heads of Agreement with IHC Robbins, a wholly owned affiliate of Royal IHC of the Netherlands (IHC), appointing them as contractor to carry out, when requested, a Definitive Feasibility Study (DFS) for Dome at Sigatoka. The DFS contract is seen as the beginning of a long term strategic relationship between the companies that will include the appointment of IHC as Engineering, Procurement and Construction manager at Sigatoka when, assuming a positive DFS result, the project proceeds to development.

I believe the new relationship with IHC will prove to be of great value to Dome, as IHC is a world leader in the manufacture and operation of dredge mining and mineral sand processing equipment. They will bring to us a great depth of expertise in recovering sand in the marine and estuarine environments in an economic and environmentally sound manner. IHC has its roots in 17<sup>th</sup> century Netherlands and that long history will bring much credibility to our undertaking at Sigatoka.

It is a pleasure for me once again to thank my fellow directors at Dome, Mr Tadao Tsubata and Ms Sarah Harvey, for their expertise and support throughout the year. Mr Tsubata, in particular, has continued to form an important bridge to our Japanese shareholders and to bring new capital to the company from Japanese investors. His financial role has been critical to our ability to get on with the job in Fiji and thus begin to realise for all shareholders the value we see waiting for release at our Fijian projects.

Finally, I would like to thank the staff and contractors of Dome, who have continued to serve the company with unstinting loyalty. Mr Jack McCarthy, as CEO, has provided strong leadership and firm control of our programme, aided more recently by Dr Matthew White, who has been appointed *pro tem* as exploration manager. They have been well supported by a small administrative staff in Sydney and by a very effective team in Fiji, who are keen to build wealth for their country, their company and themselves by the diligent application of their skills to the discovery and development of Fiji's mineral resources.



G. G. LOWDER  
Chairman

## Dome Gold Mines Ltd

and its controlled entities

### Directors' Report

The Directors of Dome Gold Mines Ltd present their report, together with the financial statements of the consolidated entity, being Dome Gold Mines Ltd ('Dome' or 'the Company') and its controlled entities ('the Group') for the financial year ended 30 June 2018.

#### DIRECTORS' DETAILS

The following persons were Directors of Dome during or since the end of the financial year.

**Dr Garry Lowder**

**Bachelor of Science with 1st Class Honours in Geology (University of Sydney)**

**Doctor of Philosophy (University of California, Berkeley)**

**Advanced Management Program (Harvard University)**

**Fellow, Australasian Institute of Mining and Metallurgy**

**Member, Australian Institute of Company Directors**

Chairman

Independent Non-Executive Director

Member of Audit Committee

Director since 1 March 2012

Dr Garry Lowder is a geologist who has spent over 45 years in the Australian and international mining industries. As an exploration geologist, Garry has worked in Australia, Indonesia and Papua New Guinea, playing key roles in the discovery of several mineral deposits, including the Northparkes copper, Cowal gold and Conrad silver deposits in NSW, the Paddington gold and Wodgina tantalum deposits in WA and the North Sulawesi porphyry copper deposits in Indonesia.

Over the past 30 years Garry has held senior management positions with Australian mining companies and also spent four years in government as Director General of Mineral Resources in NSW. In 1997 he founded Malachite Resources Limited, listing it on the ASX (MAR) in 2002 and retiring as managing director late in 2011; he retired from the position of non-executive Chairman of Malachite at the end of November, 2012.

Garry was also an independent, non-executive director (and for three years, chairman) of ASX- listed Straits Resources Limited from 1997 until he retired from that Board in mid-2011.

**Other current Directorships:** None

**Previous Directorships (last 3 years):** None

**Interests in shares:** 570,000 shares

**Interests in options:** 500,000 options

**Mr Tadao Tsubata**

**Bachelor of Arts in Economics (Kokushikan University, Tokyo)**

Non-Executive Director

Director since 8 July 2011

Mr Tadao Tsubata studied at Kokushikan University, Tokyo, in the Department of Politics and Economics, graduating in 1991 with a B.A. in Economics.

From 1991 to 1997, Tadao worked in corporate finance at a large Japanese securities company. From this role he moved to a major international life insurance and investment company where he was involved in retail offerings and distribution of the business in Japan.

Establishing his first business in life insurance distribution and agencies in 2001, this formed the basis of a new business being a Japanese focused asset management company.

## **Dome Gold Mines Ltd**

and its controlled entities

### **Directors' Report**

In early 2010 the activities of both the insurance business and the asset management company grew to the extent that a private investment advisory firm was established to specifically target international investments in mining exploration, primary production and other growth industries. Tadao continues in the role of Chief Executive Officer of this business and its international operations including in Australia.

**Other current Directorships:** None  
**Previous Directorships (last 3 years):** None  
**Interests in shares:** 47,342,393 shares  
**Interests in options:** 500,000 options

#### **Ms Sarah Harvey**

**Bachelor of Arts (University of Adelaide)**

**Bachelor of Laws (University of Adelaide)**

**Master of Laws (College of Law, Sydney)**

**Certificate in Governance Practice (Governance Institute of Australia)**

Appointed 27 July 2017

Independent Non-Executive Director

Chair of Audit Committee

Ms Sarah Harvey has worked for over 15 years, in both private practice and in the corporate sector.

In recent years Sarah has been focused on company secretariat services, providing board and director advice in strategic planning and review, due diligence, risk compliance and corporate governance. She holds a BA, LLB, MA (Law) and Certificate in Governance Practice from the GIA.

**Other current Directorships:** None  
**Previous Directorships (last 3 years):** None  
**Interests in shares:** 20,776,499 shares  
**Interests in options:** 500,000 options

#### **COMPANY SECRETARY**

Mr Marcelo Mora holds a Bachelor of Business degree and Graduate Diploma of Applied Corporate Governance. Mr Mora has been a Company Secretary and an accountant for more than 30 years and has experience in resources and mining companies both in Australia and internationally, providing financial reporting and company secretarial services to a range of publicly listed companies. Marcelo has been the Company Secretary since Dome was incorporated on 8 July 2011.

## Directors' Report

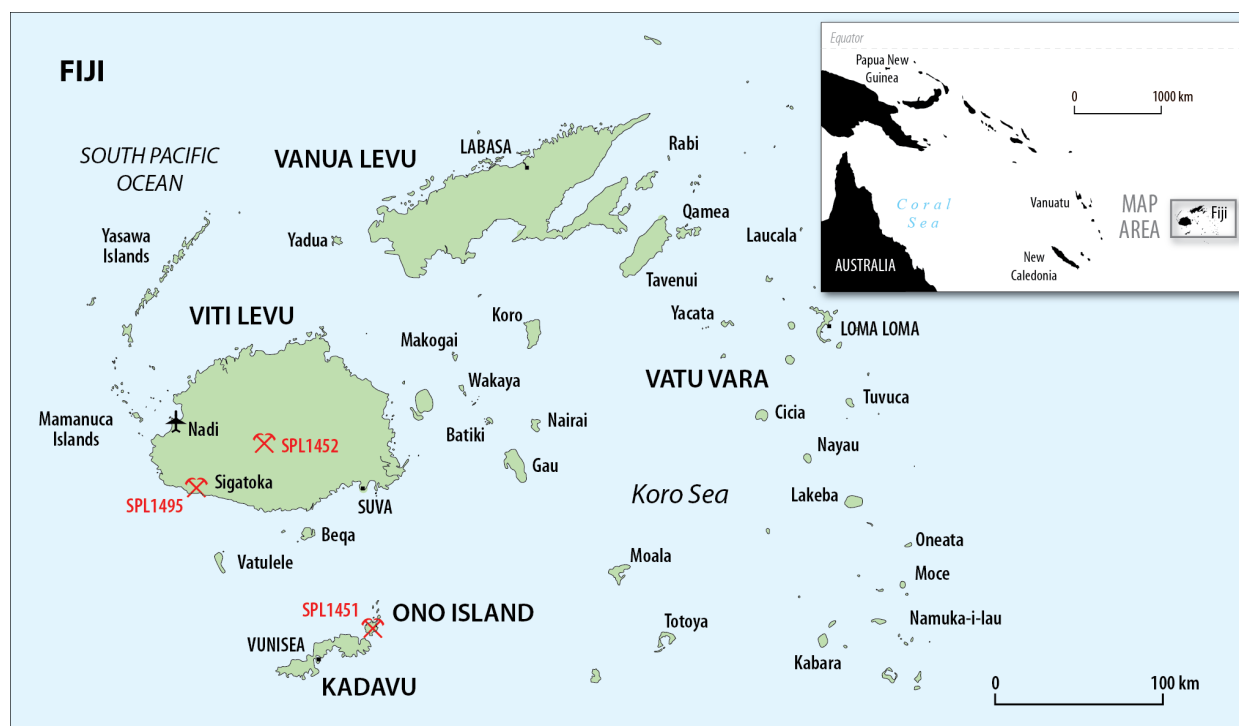
### PRINCIPAL ACTIVITIES

The principal activities of the Group have been the continuing exploration and evaluation of its Projects in Fiji. No significant changes in the nature of these activities occurred during the year.

### REVIEW OF OPERATIONS AND FINANCIAL RESULTS

#### Projects

Dome, through its wholly owned Fijian subsidiaries, Dome Mines Ltd and Magma Mines Ltd holds 100% of three Special Prospecting Licences (SPL) in Fiji, namely, SPL1495 (Sigatoka Iron Sand Project), SPL1451 (Ono Island Project) and SPL1452 (Nadrau Project) (see Figure 1).



**Figure 1 – Dome Gold Mine's project locations**

#### **SPL 1495 Sigatoka Iron Sand Project**

- This tenement of 2,522.69ha on the south coast of Viti Levu, the largest island of Fiji, covers the plains at the mouth of the Sigatoka River, the river itself and an area offshore.
- It is Dome's most advanced project, with a Definitive Feasibility Study planned for 2018 to support an application for a Mining Lease. Environmental Impact Assessment report produced December 2014.
- Pre-feasibility Study report completed early 2015.
- MRD notification that a Definitive Feasibility Study was required for issue of a Mining Lease 2017.
- Resumption of sonic drilling to update/increase the initial JORC 2012 resource estimate in 2017.
- Initial JORC 2012 resource estimate was published in October 2014 and part of a sonic drilling program to update this report will be completed in 2018.
- Expecting to release a report updating initial JORC 2012 report by December 2018.

In October 2014 the company announced a maiden JORC 2012 Resource Estimate for its 100%-owned Sigatoka Iron Sand Project, located on the main island of Viti Levu, Fiji (see Figure 2).

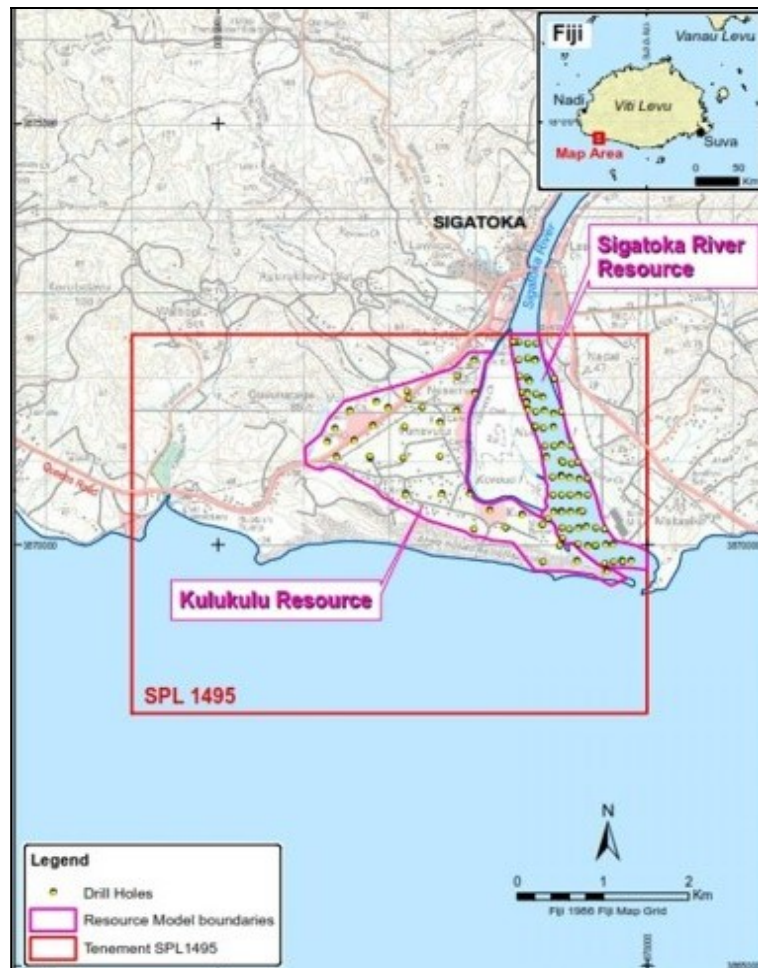
A maiden Resource Estimate of 131.6 million tonnes included Indicated Mineral Resources of 25 million tonnes @11.6% HM at Sigatoka River, and Inferred Mineral Resources of 100.7 Mt @ 17% HM at the onshore Kulukulu deposit and 5.9 million tonnes @ 11% HM at Sigatoka River.



## Directors' Report

The Resource consists of detrital magnetite and other heavy minerals in a coastal sand deposit. The iron sand will be dredged from the Sigatoka river bed and processed by gravity and magnetic separation to produce saleable products ready for export.

In addition to magnetite concentrate, non-magnetic heavy mineral concentrate and sand and gravel suitable for industrial or land reclamation uses are expected to be produced during processing.



**SIGATOKA RIVER INDICATED AND INFERRED RESOURCE ESTIMATE SUMMARIES**

JORC Classification	ZONE	VOLUME (m3)	DENSITY (g/cm3)	TONNES (t)	HM TONNES (t)	MAG1 TONNES (t)	%HM Feed	%HM in Sand	+4mm Sand	1-4mm Sand	38micron-1mm Sand	-38micron	Average MAGSUS	%MAG1 in Feed	%V in MAG1	%TiO2 in MAG1	%Fe in MAG1	%SiO2 in MAG1	%Al2O3 in MAG1	%P in MAG1	%S in MAG1
Indicated	Lower Fine Sand [ZONE 1]	10,455,000	1.8	18,819,000	2,176,686	344,765	11.6	15.8	8.7	10.5	73.1	7.6	16.6	1.8	0.35	6.6	56.4	4.6	3.8	0.06	0.92
	Upper Coarse Sand [ZONE 2]	3,616,875	1.8	6,510,375	749,895	98,882	11.5	19.7	17.5	20.3	58.3	3.9	14.3	1.5	0.36	6.6	57.1	4.2	3.7	0.07	0.57
	Subtotal	14,071,875	1.8	25,329,375	2,926,581	443,648	11.6	16.8	11.0	13.0	69.3	6.7	16.0	1.8	0.35	6.6	56.6	4.5	3.7	0.06	0.83
Inferred	Lower Fine Sand [ZONE 1]	2,547,188	1.8	4,584,938	488,976	75,814	10.7	15.7	10.4	13.1	68.6	7.9	12.9	1.7	0.36	6.6	56.9	4.4	3.7	0.06	1.08
	Upper Coarse Sand [ZONE 2]	749,063	1.8	1,348,313	145,771	15,437	10.8	19.9	21.1	20.9	53.5	4.5	11.7	1.1	0.36	6.6	57.4	4.3	3.8	0.07	0.36
	Subtotal	3,296,250	1.8	5,933,250	634,747	91,251	10.7	16.6	12.8	14.9	65.2	7.1	12.6	1.5	0.36	6.6	57.0	4.4	3.7	0.06	0.91
	<b>TOTAL</b>	<b>17,368,125</b>	<b>1.8</b>	<b>31,262,625</b>	<b>3,561,328</b>	<b>534,899</b>	<b>11.4</b>	<b>16.8</b>	<b>11.3</b>	<b>13.4</b>	<b>68.5</b>	<b>6.8</b>	<b>15.4</b>	<b>1.7</b>	<b>0.4</b>	<b>6.6</b>	<b>56.7</b>	<b>4.5</b>	<b>3.7</b>	<b>0.1</b>	<b>0.8</b>

**KULUKULU INFERRED RESOURCE ESTIMATE SUMMARIES**

JORC Classification	ZONE	VOLUME (m3)	DENSITY (g/cm3)	TONNES (t)	HM TONNES (t)	MAG1 TONNES (t)	%HM in Feed	%HM in Sand	+4mm Sand	1-4mm Sand	45micron-1mm Sand	-45micron	Average MAGSUS	%MAG1 in Feed	%Fe in MAG1	%TiO2 in MAG1	%SiO2 in MAG1	%Al2O3 in MAG1
Inferred	Lower Fine Sands [ZONE 1]	26,503,750	1.8	47,706,750	6,482,038	1,371,544	13.6	17.0	4.2	9.4	79.6	6.8	19.4	2.9	53.8	6.5	7.7	4.5
	Upper Coarse Sands [ZONE 2]	23,972,500	1.8	43,150,500	9,044,127	1,120,794	21.0	24.4	3.3	6.7	85.3	4.7	21.7	2.6	53.8	6.5	8.0	4.4
	Elluvial Sands [ZONE 3]	5,166,250	1.8	9,299,250	1,723,947	243,101	18.5	25.0	6.5	9.3	72.6	11.5	19.7	2.6	53.9	6.5	7.8	4.5
	<b>TOTAL</b>	<b>55,642,500</b>	<b>1.8</b>	<b>100,156,500</b>	<b>17,250,111</b>	<b>2,735,439</b>	<b>17.2</b>	<b>20.9</b>	<b>4.0</b>	<b>8.2</b>	<b>81.4</b>	<b>6.3</b>	<b>20.4</b>	<b>2.7</b>	<b>53.8</b>	<b>6.5</b>	<b>7.8</b>	<b>4.5</b>

**Note:** The table presents the Indicated and Inferred estimates without rounding and this is not intended to convey an increase in the precision of the estimates.

The cut-off grade used is 8% HM.

Mag 1 represents magnetic minerals captured at 300 Gauss.

**Figure 2 – Sigatoka River and Kulukulu resource area and estimates**

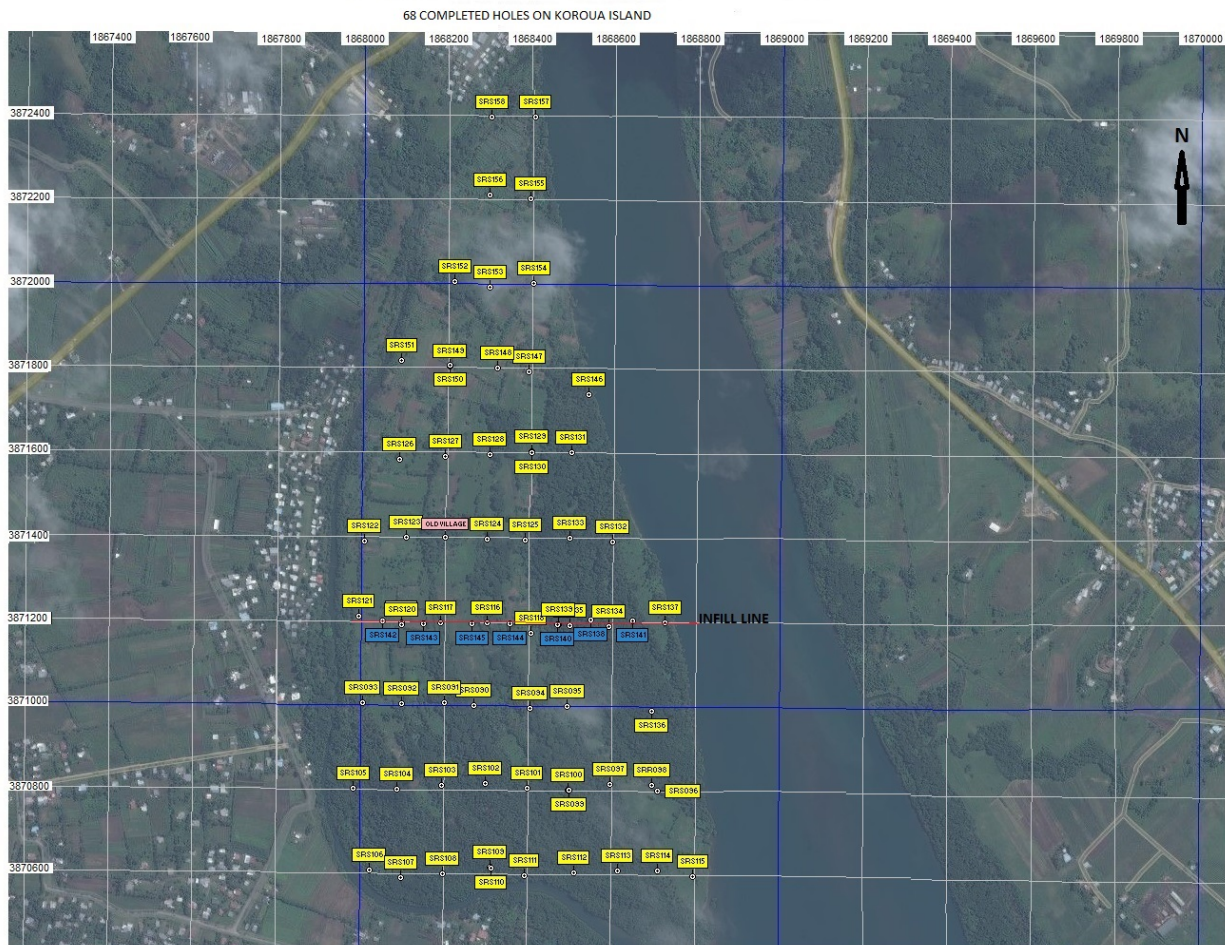
## Directors' Report

In December 2014 Dome received an Environmental Impact Assessment report prepared by independent environmental specialists, Corerega Environment Consultants. The report concluded that “the proposed mining, dredging and mineral extraction development project is likely to have significant economic benefits to the local area, the region and the Country of Fiji and local residents are likely to benefit from the increase in productivity of land, river and marine environment and through job opportunities”.

Dome announced the completion of a positive Pre-Feasibility Study (PFS) in March 2015. The PFS concluded that a viable dredge mining and sand processing operation to recover industrial sand, gravel, magnetite concentrate (iron ore) and a bulk non-magnetic heavy mineral concentrate, all products have local or international markets. The PFS recommended completion of a Definitive Feasibility Study (DFS) that will include the operation of a pilot processing plant to produce product samples that can be used for establishing market prices. In addition, the DFS will generate process engineering data needed for the design and equipment selection of a full-scale process plant. The DFS will also provide support to seek funds to implement the mining operation.

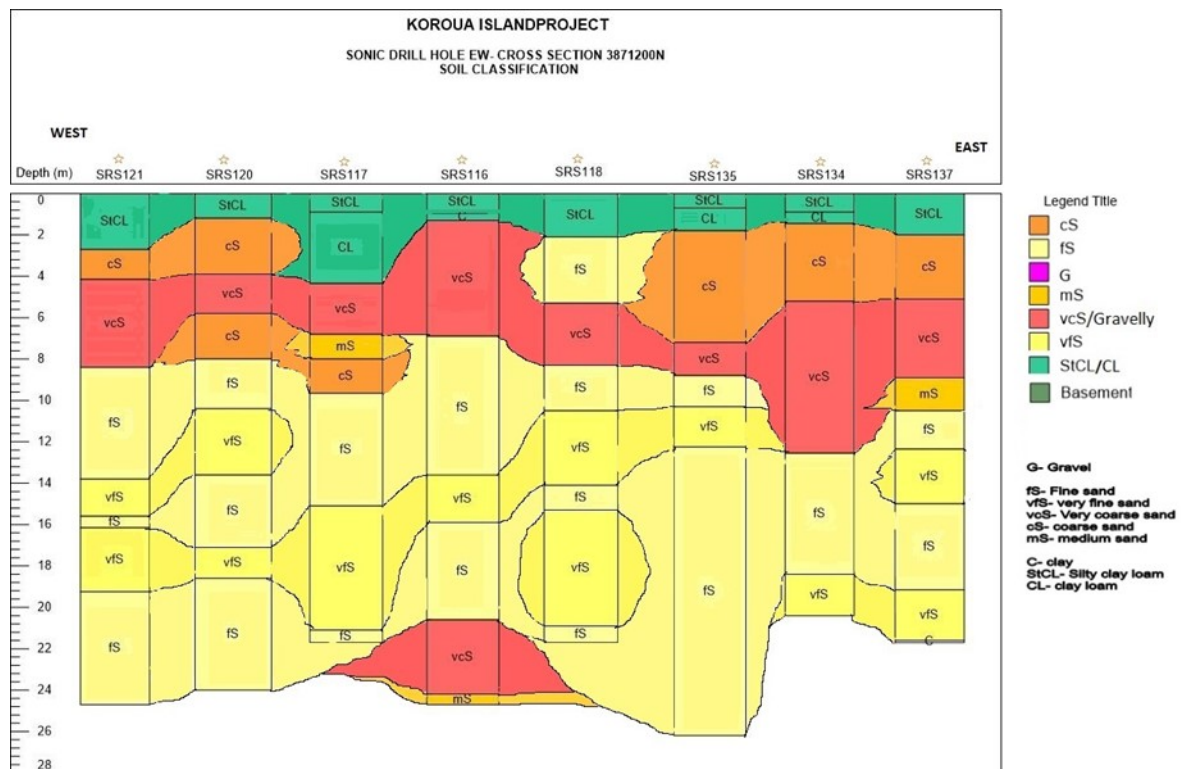
The potential to generate stable revenue by producing multiple products for sale, as well as its coastal location, give the Sigatoka Project commercial advantages that many other iron ore projects do not possess.

In July 2017, a program of 67 sonic drill holes commenced on Koroua Island, a part of the heavy mineral and magnetite bearing sand deposit that is not yet part of the JORC 2012 resource estimate (see Figure 3). The drilling confirmed that the island is composed of thick (up to 26m) sand and gravel containing an average of 13% heavy minerals. Figure 4 is a geological cross section showing the distribution of the sand and gravel tested during drilling.



**Figure 3 – Koroua Island sonic drill holes completed 2017**

## Directors' Report



**Figure 4 – Geological cross section central Koroua Island showing thickness and continuity of sand and gravel deposit**

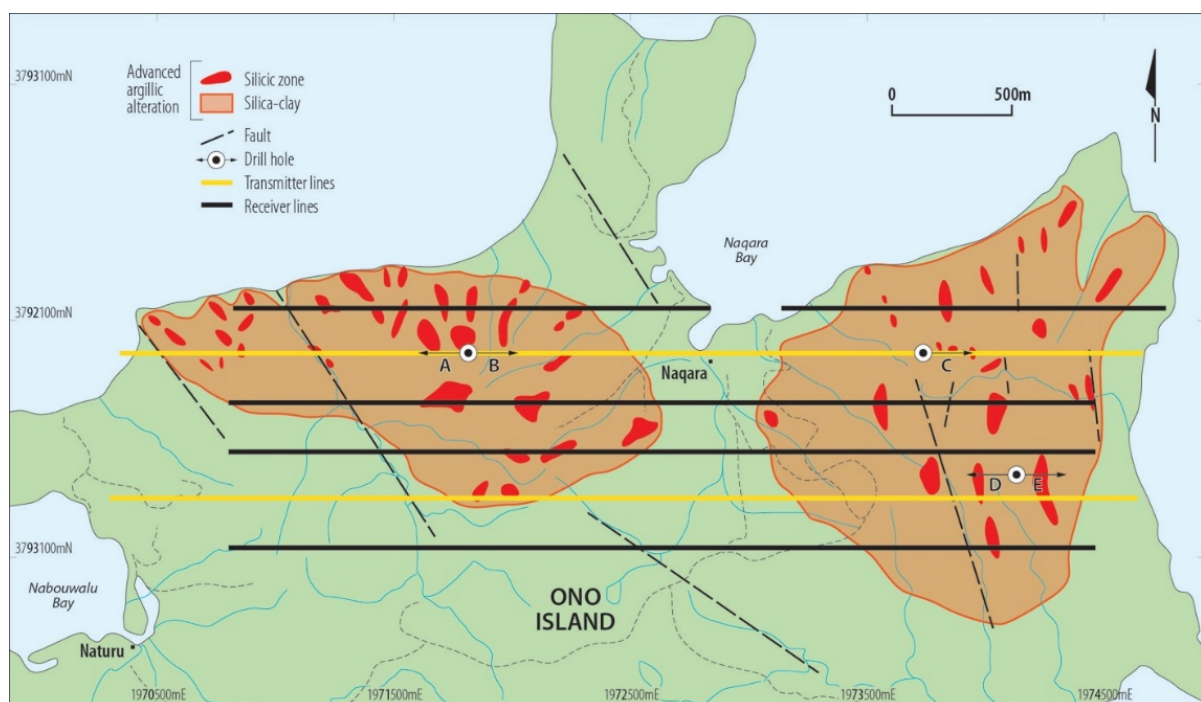
Half sonic core samples were collected for the drilling and shipped to a mineral sands laboratory in Perth, Australia for initial analysis. Composite samples for the heavy minerals extracted from the sand will be sent to IHC Robbins laboratory near Brisbane, Australia where the magnetite will be separated from the heavy mineral concentrate using wet magnetic processes.

In addition to Koroua Island, land west of the mouth of the Sigatoka River will also be sonic drilled and the analytical data from this drilling will be used to update the initial JORC 2012 report.

## Directors' Report

### SPL 1451 Ono Island Project

- This tenement of 3,028ha on Ono Island, the eastern most island of the Kadavu Group, covers a number of hydrothermally altered and mineralised areas and caldera/volcanic centres.
- Two high sulphidation epithermal gold-silver targets and possible deeper porphyry copper-gold exploration targets (Naqara East and Naqara West) have been identified by geological mapping.
- The prospect is spatially associated with shoshonitic volcanic centres that appear similar in alteration style, geological formation and metal geochemical anomalism to the Lepanto gold-copper deposit in the Philippines. Induced Polarisation (IP) arrays were completed in October 2016, identifying anomalies that justified testing.
- A 7-hole exploration diamond drill program commenced in March 2018 and was completed in early July 2018 for a total of 2276m of drilling. Inspection of drill core showed strong sulphide mineralised zones coincident with the Induced Polarisation conductive anomalies, confirming the veracity of the IP interpretations.
- Review of all data and 3-D modelling of exploration results to date will now be undertaken before proceeding with the next phase of drilling.

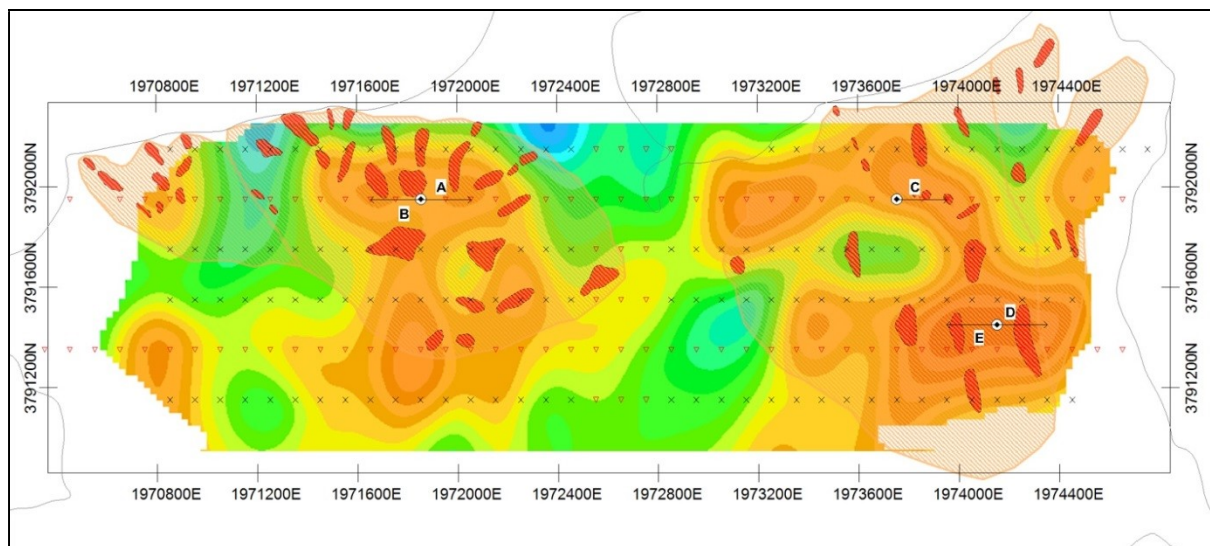
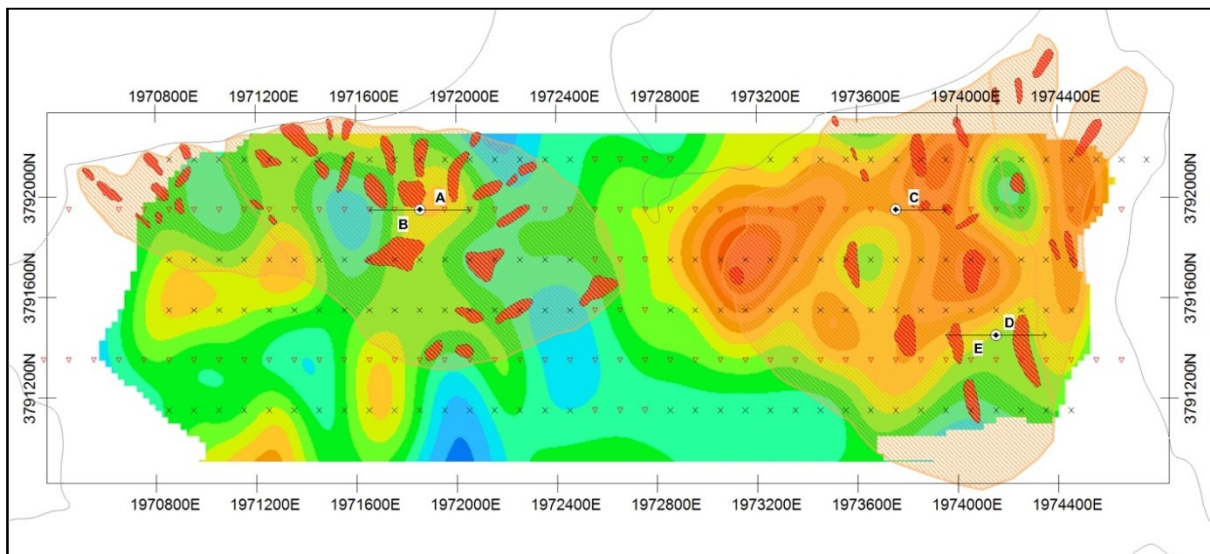


**Figure 5 – Naqara East and West Prospects on Ono Island showing the extent of hydrothermal alteration and the IP survey lines. Proposed drill hole locations (A to E) are based on the IP results and surface geology**

Prior to the exploration diamond drilling, an offset pole-dipole IP survey involving 4 arrays, 2 over each prospect (see Figure 5) was completed. Transmitter electrodes were placed along a central cut line at 100m intervals with 3 to 4 additional electrodes at the end of each receiver line for totals of between 31 and 32 points per array (gold coloured lines on Figure 5). Receiver electrodes were placed at 100m intervals along the two survey lines either side of the transmitter line (34 points).

Two 32 channel IP receivers were used to take 3 to 4 readings at each electrode. Figures 6 & 7 are compilations of surface alteration and the processed IP data for the East and West Naqara prospects, known as Naqara East and Naqara West. The area had previously been covered by soil sampling and geological mapping campaigns that identified locations of intense argillic alteration and zones of silicification and anomalous geochemistry, proximal to the northern rim of a volcanic caldera.

## Directors' Report



**Figures 6 & 7 – Plots of the chargeability (top) and resistivity responses at an apparent depth of 250m with the outline of the argillic (hatch) and silicification (red) superimposed as well as locations recommended for exploration drilling**

The offset pole-dipole survey has been successful in assisting with location of an initial exploration drilling program on Ono Island, one of the few remaining untested epithermal targets along the so-called “Rim of Fire” in the South West Pacific. The schematic model in Figure 8 shows how the hydrothermal alteration, anomalous geochemistry, present land surface and IP data may indicate the presence of gold-silver bearing sulphide mineralisation in this environment.

The Company announced on 19 June 2017 that on-site preparations had commenced in advance of the drill program designed to sample the IP anomalies detected. In January 2018, Dome engaged a Fiji-based drilling contractor, Geodrill, to undertake a diamond drilling program at Ono Island. The drilling commenced on 6 March 2018 and the program was completed on 3 July 2018 for a total of 2276 m. The drilling program tested several epithermal gold targets at two prospects on the Ono Island (Naqara East and Naqara West).

The targeting of drill holes on Ono Island was based on the positive results from several exploration campaigns completed by Dome over previous years: 1) ionic leach soil sampling; 2) geological and alteration mapping; and 3) an Induced Polarisation (IP) geophysical survey.

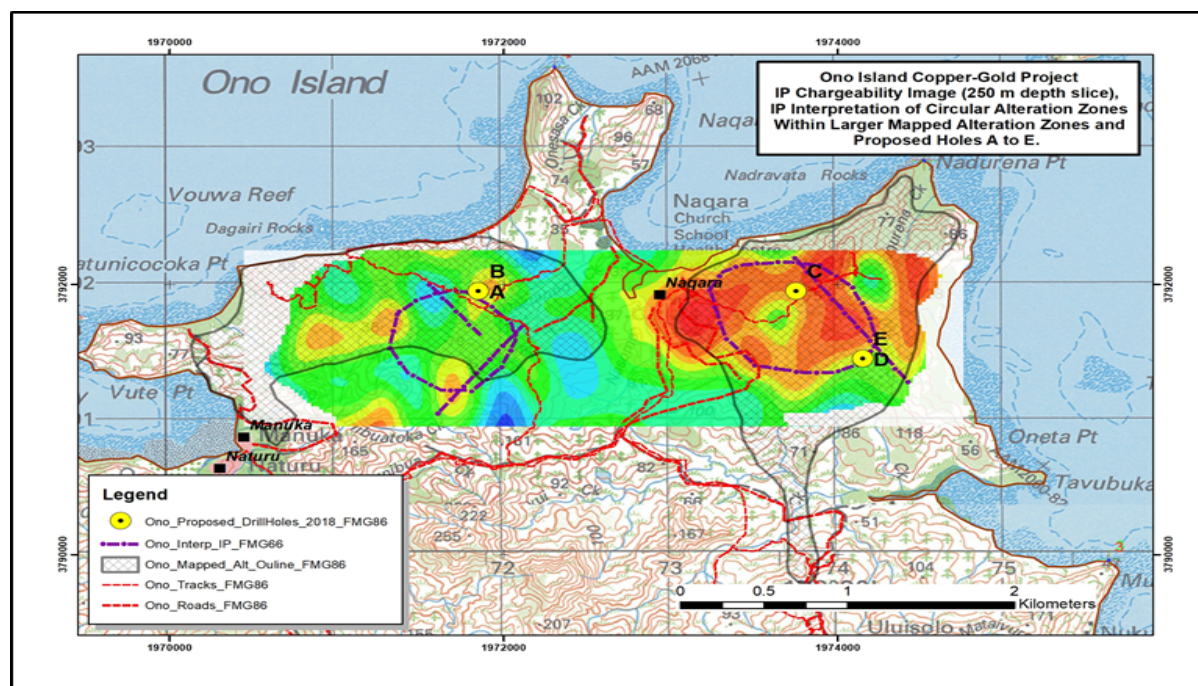
## Directors' Report

The IP survey identified several strong IP chargeability anomalies below the anomalous geology and geochemistry defined at surface. Naqara East shows the strongest IP conductivity response (see Figure 8).

Five drill holes were initially proposed (Targets A to E), and another two targets (F and G) were added during the drilling program. Seven diamond holes (ONODDH001 to 7) were drilled to test the Naqara East and Naqara West prospects. One drill hole ONODDH002 was twinned due to hole problems, with the second hole named ONODDH002A. A drill hole location map is included as Figure 9. A table showing the GPS collar co-ordinates for the program is included below in Table 1.

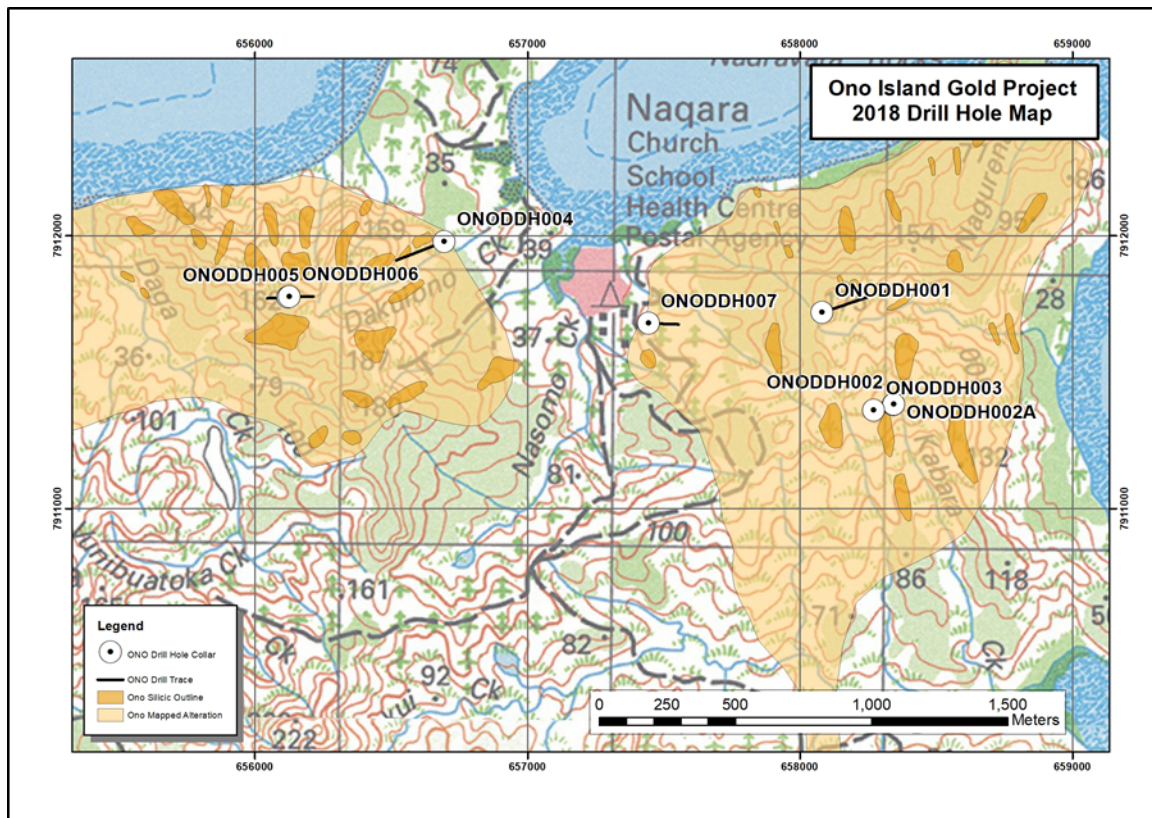
Hole	Site	Collar East WGS84	Collar Nth WGS84	Collar RL (m)	Azimuth (Mag)	Azimuth (Grid)	Dip	Depth (m)	Total Samples
ONODDH001	C	658082	7911718	175	57	70	-60	431.55	215
ONODDH002	E	658343	7911380	218	237	250	-65	131.6	0
ONODDH002A	E	658345	7911382	218	237	250	-66	117.5	11
ONODDH003	E Alt	658270	7911359	182	347	0	-90	548.8	169
ONODDH004	G	656695	7911979	48	237	250	-60	350.5	59
ONODDH005	B	656121	7911774	163	257	270	-60	151.1	58
ONODDH006	A	656127	7911777	160	77	90	-70	251.3	69
ONODDH007	F	657444	7911679	35	77	90	-70	293.7	159
<b>TOTAL</b>								2276.1	740

**Table 1 - Drill hole collar details for the 2018 Ono Island Gold Project Drilling Program**



**Figure 8 – Plan showing IP Conductivity at 250 m depth slice, for on Ono Island Gold Project. The IP chargeability response is highest over East Naqara prospect.**

## Directors' Report



**Figure 9 – Plan showing the drill hole locations and traces for on the Naqara East and Naqara West prospects, Ono Island**

The Diamond drilling program produced PQ and HQ size drilled core that was laid into core trays for logging and sampling. The drilling was problematical at times and progress was slow. This was due to the high-degree of fracturing and clay alteration causing some holes to collapse in places. Cementing was carried out, in order to secure the holes in areas of poor ground conditions and thus reach deeper levels.

The core was cut with a diamond saw and sampled (half-core), before despatching to ALS Laboratories for analysis. QA/QC samples were also included in each batch. The samples were analysed for gold, silver, copper and a range of other elements. Details of the logging and sampling procedures are included in JORC Table 1 (See Dome June Quarter Activities Report).

Holes ONODDH001 and ONODDH007 were designed to test the strongest IP chargeability anomalies at depth at Naqara East (see Figure 10). These IP chargeability anomalies lie directly below IP resistivity anomalies (see Figure 11). Drill hole ONODDH001 returned wide zones of clay-magnetite alteration with zones of sulphide mineralisation up to 5% in places (dominantly pyrite) within the host andesitic volcanic rocks. Drill hole ONODDH007 also returned zones of clay alteration within andesitic host rocks, with zones of stronger sulphide mineralisation up to 7% in places (dominantly pyrite).

A photo of the sulphide-bearing rock in drill core from ONODDH007 is shown in Figure 12, from 225.7 m depth. The presence of sulphide in the lower part of holes ONODDH001 and 7 explains the IP chargeability responses. This provides Dome with a high degree of confidence that the IP geophysical technique has worked well and is able to detect zones of sulphide mineralisation at depth.

## Directors' Report

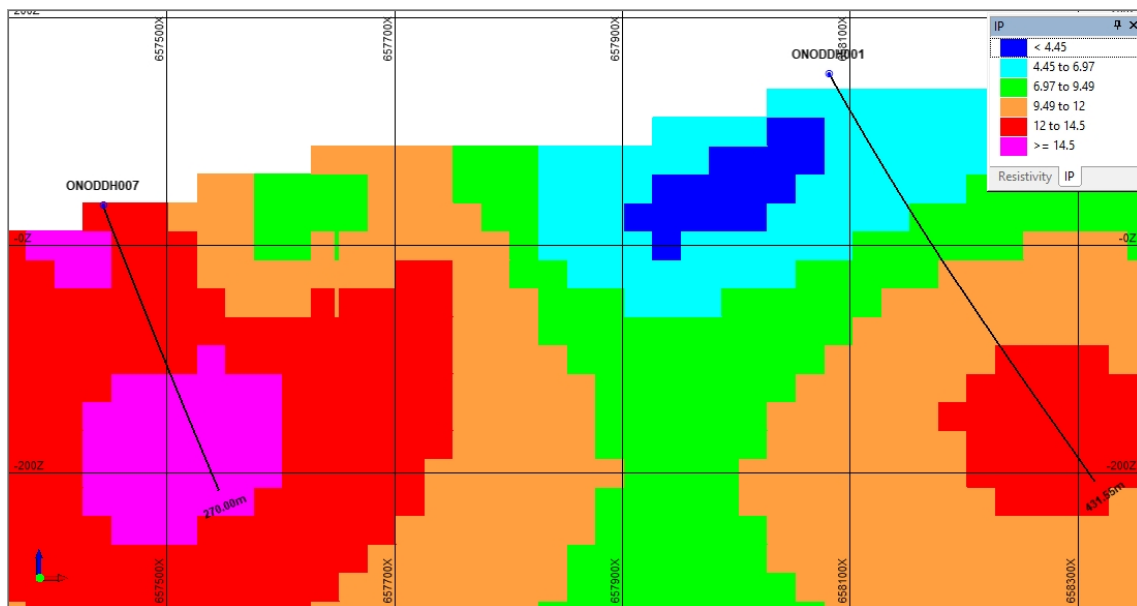


Figure 10 – IP chargeability cross-section, section showing the trace of drill holes ONODDH001 and 7 - Ono Island Project, Fiji. These holes were designed to test the high chargeability anomalies (red/purple zones) in the lower part of the hole

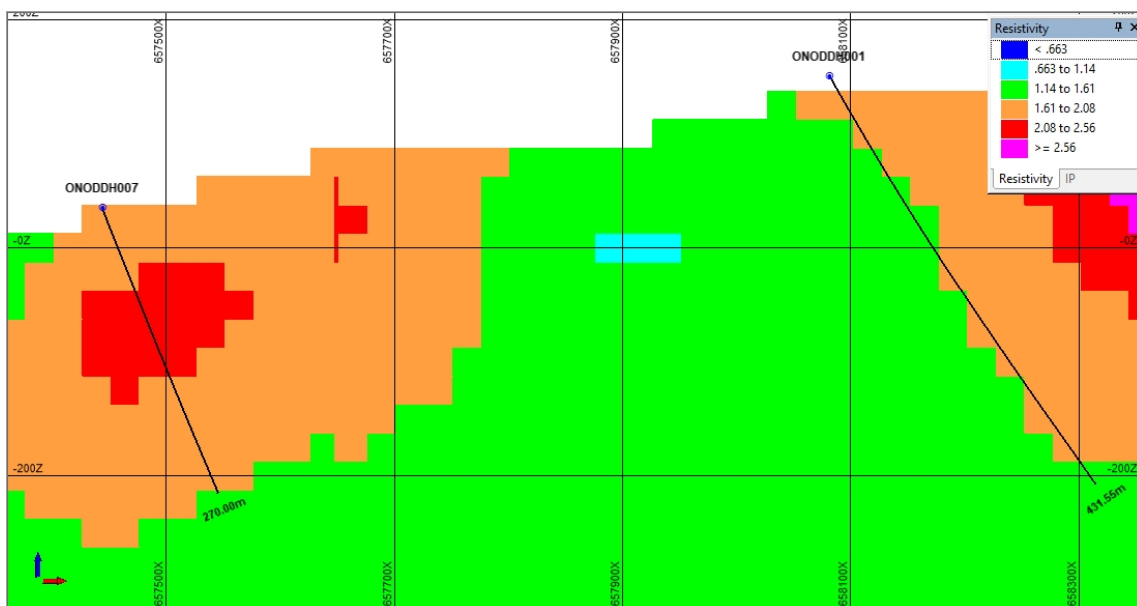


Figure 11 – IP resistivity cross-section, section showing the trace of drill holes ONODDH001 and 7 - Ono Island Project, Fiji



## Directors' Report



**Figure 12 – Altered and mineralized volcanic host rock with up to 7% metallic sulphide in drill hole ONODDH007, HQ core from 355.5 m depth - Ono Island Project, Fiji**

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## Directors' Report

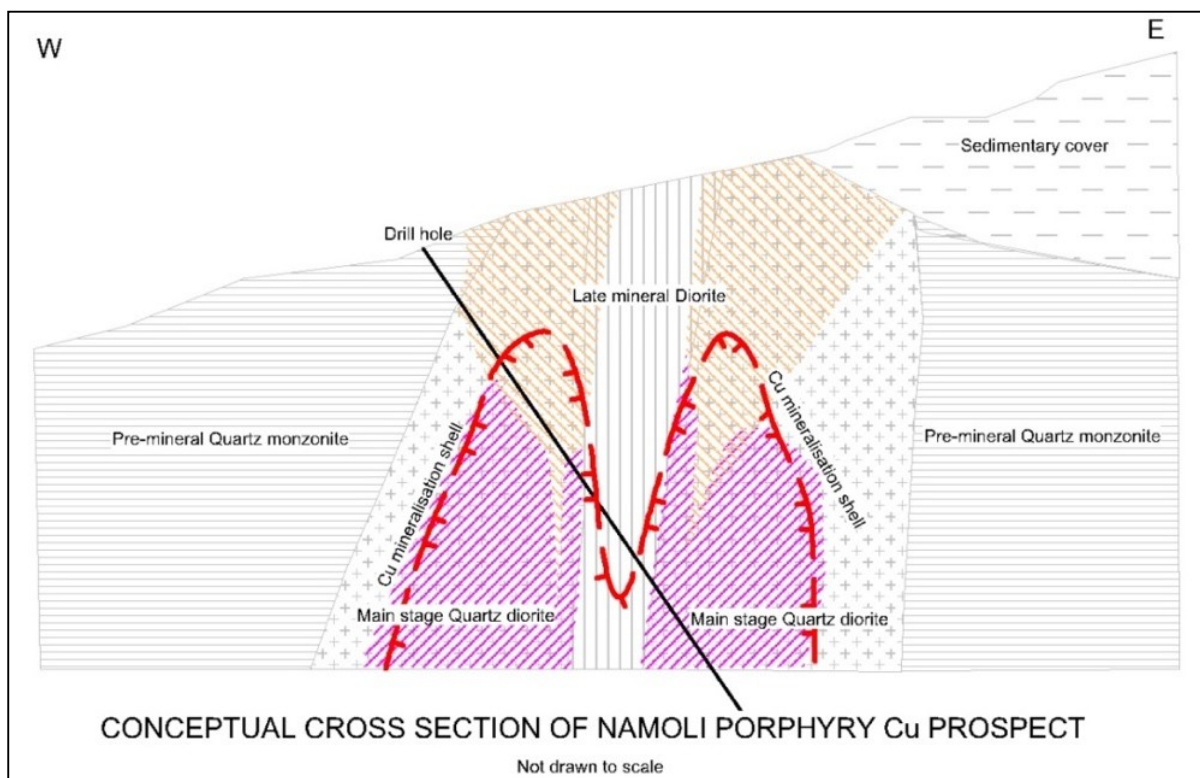
### **SPL 1452 Nadrau Project**

- This tenement of 33,213ha on Fiji's main island, Viti Levu, is adjacent to the world class Namosi Porphyry copper-gold Project that reportedly contains 2.1 billion tonnes grading 0.37% Copper (Cu) and 0.12g/t Gold (Au).
- The Dome tenement contains two large copper-gold-silver ionic leach geochemical anomalies (Namoli and Wainivau prospects) interpreted to be related to intrusive centres that are as yet largely untested by drilling.
- Geological mapping and rock chip sampling have discovered porphyry intrusive complexes at both the Namoli and Wainivau Prospects with alteration, mineralisation and vein types typical of mineralised systems.
- Copper-magnetite bearing veins have been discovered in outcrop at the Wainivau prospect.
- Also, in the eastern section of the tenement is the large Wainivalau Intrusive Complex that has yet to be investigated for porphyry copper-gold systems analogous to those at Namosi-Wasoi to the south.

Dome announced in July 2014 that its geologists had discovered outcropping copper mineralisation during exploration field work at the Wainivau Prospect, part of the Nadrau Porphyry Copper-Gold Project on Fiji's main island of Viti Levu. Dome found the copper minerals (malachite and chalcopyrite) associated with magnetite and pyrite in veinlets within outcropping and hydrothermally altered porphyry intrusive rocks. The veins and their geological setting are interpreted to be typical of the roof of a mineralised porphyry system.

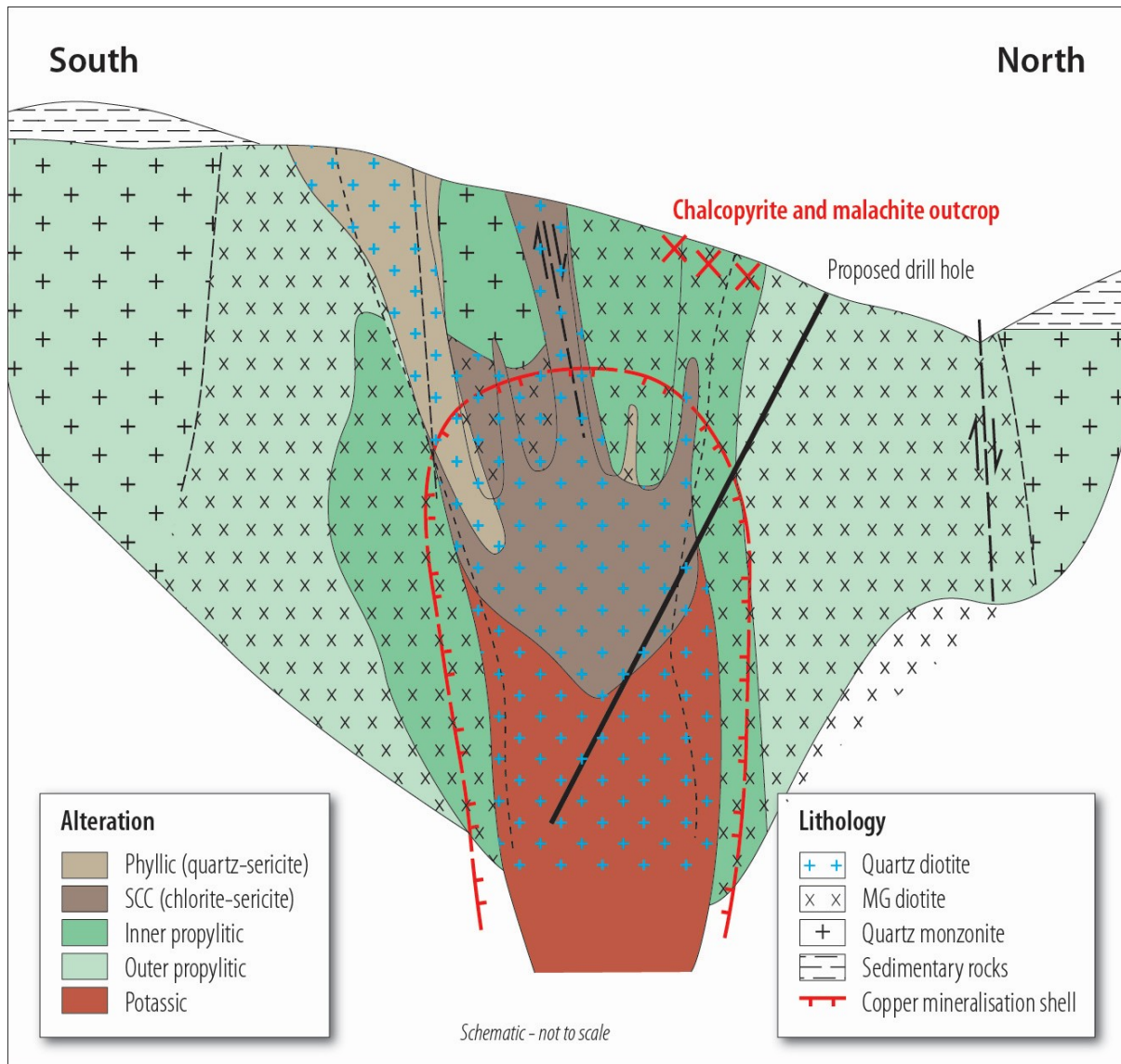
The Company has obtained quotes to undertake three-dimensional Induced Polarisation and ground magnetometer surveys over the two porphyry copper-gold prospects, namely Namoli and the Wainivau (see Figures 13 & 14). The objective of this work is to provide subsurface mapping data on the intrusive systems whose interpretation will assist with targeting of exploration diamond drill holes.

The renewal of SPL1452 for a further 2-year period for the licence was granted by the Mineral Resources Department on 13 February 2017.



**Figure 13 – Conceptual cross section of the Namoli porphyry intrusive system. Note the drill hole as shown is as proposed and has not yet been drilled.**

**Directors' Report**



**Figure 14 – Wainivau porphyry system conceptual cross section. Note the drill hole as shown is as proposed and has not yet been drilled.**

Compilation and interpretation of the soil geochemical, rock chip sampling and geological mapping outline two prospects, namely Namoli and Wainivau. Of the two prospects, the Namoli prospect was recently re-interpreted and there is a strong correlation among anomalous gold, copper and molybdenum soil geochem anomalies and mapped mineralised porphyry intrusive. The next field program will concentrate on this target.

The Special Prospecting Licence (SPL 1452) was granted for a further 2-year period on February 13, 2017 and will remain in force until February 13, 2019.

## Directors' Report

### Mineral Resources Statement

Summarised below by JORC Classification are the resource estimates for the Sigatoka River and Kulukulu areas.

SIGATOKA RIVER INDICATED AND INFERRED RESOURCE ESTIMATE SUMMARIES																					
JORC Classification	ZONE	VOLUME (m3)	DENSITY (g/cm3)	TONNES (t)	HM TONNES (t)	MAG1 TONNES (t)	%HM Feed	%HM in Sand	+4mm Sand	1-4mm Sand	38micron-1mm Sand	-38micron	Average MAGSUS	%MAG1 in Feed	%V in MAG1	%TiO2 in MAG1	%Fe in MAG1	%SiO2 in MAG1	%Al2O3 in MAG1	%P in MAG1	%S in MAG1
Indicated	Lower Fine Sand [ZONE 1]	10,455,000	1.8	18,819,000	2,176,686	344,765	11.6	15.8	8.7	10.5	73.1	7.6	16.6	1.8	0.35	6.6	56.4	4.6	3.8	0.06	0.92
	Upper Coarse Sand [ZONE 2]	3,616,875	1.8	6,510,375	749,895	98,882	11.5	19.7	17.5	20.3	58.3	3.9	14.3	1.5	0.36	6.6	57.1	4.2	3.7	0.07	0.57
	Subtotal	14,071,875	1.8	25,329,375	2,926,581	443,648	11.6	16.8	11.0	13.0	69.3	6.7	16.0	1.8	0.35	6.6	56.6	4.5	3.7	0.06	0.83
Inferred	Lower Fine Sand [ZONE 1]	2,547,188	1.8	4,584,938	488,976	75,814	10.7	15.7	10.4	13.1	68.6	7.9	12.9	1.7	0.36	6.6	56.9	4.4	3.7	0.06	1.08
	Upper Coarse Sand [ZONE 2]	749,063	1.8	1,348,313	145,771	15,437	10.8	19.9	21.1	20.9	53.5	4.5	11.7	1.1	0.36	6.6	57.4	4.3	3.8	0.07	0.36
	Subtotal	3,296,250	1.8	5,933,250	634,747	91,251	10.7	16.6	12.8	14.9	65.2	7.1	12.6	1.5	0.36	6.6	57.0	4.4	3.7	0.06	0.91
	<b>TOTAL</b>	<b>17,368,125</b>	<b>1.8</b>	<b>31,262,625</b>	<b>3,561,328</b>	<b>534,899</b>	<b>11.4</b>	<b>16.8</b>	<b>11.3</b>	<b>13.4</b>	<b>68.5</b>	<b>6.8</b>	<b>15.4</b>	<b>1.7</b>	<b>0.4</b>	<b>6.6</b>	<b>56.7</b>	<b>4.5</b>	<b>3.7</b>	<b>0.1</b>	<b>0.8</b>

KULUKULU INFERRED RESOURCE ESTIMATE SUMMARIES																		
JORC Classification	ZONE	VOLUME (m3)	DENSITY (g/cm3)	TONNES (t)	HM TONNES (t)	MAG1 TONNES (t)	%HM Feed	%HM in Sand	+4mm Sand	1 - 4mm Sand	45micron - 1mm Sand	-45micron	Average MAGSUS	%MAG1 in Feed	%Fe in MAG1	%TiO2 in MAG1	%SiO2 in MAG1	%Al2O3 in MAG1
Inferred	Lower Fine Sands [ZONE 1]	26,503,750	1.8	47,706,750	6,482,038	1,371,544	13.6	17.0	4.2	9.4	79.6	6.8	19.4	2.9	53.8	6.5	7.7	4.5
	Upper Coarse Sands [ZONE 2]	23,972,500	1.8	43,150,500	9,044,127	1,120,794	21.0	24.4	3.3	6.7	85.3	4.7	21.7	2.6	53.8	6.5	8.0	4.4
	Elluvial Sands [ZONE 3]	5,166,250	1.8	9,299,250	1,723,947	243,101	18.5	25.0	6.5	9.3	72.6	11.5	19.7	2.6	53.9	6.5	7.8	4.5
	<b>TOTAL</b>	<b>55,642,500</b>	<b>1.8</b>	<b>100,156,500</b>	<b>17,250,111</b>	<b>2,735,439</b>	<b>17.2</b>	<b>20.9</b>	<b>4.0</b>	<b>8.2</b>	<b>81.4</b>	<b>6.3</b>	<b>20.4</b>	<b>2.7</b>	<b>53.8</b>	<b>6.5</b>	<b>7.8</b>	<b>4.5</b>

**Note:** The table presents the Indicated and Inferred estimates without rounding and this is not intended to convey an increase in the precision of the estimates.  
The cut-off grade used is 8% HM.  
Mag 1 represents magnetic minerals captured at 300 Gauss.

The resource estimate was prepared by independent resource consultants and issued in a report entitled "Sigatoka Ironsand Project JORC 2012 Report Mineral Resource Estimate" dated 8 October 2014 and announced to the market in an ASX release dated 10 October 2014.

### Resource comparison 2018 to 2017

There has been no reduction or increase in the resource estimate during the reporting period.

## Directors' Report

### **Governance Arrangements**

Dome's management and Board of Directors include individuals with many years' work experience in the mineral exploration and mining industry who monitor all exploration programs and oversee the preparation of reports on behalf of the Company by independent consultants. The exploration data are produced by or under the direct supervision of qualified geoscientists. In the case of drill hole data half core samples are preserved for future studies and quality assurance and quality control. The Company uses only accredited laboratories for analysis of samples and records the information in electronic databases that are automatically backed up for storage and retrieval purposes.

### **No material changes**

Dome Gold Mines Ltd confirms that it is not aware of any new information or data that would materially affect the information included in the market announcements dated 17 July 2017, 6 March 2018, 15 June 2018 and 30 July 2018, and that all material assumptions and technical parameters in the market announcements continue to apply and have not materially changed.

### **Statement of Compliance**

The information in this Annual Report that relates to Mineral Resources is based on information compiled by Mr Geoffrey Richards, a Competent Person who is a member of the Australian Institute of Geoscientists, Mr Richard Stockwell, a Competent Person who is a member of the Australian Institute of Geoscientists, and Mr Gavin Helgeland, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Richards is a geological consultant and Director of Lionhart Consulting Services, and Mr Stockwell is Managing Director and Mr Helgeland is Principal Geologist of Hornet Drilling and Geological Services Pty Ltd. Mr Richards, Mr Stockwell and Mr Helgeland collectively and individually have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration at Sigatoka and to the activity being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Richards, Mr Stockwell and Mr Helgeland consent to the inclusion in the Annual Report of the matters based on their information in the form and context in which it appears. They do not hold shares in Dome and have been paid normal consulting fees for provision of this information.

The information in this Annual Report that relates to Exploration Results is based on information compiled by John V McCarthy, who is the Chief Executive Officer of the Company. Mr McCarthy is a geologist who is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities 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 McCarthy, through his family Superfund, holds shares in the Company. He consents to the inclusion in this Annual Report of the matters based on his information in the form and context in which it appears.

### **Financial Results**

As at 30 June 2018, Dome held \$1,004,930 cash and cash equivalents as per note 9 of the financial statements. The loss of the Group for the financial year after providing for income tax amounted to \$1,704,321 (2017: \$1,596,892). The net asset position of the Group increased from \$28,825,022 at 30 June 2017 to \$31,184,063 at 30 June 2018.

### **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:

#### **Issue of share capital**

For the year ended 30 June 2018, Dome has raised \$4,440,854 by private placements. The funds are being used for exploration and general working capital. Details of these raisings are as follows:

- On 15 November 2017 the Company completed a placement of 2,477,625 fully paid ordinary shares at \$0.20 per share to raise \$495,525.

## Directors' Report

- On 28 November 2017 the Company completed a placement of 1,454,165 fully paid ordinary shares at \$0.20 per share to raise \$290,833.
- On 14 December 2017 the Company completed a placement of 5,231,512 fully paid ordinary shares at \$0.20 per share to raise \$1,046,302.
- On 3 January 2018 the Company completed a placement of 3,000,000 fully paid ordinary shares at \$0.20 per share to raise \$600,000.
- On 22 January 2018 the Company completed a placement of 4,377,489 fully paid ordinary shares at \$0.20 per share to raise \$875,498.
- On 20 February 2018 the Company completed a placement of 561,990 fully paid ordinary shares at \$0.20 per share to raise \$112,398.
- On 2 May 2018 the Company completed a placement of 5,101,490 fully paid ordinary shares at \$0.20 per share to raise \$1,020,298.

### DIVIDENDS

No dividends were declared or paid during the financial year (2017: \$nil).

### EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

Subsequent to the end of the financial year:

#### ***SPL 1495 Sigatoka Iron Sand Project***

The 3-year licence period expired on July 13, 2018, so notification was made to the Mineral Resources Department (MRD) of the Company's intention to apply for renewal of the SPL1495 in early June 2018 and an application for renewal of SPL1495 for a further 3-year period for the licence was submitted to MRD on 6 July 2018. On Wednesday September 5, 2018 the Director of the MRD confirmed their full support for the renewal and advised that due to new legal requirements, the Company needed to obtain a letter from the Public Trustee that they had no objection to the renewal. On September 7, 2018 a meeting was held with the Public Trustee, Manager of Estates & Trusts responsible for five beneficiaries of the Work Estate freehold who confirmed her office supported the SPL1495 renewal, and will immediately seek the consent of the five beneficiaries. Since the licence remains in force during the renewal process, it is planned that sonic drilling will resume in September 2018 with completion of the updated JORC 2012 report during December 2018.

In July 2018, the Company sought expressions of interest for completion of a Definitive Feasibility Study (DFS) from five major engineering firms with experience in heavy mineral sand deposit mining and processing operations. One international group, IHC Robbins, an affiliate of Royal IHC of the Netherlands (IHC), agreed to enter into a Heads of Agreement with Dome and undertake the DFS as the first part of a developing strategic relationship between the companies.

#### ***SPL 1451 Ono Island Project***

Assays for all holes ONODDH001 to ONODDH007 were carried out by ALS Laboratories. Drill hole ONODDH001 (Naqara East), returned anomalous copper assays (to 0.3% Cu) and anomalous molybdenum assays (to 0.2% Mo). The best Mo intercept is 5.05 m @ 0.0643% (643 ppm Mo), from 323 to 328.05 m. This intercept comprises 5 contiguous one metre samples ranging from 110 ppm to 2040 ppm Mo.

The gold-silver assay results are slightly anomalous within areas of strong alteration and sulphide mineralisation, but are well below economic levels, with maximum assay values of 0.036 g/t Au and 3.6 g/t Ag.

The elevated Cu and Mo and weakly anomalous Au and Ag indicates a metal-bearing epithermal system is present at Naqara East, and that further exploration drilling could define gold mineralisation nearby.

In summary, a large sulphide-bearing system weakly anomalous in several metals has been defined at Naqara East prospect on Ono Island, SPL 1451. This system has many similarities to other Pacific Rim gold-copper deposits. The strong epithermal alteration, sulphide mineralisation, elevated Cu-Mo

## Dome Gold Mines Ltd

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### Directors' Report

and weakly anomalous Au-Ag in drill core samples is encouraging. Additional systematic drilling is recommended to discover anomalous gold zones within these large sulphide bodies.

No other matters or circumstances have arisen since the end of the year that have 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, BUSINESS STRATEGIES AND PROSPECTS

The Group will continue to explore and evaluate the Company's exploration projects with the aim of identifying potential mineral resources, and will continue to seek and assess new opportunities in the Fiji mineral sector with the objective of adding significant shareholder value to Dome.

The Directors are unable to comment on the likely results from the Group's planned exploration activities due to the speculative nature of such activities.

#### DIRECTORS' MEETINGS

The number of Directors' Meetings (including meetings of Committees of Directors) held during the year, and the number of meetings attended by each Director is as follows:

Director	BOARD MEETINGS		AUDIT COMMITTEE MEETINGS	
	Entitled to attend	Attended	Entitled to attend	Attended
Garry G Lowder	5	5	2	2
Tadao Tsubata	5	5	-	-
Sarah E Harvey (appointed 27 July 2017)	4	4	2	2

#### UNISSUED SHARES UNDER OPTION

Unissued ordinary shares of Dome under option as at 30 June 2018 were as follows:

Number of options	Exercise price	Expiry date
1,945,107	\$0.20	15 November 2019
2,240,523	\$0.20	28 November 2019
4,799,713	\$0.20	14 December 2019
3,300,000	\$0.20	3 January 2020
4,465,566	\$0.20	22 January 2020
162,398	\$0.20	20 February 2020
5,672,094	\$0.20	2 May 2020
750,000*	\$0.40	27 July 2020
750,000*	\$0.50	27 July 2020
500,000*	\$0.40	31 December 2020
500,000*	\$0.50	31 December 2020

\*Options granted by the Company as part of the remuneration package - details of these options are set out in note 24 to the financial report.

The names of persons who currently hold options are entered in the register of options kept by the Company pursuant to the *Corporations Act 2011*. This register may be inspected free of charge.

All options expired on the expiry date. The persons entitled to exercise the options did not have, by virtue of the options, the right to participate in the share issue of any other body corporate.

#### SHARES ISSUED AS A RESULT OF EXERCISE

During or since the end of the financial year, the Company did not issue ordinary shares as a result of the exercise of options.

## Directors' Report

### REMUNERATION REPORT (AUDITED)

The Directors of Dome Gold Mines Ltd (the 'Group') present the Remuneration Report for Non-Executive Directors, Executive Directors and other Key Management Personnel, prepared in accordance with the *Corporations Act 2001* and the *Corporations Regulations 2001*.

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

- a. principles used to determine the nature and amount of remuneration;
- b. details of remuneration;
- c. share-based remuneration; and
- d. other information.

#### **a. Principles used to determine the nature and amount of remuneration**

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

Executive remuneration includes a base salary and superannuation that is set with reference to the market.

Fees to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive remuneration comprises fixed fees and compensation that is options over ordinary shares approved by shareholders at the AGM on 16 November 2017. Directors' fees and payments are reviewed annually by the Board. The Board has also drawn on external sources of information to ensure non-executive directors' fees and payments are appropriate and in line with the market. The remuneration disclosed below represents the cost to the Group for services provided under these arrangements.

No Directors or senior executives received performance related remuneration.

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

#### **Vote and comments made at the Company's last Annual General Meeting**

The Remuneration Report of Dome Gold Mines Ltd for the financial year ended 30 June 2018 was approved by shareholders on a show of hands at the Company's Annual General Meeting.

#### **Consequences of performance on shareholder wealth**

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current financial year and the previous four (4) financial years:

Item	2018	2017	2016	2015	2014
EPS (cents)	(0.66)	(0.67)	(0.66)	(1.32)	(1.39)
Dividends (cents per share)	-	-	-	-	-
Net loss (\$)	(1,704,321)	(1,596,892)	(1,496,956)	(2,654,043)	(1,609,834)
Share price (\$)	0.14	0.24	0.42	0.37	0.27

The Board considers that these indices do not have any impact on the Group's performance.



## Dome Gold Mines Ltd

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### Directors' Report

#### b. Details of remuneration

Details of 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 shown in the table below:

Director and other Key Management Personnel Remuneration									
	Year	Short term employee benefits			Post-employment benefits	Share-based payments	Total	Proportion of remuneration related %	Value of options as a proportion of remuneration %
		Cash salary and fees \$	Other fees \$	Non-cash benefits \$	Superannuation \$	Fair value of options \$			
<b>Non-executive Directors</b>									
Garry Lowder (Chairman)	2018	40,004	-	-	24,996	20,281	85,281	-	24
	2017	17,057	-	-	32,443	-	49,500	-	-
Tadao Tsubata (Director)	2018	29,000	-	-	-	20,281	49,281	-	41
	2017	19,800	-	-	-	-	19,800	-	-
Sarah Harvey <sup>1</sup> (Director)	2018	27,000	-	-	-	20,281	47,281	-	43
	2017	2,000	-	-	-	-	2,000	-	-
Allen Jay <sup>2</sup> (Director)	2018	-	-	-	-	-	-	-	-
	2017	15,300	-	-	-	-	15,300	-	-
Andrew Skinner <sup>3</sup> (Director)	2018	-	-	-	-	-	-	-	-
	2017	72,600	24,000	-	-	-	96,600	-	-
<b>Other Key Management Personnel</b>									
John (Jack) McCarthy (CEO)	2018	200,000	-	-	25,000	-	225,000	-	-
	2017	180,000	-	-	35,000	-	215,000	-	-
<b>2018 Total</b>	<b>2018</b>	296,004	-	-	49,996	60,843	406,843	-	15
<b>2017 Total</b>	<b>2017</b>	306,757	24,000	-	67,443	-	398,200	-	-

No bonuses or performance related compensation payments were paid during the current year to Directors or executives. The Group employed no other key management personnel.

No shares were granted to key management personnel as compensation during the year ended 30 June 2018.

In 2017 "other fees" represented consulting fees for consulting services provided.

<sup>1</sup> Sarah Harvey - resigned as an alternate director on 21 July 2016 and appointed as a non-executive director on 27 July 2017

<sup>2</sup> Allen Jay - deceased 12 March 2017

<sup>3</sup> Andrew Skinner - resigned 30 June 2017

## Dome Gold Mines Ltd

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### Directors' Report

#### c. Share-based remuneration

All options refer to options over ordinary shares of the Company, which are exercisable on a one-for-one basis under the terms of the agreement.

Options were granted to Directors as part of their remuneration during the year ended 30 June 2018. Options were granted for no consideration. Options granted carry no dividends or voting rights when exercised. Details of options granted are set out in the table below.

Director	Number granted	Grant date	Value per option at grant date \$	Value of options at grant date \$	Number vested	Exercise price \$	Vesting and first exercise date	Last exercise date
Garry Lowder	250,000	24 November 2017	0.046	11,498	250,000	0.40	24 November 2017	27 July 2020
	250,000	24 November 2017	0.035	8,783	250,000	0.50	24 November 2017	27 July 2020
Tadao Tsubata	250,000	24 November 2017	0.046	11,498	250,000	0.40	24 November 2017	27 July 2020
	250,000	24 November 2017	0.035	8,783	250,000	0.50	24 November 2017	27 July 2020
Sarah Harvey	250,000	24 November 2017	0.046	11,498	250,000	0.40	24 November 2017	27 July 2020
	250,000	24 November 2017	0.035	8,783	250,000	0.50	24 November 2017	27 July 2020

The options were provided at no cost to the recipients. All options expire on their expiry date.

There were no options over ordinary shares of the Company exercised, forfeited or lapsed unexercised which are related to Directors' or key management personnel's remuneration during the year ended 30 June 2018.

No terms of equity-settled share based payment transactions have been altered or modified by the issuing entity during the 2018 financial year.

## Directors' Report

### d. Other information

#### **Options held by key management personnel**

The number of options to acquire shares in the Company during the 2018 reporting period held by each of the Group's Key Management Personnel of the Group, including their related parties, is set out below.

YEAR ENDED 30 JUNE 2018					
Director	Balance at start of year	Granted as remuneration	Received on exercise	Other changes	Held at the end of reporting period
Garry Lowder	-	500,000	-	-	500,000
Tadao Tsubata	-	500,000	-	-	500,000
Sarah Harvey	-	500,000	-	-	500,000
John McCarthy	-	-	-	-	-

#### **Shares held by key management personnel**

The number of ordinary shares in the Company during the 2018 reporting period held by each of the Group's Key Management Personnel of the Group, including their related parties, is set out below.

YEAR ENDED 30 JUNE 2018					
Director	Balance at start of year	Granted as remuneration	Received on exercise	Other changes	Held at the end of reporting period
Garry Lowder	570,000	-	-	-	570,000
Tadao Tsubata*	7,342,393	-	-	40,000,000	47,342,393
Sarah Harvey**	-	-	-	20,776,449	20,776,449
John McCarthy	260,000	-	-	-	260,000

\*40,000,000 shares were acquired through off-market transfer during the 2018 reporting period.

\*\*Sarah Harvey was appointed as a director on 27 July 2017. She and her related party held 20,776,449 shares as at the date of her appointment.

**Note:** None of the shares included in the table above are held nominally by key management personnel.

#### **Service Agreements for Directors and key management personnel**

Directors are engaged under contracts. Their remuneration is not fixed and fluctuates in line with the financial situation of the Company. The terms of their engagement are unspecified, and there is no period of notice of termination.

Mr John V McCarthy is engaged under a service agreement. His remuneration is reported in the table in section b above. The terms of his engagement are unspecified, and there is a 3 months' notice of termination.

End of audited remuneration report.

## Directors' Report

### ENVIRONMENTAL LEGISLATION

The Group is subject to state, federal and international environmental legislation. The Group has complied with its environmental obligations and no environmental breaches have been notified by any Government agency to the date of this Directors' Report and the Directors do not anticipate any obstacles in complying with the legislation.

### INDEMNITIES AND INSURANCE OF OFFICERS AND AUDITORS

During the year, Dome paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

### NON-AUDIT SERVICES

During the year, Grant Thornton, the Company's auditors, performed no other services in addition to their statutory audit duties.

The Board may consider to employing the auditor on assignments in addition to their statutory audit duties where the auditor's expertise and experience with the Group are important provided the auditor is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company to ensure they do not impact upon the impartiality and objectivity of the auditor; and
- the non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company, Grant Thornton, and its related practices for audit and non-audit services provided during the year are set out in Note 19 to the Financial Statements.

### PROCEEDINGS OF BEHALF OF THE COMPANY

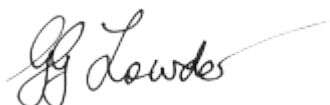
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

## **Directors' Report**

### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 27 of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.



G. G. Lowder  
Chairman  
Sydney, 13 September 2018

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## Auditor's Independence Declaration

To the Directors of Dome Gold Mines Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Dome Gold Mines Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



M D Dewhurst  
Partner – Audit & Assurance

Sydney, 13 September 2018

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## **Corporate Governance Statement**

The Board is committed to achieving and demonstrating the highest 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. Dome Gold Mines Ltd and its Controlled Entities ('the Group') have adopted the third edition of the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council on 27 March 2014 and became effective for financial years beginning on or after 1 July 2014.

The Group's Corporate Governance Statement for the financial year ending 30 June 2018 is dated as at 30 June 2018 and was approved by the Board on 13 September 2018. A description of the Company's current corporate governance practices is set out in the Company's Corporate Governance Statement, which is available on the Company's website at [www.domegoldmines.com.au](http://www.domegoldmines.com.au).

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## Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Other income	4	9,376	16,004
Employee benefits expenses (including directors fees)		(538,979)	(523,260)
Other expenses	5	(1,038,734)	(1,026,849)
<b>Operating loss</b>		<b>(1,568,337)</b>	<b>(1,534,105)</b>
Depreciation		(7,008)	(9,742)
Finance costs	6	(25,228)	(52,952)
Share based payments	24	(103,439)	-
Gain/(loss) on foreign exchange		(309)	(93)
<b>Loss before income tax expense</b>		<b>(1,704,321)</b>	<b>(1,596,892)</b>
Income tax expense	7	-	-
<b>Loss for the year</b>		<b>(1,704,321)</b>	<b>(1,596,892)</b>
<b>Other comprehensive income for the year</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange difference on translating foreign controlled entities		31,187	(62,691)
<b>Total comprehensive loss for the year</b>		<b>(1,673,134)</b>	<b>(1,659,583)</b>
<b>Earnings per share</b>			
Basic and diluted loss per share (cents per share)	8	<b>(0.66)</b>	<b>(0.67)</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**

		2018	2017
	Notes	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	9	1,004,930	1,182,258
Trade and other receivables	10	51,384	40,609
Other assets	11	76,690	76,191
<b>TOTAL CURRENT ASSETS</b>		<b><u>1,133,004</u></b>	<b><u>1,299,058</u></b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	233,078	282,739
Capitalised exploration and evaluation expenditure	14	30,264,494	28,395,904
Other assets	11	213,697	211,718
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>30,711,269</u></b>	<b><u>28,890,361</u></b>
<b>TOTAL ASSETS</b>		<b><u>31,844,273</u></b>	<b><u>30,189,419</u></b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	187,649	146,438
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>187,649</u></b>	<b><u>146,438</u></b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	16	472,561	1,217,959
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b><u>472,561</u></b>	<b><u>1,217,959</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>660,210</u></b>	<b><u>1,364,397</u></b>
<b>NET ASSETS</b>		<b><u>31,184,063</u></b>	<b><u>28,825,022</u></b>
<b>EQUITY</b>			
Issued capital	17	42,049,157	38,120,421
Foreign currency translation reserve		205,591	174,404
Share option reserve	24	103,439	-
Accumulated losses		(11,174,124)	(9,469,803)
<b>TOTAL EQUITY</b>		<b><u>31,184,063</u></b>	<b><u>28,825,022</u></b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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

	Issued capital \$	Foreign currency translation reserves \$	Share option reserve \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2016</b>	<b>34,752,434</b>	<b>237,095</b>	-	<b>(7,872,911)</b>	<b>27,116,618</b>
<b>Transaction with owners</b>					
Ordinary shares issued	3,771,204	-	-	-	3,771,204
Transaction costs on issue of shares	(403,217)	-	-	-	(403,217)
Total transactions with owners	<u>3,367,987</u>	-	-	-	<u>3,367,987</u>
Other comprehensive income	-	(62,691)	-	-	(62,691)
Loss for the year	-	-	-	(1,596,892)	(1,596,892)
Total comprehensive loss for the year	-	(62,691)	-	(1,596,892)	(1,659,583)
<b>Balance at 30 June 2017</b>	<b>38,120,421</b>	<b>174,404</b>	-	<b>(9,469,803)</b>	<b>28,825,022</b>
<b>Balance at 1 July 2017</b>	<b>38,120,421</b>	<b>174,404</b>	-	<b>(9,469,803)</b>	<b>28,825,022</b>
<b>Transaction with owners</b>					
Ordinary shares issued	4,440,854	-	-	-	4,440,854
Transaction costs on issue of shares	(512,118)	-	-	-	(512,118)
Share based payments	-	-	103,439	-	103,439
Total transactions with owners	<u>3,928,736</u>	-	<u>103,439</u>	-	<u>4,032,175</u>
Other comprehensive income	-	31,187	-	-	31,187
Loss for the year	-	-	-	(1,704,321)	(1,704,321)
Total comprehensive loss for the year	-	31,187	-	(1,704,321)	(1,673,134)
<b>Balance at 30 June 2018</b>	<b>42,049,157</b>	<b>205,591</b>	<b>103,439</b>	<b>(11,174,124)</b>	<b>31,184,063</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**

	Notes	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received		9,328	15,931
Cash received from other income		-	37,111
Cash paid to suppliers and employees		(1,567,439)	(1,588,907)
Interest paid		(6,820)	-
Other tax paid		(8,159)	(17,516)
<b>Net cash used in operating activities</b>	18	<b>(1,573,090)</b>	<b>(1,553,381)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash paid on deposit/advance payment		(665)	(115,966)
Cash received on release of bond/deposit		-	94,009
Cash received from disposal of property, plant & equipment		-	200
Purchase of property, plant & equipment		(54,608)	(9,293)
Exploration cost payments capitalised		(1,658,344)	(697,969)
<b>Net cash used in investing activities</b>		<b>(1,713,617)</b>	<b>(729,019)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital		4,440,854	3,771,204
Cash paid on share issue costs		(569,442)	(345,893)
Repayment of borrowings		(763,076)	(278,924)
<b>Net cash provided by financing activities</b>		<b>3,108,336</b>	<b>3,146,387</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(178,371)</b>	<b>863,987</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>1,182,258</b>	<b>319,028</b>
<b>Exchange differences on cash and cash equivalents</b>		<b>1,043</b>	<b>(757)</b>
<b>Cash and cash equivalents at the end of the financial year</b>	9	<b>1,004,930</b>	<b>1,182,258</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

The Financial Report includes the consolidated financial statements and notes of Dome Gold Mines Ltd and controlled entities ('Group').

## 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Group is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements for the year ended 30 June 2018 were approved and authorised for issue by the board of directors on 13 September 2018 (see note 29).

Dome Gold Mines Limited is the Group's ultimate parent company. Dome Gold Mines Ltd is a public company limited by shares incorporated and domiciled in Australia on 8 July 2011. The registered office is Suite 2, Level 8, 17-19 Bridge Street, Sydney 2000.

Dome Gold Mines Ltd is the parent company with 100% ownership of:

- Magma Mines Pty Ltd;
- Dome Mines Ltd (a company limited by shares incorporated in Fiji); and
- Magma Mines Ltd (a company limited by shares incorporated in Fiji).

The principal activities of the Group during the financial year have been the continuing exploration and evaluation of the following projects in Fiji:

- SPL1451 Ono Island,
- SPL1452 Nadrau; and
- SPL1495 Sigatoka Ironsands.

## 2 CHANGES IN ACCOUNTING POLICIES

### 2.1 New and revised standards that are effective and adopted by the Group

The Group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

### 2.2 New and revised standards that are not yet adopted by the Group

#### ***AASB 9 Financial Instruments (effective from 1 January 2018)***

AASB 9 replaces AASB 139 Financial instruments: Recognition and Measurement and addresses the classification and measurement of financial assets and financial liabilities, including a new expected credit loss model for calculation of impairment of financial assets, and new general hedge accounting requirements. It also carries forward guidance on recognition and derecognition of financial instruments from AASB 139.

#### ***Impairment***

The Group does not expect the new standard to have a significant impact on the recognition of impairment loss given the Group is at exploration stage and does not generate any revenue.

#### ***Hedge accounting***

The Group does not apply hedge accounting hence no impact is expected.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

## 2 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

### 2.2 New and revised Standards that are not yet adopted by the Group (continued)

#### Classification and measurement of financial assets and liabilities

The Group's financial assets comprise mainly of cash and cash equivalents, bond receivables and other receivables; financial liabilities comprise mainly of trade and other payables including loan from the third party. As a result, the new classification requirements will have no material impact.

The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 July 2018 and that comparatives will not be restated.

#### **AASB 15 Revenue from Contracts with Customers (effective from 1 January 2018)**

AASB 15 replaces AASB 118 *Revenue*, AASB 111 *Construction Contracts* and some revenue-related Interpretations:

- Establishes a new revenue recognition model
- Changes the basis for deciding whether revenue is to be recognised over time or at a point in time
- Provides new and more detailed guidance on specific topics (e.g., multiple element arrangements, variable pricing, rights of return, warranties and licensing)
- Expands and improves disclosures about revenue

The Group is at exploration stage and derives nil revenue for the current period, as such, no revenue will be recognised. The new standard is not expected to have a material impact on the transactions and balances recognised in the financial statements. The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 July 2018 and that comparatives will not be restated.

#### **AASB 16 Leases (effective from 1 January 2019)**

AASB 16 replaces AASB 117 *Leases* and some lease-related Interpretations:

- Requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases
- Provides new guidance on the application of the definition of lease and on sale and lease back accounting
- Largely retains the existing lessor accounting requirements in AASB 117
- Requires new and different disclosures about leases

The Group has operating lease commitments of 3 motor vehicles in Fiji and office lease in Australia (refer to note 13). Given the relatively low value of motor vehicle minimum lease payments and the fact that the current office lease terminates in April 2019, the potential impact on the financial statements is not expected to be significant. The Company intends to adopt the new standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 July 2019 and that comparatives will not be restated.

In addition to the AASB 9, AASB 15 and AASB 16 discussed above, a number of additional amendments have also been issued but are not effective for the current year end, which will be applicable to the Group, but are unlikely to have a material impact on the financial statements, based on management's initial consideration.

## **Dome Gold Mines Ltd**

and its controlled entities

# **Notes to the Consolidated Financial Statements**

### **3 SUMMARY OF ACCOUNTING POLICIES**

#### **3.1 Overall considerations**

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

#### **3.2 Basis of consolidation**

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 30 June 2018. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its investment with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

#### **3.3 Business combination**

The Group applies the acquisition method in accounting for business combinations.

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

#### **3.4 Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

### 3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### 3.5 Foreign currency transactions and balances

##### **Functional and presentation currency**

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

##### **Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at period end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the date of the transactions), except for non-monetary items measured at fair value which are translated using the change rates at the date when fair value was determined.

##### **Foreign operations**

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the AUD are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate. Income and expenses have been translated into AUD at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal.

#### 3.6 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 management.

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 management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the management 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 headquarter), head office expenses, and income tax assets and liabilities.

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

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

### 3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### 3.7 Exploration and evaluation expenditure

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis.

Exploration and evaluation assets are only recognised if the rights of 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.

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.

#### 3.8 Property, plant and equipment

##### ***Plant and equipment and computer equipment***

Plant and equipment (comprising fittings and furniture) and computer equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management.

Plant and equipment and computer equipment are measured on the cost basis less subsequent depreciation and impairment losses.

##### ***Depreciation***

The depreciable amount of all fixed assets is recognised on a straight-line basis to write down the cost 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	Useful Lives	Depreciation basis
Exploration computer equipment	2.5-4.2 years	Prime cost
Exploration furniture and fittings	3-8.3 years	Prime cost
Exploration plant and equipment	2.5-8.3 years	Prime cost
Office equipment	2-10 years	Prime cost

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.



## **Dome Gold Mines Ltd**

and its controlled entities

# **Notes to the Consolidated Financial Statements**

### **3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)**

#### **3.9 Leased assets**

##### ***Operating leases***

All other leases are treated as operating leases. Where the Group is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

#### **3.10 Income tax**

The charge for current income tax expense is based on the profit for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the date of the statement of financial position.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items recognised directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

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

#### **3.11 Revenue**

Interest income is reported on an accruals basis using the effective interest method.

Refundable research and development costs are reported as a government grant through other income.

#### **3.12 Goods and services tax (GST)**

Revenues, expenses and assets are recognised exclusive of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian or Fiji 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 cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

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

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

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

### 3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### 3.14 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

##### ***Classification and subsequent measurement of financial assets***

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial period end.

Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

##### ***Classification and subsequent measurement of financial liabilities***

The Group's financial liabilities include borrowings and trade and other payables, which are measured subsequently at amortised cost using the effective interest method.

Trade and other payables, including accruals for goods received but not yet billed, are recognised when the Group becomes obliged to make future payments principally as a result of the purchase of goods and services.

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

### 3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### 3.15 Significant accounting judgments and key estimates

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Estimates and assumptions are continuously evaluated and are based on management's experience and other factor, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes would differ from these estimates if different assumptions were used and different conditions existed.

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required, and where actual results were to differ, may materially affect the financial position or financial results reported in future periods.

(i) Exploration and evaluation expenditure (Note 14)

All capitalised exploration and evaluation expenditure (\$30,264,494 at 30 June 2018) (2017: \$28,395,904) has been capitalised on the basis that:

- 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 other wise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.
- The renewal of exploration licences is expected to be a routine process up until such a point as the entity is able to apply for a mining licence. As at the date of reporting, all licences have been renewed and are up to date.

(ii) Going concern (Note 3.16)

(iii) Share-based payments (Note 3.20)

#### 3.16 Going concern

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

The Group has incurred a trading loss of \$1,704,321 (2017: \$1,596,892), used \$3,231,434 (2017: \$2,251,350) of net cash in operations including payments for exploration during the year ended 30 June 2018, and has a cash balance of \$1,004,930 at 30 June 2018 (2017: \$1,182,258). These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. The ongoing operation of the Group is dependent upon:

- the Group raising additional funding from shareholders or other parties; and/or
- the Group reducing expenditure in-line with available funding.

The Directors have prepared cash flow projections that support the ability of the Group to continue as a going concern. These cash flow projections assume the Group obtains sufficient additional funding from shareholders or other parties. If such funding is not achieved, the Group plans to reduce expenditures significantly.

In the event that the Group does not obtain additional funding and/or reduce expenditure in-line with available funding, it may not be able to continue its operations as a going concern and therefore may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

### 3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### 3.17 Impairment testing of non-current assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

#### 3.18 Equity and reserves

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include the following:

- Foreign currency translation reserve – comprises foreign currency translation differences arising on the translation of financial statements of the Group's foreign entities into AUD; and
- Share option reserve – comprises fair value of options granted to the Company's Directors and contractor; and
- Retained earnings include all current and prior period retained losses.

#### 3.19 Employee benefits

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

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

### 3 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### 3.19 Employee benefits (continued)

##### *Other long-term employee benefits*

The Group's liabilities for annual leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

#### 3.20 Share-based payments

The Group operates equity-settled share-based remuneration plans for its Directors and contractor. None of the Group's plans feature any options for a cash settlement.

All compensation or goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where the Company's Directors and contractor are rewarded using share-based payments, the fair values are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

### 4 OTHER INCOME

	2018	2017
	\$	\$
Interest income	9,376	16,004
Total other income	<u>9,376</u>	<u>16,004</u>

## Notes to the Consolidated Financial Statements

<b>5 OTHER EXPENSES</b>	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Consultant expenses	613,297	625,309
Loss on disposal of property, plant & equipment	1,339	3,572
Office expenses	277,340	279,913
Other expenses	146,758	118,055
Total other expenses	<u>1,038,734</u>	<u>1,026,849</u>
<b>6 FINANCE COSTS</b>		
Interest expenses for borrowings at amortised cost		
- Related party	2,604	4,726
- Third party	22,624	48,226
	<u>25,228</u>	<u>52,952</u>
<b>7 INCOME TAX</b>		
(a) Income tax expense/(benefit)		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>
(b) Reconciliation of income tax expense to prima facie tax payable:		
Loss before tax	(1,704,321)	(1,596,892)
Prima facie income tax benefit at the Australian tax rate of 27.5% (2017: 27.5%)	(468,688)	(439,145)
Increase/(decrease) in income tax expense due to:		
Assessable income/ non-deductible expenses	15,701	10,724
Tax loss not recognised	453,581	441,320
Effect of net deferred tax assets/(liabilities) not recognised	(1,879)	(20,235)
Impact of overseas tax differential	1,285	7,336
Income tax expense/(benefit)	<u>-</u>	<u>-</u>
(c) Unrecognised deferred tax assets		
Deferred tax balances have not been recognised in respect of the following items:		
Tax loss	2,656,883	2,237,637
Other deferred tax assets	774,945	634,043
Deferred tax liability in relation to exploration costs	(1,827,397)	(1,407,515)
Net deferred tax assets not recognised	<u>1,604,431</u>	<u>1,464,165</u>

## Notes to the Consolidated Financial Statements

8 LOSS PER SHARE	2018	2017
	\$	\$
<b>Basic and diluted loss per share have been calculated using:</b>		
Loss for the year attributable to equity holders of the Company	<u>(1,704,321)</u>	<u>(1,596,892)</u>
	<u>No of Shares</u>	
Weighted average number of shares at the end of the year used in basic and diluted loss per share	256,514,342	236,975,726
Basic and diluted loss per share (cents)	<u>(0.66)</u>	<u>(0.67)</u>

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

### 9 CASH AND CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, cash includes cash on hand, cash at bank and short term deposits at call, net of any outstanding bank overdraft, if any. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows

Cash at bank	<u>1,004,930</u>	<u>1,182,258</u>
Total cash and cash equivalents	<u>1,004,930</u>	<u>1,182,258</u>

### 10 TRADE AND OTHER RECEIVABLES

Other receivables	2,526	797
Other tax receivables	<u>48,858</u>	<u>39,812</u>
Total other receivables	<u>51,384</u>	<u>40,609</u>

### 11 OTHER ASSETS

#### Current

Prepayments	<u>76,690</u>	<u>76,191</u>
Total other current assets	<u>76,690</u>	<u>76,191</u>

#### Non-current

Bank guarantee deposit	114,543	114,543
Bond deposit	98,324	96,356
Other capital costs	<u>830</u>	<u>819</u>
Total other non-current assets	<u>213,697</u>	<u>211,718</u>

## Notes to the Consolidated Financial Statements

12 PROPERTY, PLANT AND EQUIPMENT	2018 \$	2017 \$
<b>Exploration computer equipment</b>		
At cost	6,832	7,435
Less accumulated depreciation (depreciation is capitalised as deferred expenditure)	<u>(3,034)</u>	<u>(2,992)</u>
Total exploration computer equipment	<u>3,798</u>	<u>4,443</u>
<b>Exploration furniture and fittings</b>		
At cost	13,904	12,832
Less accumulated depreciation (depreciation is capitalised as deferred expenditure)	<u>(7,776)</u>	<u>(6,409)</u>
Total exploration furniture and fittings	<u>6,128</u>	<u>6,423</u>
<b>Exploration plant and equipment</b>		
At cost	480,282	495,271
Less accumulated depreciation (depreciation is capitalised as deferred expenditure)	<u>(286,947)</u>	<u>(230,954)</u>
Total exploration plant and equipment	<u>193,335</u>	<u>264,317</u>
<b>Office equipment</b>		
At cost	45,141	24,744
Less accumulated depreciation	<u>(15,324)</u>	<u>(17,188)</u>
Total office equipment	<u>29,817</u>	<u>7,556</u>
<b>Total</b>	<u>233,078</u>	<u>282,739</u>

### Movements in carrying amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Exploration computer equipment \$	Exploration furniture and fittings \$	Exploration plant and equipment \$	Office equipment \$	Total \$
Gross carrying amount					
Balance at 1 July 2016	6,131	12,580	502,543	50,425	571,679
Additions	4,564	487	1,885	2,357	9,293
Disposals	(3,206)	-	-	(28,038)	(31,244)
Net exchange difference	(54)	(235)	(9,157)	-	(9,446)
Balance at 30 June 2017	<u>7,435</u>	<u>12,832</u>	<u>495,271</u>	<u>24,744</u>	<u>540,282</u>
Depreciation and impairment					
Balance at 1 July 2016	(4,841)	(4,966)	(156,061)	(31,711)	(197,579)
Depreciation	(644)	(1,536)	(77,581)	(9,743)	(89,504)
Disposals	2,443	-	-	24,266	26,709
Net exchange difference	50	93	2,688	-	2,831
Balance at 30 June 2017	<u>(2,992)</u>	<u>(6,409)</u>	<u>(230,954)</u>	<u>(17,188)</u>	<u>(257,543)</u>
Carrying amount as at 30 June 2017	<u>4,443</u>	<u>6,423</u>	<u>264,317</u>	<u>7,556</u>	<u>282,739</u>



## Notes to the Consolidated Financial Statements

### 12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### Movements in carrying amounts (continued)

	Exploration computer equipment \$	Exploration furniture and fittings \$	Exploration plant and equipment \$	Office equipment \$	Total \$
Gross carrying amount					
Balance at 1 July 2017	7,435	12,832	495,271	24,744	540,282
Additions	2,995	1,382	19,624	30,607	54,608
Disposals	(972)	(482)	(43,809)	(10,210)	(55,473)
Reallocation	(2,679)	-	2,679	-	-
Net exchange difference	53	172	6,517	-	6,742
Balance at 30 June 2018	6,832	13,904	480,282	45,141	546,159
Depreciation and impairment					
Balance at 1 July 2017	(2,992)	(6,409)	(230,954)	(17,188)	(257,543)
Depreciation	(997)	(1,763)	(80,588)	(7,008)	(90,356)
Disposals	972	482	27,540	8,872	37,866
Reallocation	13	-	(13)	-	-
Net exchange difference	(30)	(86)	(2,932)	-	(3,048)
Balance at 30 June 2018	(3,034)	(7,776)	(286,947)	(15,324)	(313,081)
Carrying amount as at 30 June 2018	3,798	6,128	193,335	29,817	233,078

### 13 LEASES

#### Operating leases as lessee

The Group has operating lease commitments of 3 motor vehicles in Fiji and office lease in Australia.

The motor vehicles rental contract has a non-cancellable term of three years. The office lease contract has a non-cancellable term of two years and one month.

The future minimum lease payments are as follows:

	Minimum Lease Payments Due			Total \$
	Within 1 year \$	1-3years \$	After 3 years \$	
30 June 2018	183,829	21,613	-	205,442
30 June 2017	210,791	202,905	1,939	415,635

Lease expenses during the year amounted to \$210,598 (2017: \$219,260) representing the minimum lease payments.

## Dome Gold Mines Ltd

and its controlled entities

### Notes to the Consolidated Financial Statements

#### 14 CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	\$
Balance at 1 July 2016	27,689,854
Expenditure capitalised during the year	<u>706,050</u>
Balance at 30 June 2017	<u>28,395,904</u>
Balance at 1 July 2017	28,395,904
Expenditure capitalised during the year	<u>1,868,590</u>
Balance at 30 June 2018	<u>30,264,494</u>

The Directors have considered the requirements of AASB 6: Exploration for and Evaluation of Mineral Resources, and reviewed the carrying value of capitalised exploration and evaluation expenditure. Based on this review, the Directors consider the carrying value of each area of interest is supported by the anticipated future value. Furthermore, there are no indicators that the carrying values are impaired as at 30 June 2018.

#### 15 TRADE AND OTHER PAYABLES

	2018 \$	2017 \$
<b>Current</b>		
Accruals	114,149	100,692
Trade creditors	30,220	12,689
Other payables	18,037	12,683
Provisions	<u>25,243</u>	<u>20,374</u>
Total other payables	<u>187,649</u>	<u>146,438</u>

#### 16 BORROWINGS

##### Non-current

Loan from third party	472,561	1,119,938
Loan from related party	<u>-</u>	<u>98,021</u>
Total borrowings	<u>472,561</u>	<u>1,217,959</u>

The outstanding loan payable to a third party as at 30 June 2018 is \$472,561 (2017: \$1,119,938). The agreed interest rate on the unsecured loan is 5%. The facility is not secured. The facility with a third party available as at 30 June 2018 is \$527,439 (2017: \$Nil). The facility was extended during the reporting period from 31 December 2018 to 31 December 2020.

There is no outstanding loan payable to a related party as at 30 June 2018 (2017: \$98,021), refer to Note 20. The total facility of the Company with a related party is \$3,500,000 as at 30 June 2018 (2017: \$3,500,000). The agreed interest rate on the unsecured loan is 5%. The facility is not secured. The facility was extended during the reporting period from 31 December 2018 to 31 December 2020.

## Notes to the Consolidated Financial Statements

17 ISSUED CAPITAL	2018		2017	
	Shares	\$	Shares	\$
<b>Ordinary shares fully paid</b>	<u>269,031,700</u>	<u>42,049,157</u>	<u>246,827,429</u>	<u>38,120,421</u>
<b>Movements in ordinary share capital</b>				
<b>Ordinary shares</b>			<b>No. of shares</b>	<b>\$</b>
Balance at 1 July 2016			228,274,086	34,752,434
Fully paid ordinary shares issued 9 August 2016 at \$0.20			7,500,000	1,500,000
Fully paid ordinary shares issued 16 August 2016 at \$0.21			1,188,058	249,492
Fully paid ordinary shares issued 16 August 2016 at \$0.25			502,840	125,710
Fully paid ordinary shares issued 5 April 2017 at \$0.215			1,567,500	337,013
Fully paid ordinary shares issued 19 June 2017 at \$0.20			3,973,976	794,795
Fully paid ordinary shares issued 29 June 2017 at \$0.20			3,820,969	764,194
Less costs of issue			-	(403,217)
Balance at 30 June 2017			<u>246,827,429</u>	<u>38,120,421</u>
Balance at 1 July 2017			246,827,429	38,120,421
Fully paid ordinary shares issued 15 November 2017 at \$0.20			2,477,625	495,525
Fully paid ordinary shares issued 28 November 2017 at \$0.20			1,454,165	290,833
Fully paid ordinary shares issued 14 December 2017 at \$0.20			5,231,512	1,046,302
Fully paid ordinary shares issued 3 January 2018 at \$0.20			3,000,000	600,000
Fully paid ordinary shares issued 22 January 2018 at \$0.20			4,377,489	875,498
Fully paid ordinary shares issued 20 February 2018 at \$0.20			561,990	112,398
Fully paid ordinary shares issued 2 May 2018 at \$0.20			5,101,490	1,020,298
Less costs of issue			-	(512,118)
Balance at 30 June 2018			<u>269,031,700</u>	<u>42,049,157</u>

The share capital of Dome Gold Mines consists only of fully paid ordinary shares. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Dome Gold Mines.

## Notes to the Consolidated Financial Statements

### 18 CASH FLOW INFORMATION

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2018 \$	2017 \$
<b>Reconciliation of cash</b>		
Cash and cash equivalents	<u>1,004,930</u>	<u>1,182,258</u>
<b>Reconciliation of cash flow from operations with loss from ordinary activities after income tax</b>		
Loss from ordinary activities after income tax	<u>(1,704,321)</u>	<u>(1,596,892)</u>
Non-cash flows in loss from ordinary activities		
Depreciation and amortisation	7,008	9,742
Loss on sale of property, plant & equipment	1,339	3,572
Changes in other assets and liabilities	(5,579)	(29,898)
(Increase)/decrease in trade receivables and other assets	(15,121)	35,345
Increase in trade and other payables	40,145	24,750
Share based payments	<u>103,439</u>	<u>-</u>
Net cash used in operating activities	<u>(1,573,090)</u>	<u>(1,553,381)</u>

### 19 REMUNERATION OF AUDITORS

During the year, the following services were paid or payable for services provided by the auditor of the company:

Grant Thornton Audit Pty Ltd		
Audit services	<u>60,000</u>	<u>50,000</u>
Total remuneration of auditor	<u>60,000</u>	<u>50,000</u>

### 20 RELATED PARTY TRANSACTIONS

(a) The Group has a loan from a related party as described below.

<b>Loan from related party</b>		
Beginning of the year	98,021	100,219
Loans advanced	-	-
Loan repayments	(99,870)	(6,924)
Interest withholding tax	(755)	-
Interest charged	<u>2,604</u>	<u>4,726</u>
End of period	<u>-</u>	<u>98,021</u>

The agreed interest on the loans is 5%. It is not secured and repayable in full by 31 December 2020.

## Notes to the Consolidated Financial Statements

### 20 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (b) Transactions with key management personnel

Key management of the Group are Dome's CEO and members of Board of directors. Key management personnel remuneration is shown in the table below:

	2018 \$	2017 \$
<b>Short term employee benefits</b>		
Cash salaries and fees	296,004	306,757
Other fees	-	24,000
Total short term employee benefits	<u>296,004</u>	<u>330,757</u>
<b>Post-employment benefits</b>		
Superannuation	<u>49,996</u>	<u>67,443</u>
Total post-employment benefits	<u>49,996</u>	<u>67,443</u>
<b>Share-based payments</b>	<u>60,843</u>	-
<b>Total remuneration</b>	<u><u>406,843</u></u>	<u><u>398,200</u></u>

There are no other related party transactions during the year ended 30 June 2018.

### 21 COMMITMENTS AND CONTINGENCIES

#### Minimum tenement expenditure requirements

	2018 \$	2017 \$
Within one year	378,145	-
Between one to five years	<u>224,422</u>	<u>1,698,408</u>
Total	<u><u>602,567</u></u>	<u><u>1,698,408</u></u>

The minimum tenement expenditure requirements are guidelines only by the Mineral Resources Department in Fiji.

SPL 1451 is valid until 12 February 2020, SPL 1452 is valid until 12 February 2019, and SPL 1495 is in the process of being renewed at the date of this report. Dome continues to retain ownership of SPL 1495 until a decision of renewal is made, accordingly no commitments have been included above as the terms of the tenement license has not been formally approved. Management consider the risk of this not being renewed to be remote.

#### Guarantees

The Group has three bank guarantees totalling \$155,077 as at 30 June 2018 (2017: \$154,540).

There are no other contingent assets or liabilities as at the date of this financial report.

## Notes to the Consolidated Financial Statements

### 22 SEGMENT REPORTING

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

Transactions with business segments are determined on an arm's length basis.

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.

#### Business segments

For the year ended 30 June 2018 the Group principally operated in Fiji in the mineral exploration sector.

During the year ended 30 June 2018 management has re-assessed how financial information is presented to the chief operating decision makers. This re-assessment is reflective of the progress being made in exploration activity and the need to distinguish between the Group's ironsand and gold projects. The Group now has two reportable segments, as described below. Comparative financial information has been restated to reflect this change.

Operating Segment	Ironsand Project \$	Gold Projects \$	Unallocated \$	Consolidated total \$
<b>30 June 2017</b>				
<b>Segment revenue</b>				
Finance income	475	250	15,279	16,004
<b>Total revenue</b>	<b>475</b>	<b>250</b>	<b>15,279</b>	<b>16,004</b>
Depreciation	-	-	(9,742)	(9,742)
<b>Segment profit/(loss)</b>	<b>(11,673)</b>	<b>(8,275)</b>	<b>(1,576,944)</b>	<b>(1,596,892)</b>
<b>Segment assets</b>	<b>27,231,839</b>	<b>1,606,794</b>	<b>1,350,786</b>	<b>30,189,419</b>
<b>Segment liabilities</b>	<b>2,085,439</b>	<b>1,461,666</b>	<b>(2,182,708)</b>	<b>1,364,397</b>
<b>30 June 2018</b>				
<b>Segment revenue</b>				
Finance income	481	252	8,643	9,376
<b>Total revenue</b>	<b>481</b>	<b>252</b>	<b>8,643</b>	<b>9,376</b>
Depreciation	-	-	(7,008)	(7,008)
Share-based payments	-	-	(103,439)	(103,439)
<b>Segment profit/(loss)</b>	<b>(9,291)</b>	<b>(8,514)</b>	<b>(1,686,516)</b>	<b>(1,704,321)</b>
<b>Segment assets</b>	<b>27,869,488</b>	<b>2,822,607</b>	<b>1,152,178</b>	<b>31,844,273</b>
<b>Segment liabilities</b>	<b>2,451,407</b>	<b>2,388,863</b>	<b>(4,180,060)</b>	<b>660,210</b>

## Dome Gold Mines Ltd

and its controlled entities

### Notes to the Consolidated Financial Statements

#### 22 SEGMENT REPORTING (CONTINUED)

Reconciliation of reportable segment profit & loss, assets and liabilities

	2018 \$	2017 \$
<b>Loss before tax</b>		
Loss before tax for reportable segment	(17,805)	(19,948)
Other loss before tax unallocated	(1,686,516)	(1,576,944)
Consolidated loss before tax	<u>(1,704,321)</u>	<u>(1,596,892)</u>
<b>Assets</b>		
Total assets for reportable segments	30,692,095	28,838,633
Intercompany eliminations	(5,109,973)	(3,877,282)
Other assets unallocated	6,262,151	5,228,068
Consolidated assets	<u>31,844,273</u>	<u>30,189,419</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	4,840,270	3,547,105
Intercompany eliminations	(5,109,973)	(3,877,282)
Other liabilities unallocated	929,913	1,694,574
Consolidated liabilities	<u>660,210</u>	<u>1,364,397</u>

#### 23 PARENT ENTITY DISCLOSURES

As at and throughout the financial year ended 30 June 2018 the parent entity of the Group was Dome Gold Mines Ltd.

	2018 \$	2017 \$
<b>Statement of profit or loss and other comprehensive income</b>		
Net loss for the year	(2,004,947)	(1,571,625)
Other comprehensive income	36,202	(68,786)
Total comprehensive loss	<u>(1,968,745)</u>	<u>(1,640,411)</u>
<b>Statement of financial position</b>		
Current assets	5,783,482	5,090,469
Non-current assets	25,832,627	25,220,542
Total assets	31,616,109	30,311,011
Current liabilities	129,805	142,739
Non-current liabilities	472,561	1,217,959
Total liabilities	602,366	1,360,698
Net assets	<u>31,013,743</u>	<u>28,950,313</u>
<b>Equity</b>		
Issued capital	42,049,157	38,120,421
Accumulated losses	(11,108,615)	(9,103,668)
Foreign currency translation reserve	(30,238)	(66,440)
Share option reserve	103,439	-
Total equity	<u>31,013,743</u>	<u>28,950,313</u>

The Directors are of the opinion that no contingencies existed at, or subsequent to year end.

## Notes to the Consolidated Financial Statements

### 24 SHARE-BASED PAYMENT

During the year ended 30 June 2018, the Group had two share-based payment arrangements. Both will be settled in equity.

Options were granted to non-executive Directors and a contractor respectively under each scheme as part of their remuneration packages. Options were granted for no consideration and carry no dividends or voting rights when exercised. Options under both schemes vest on issue date. Each option allows the holder to purchase one ordinary share at the price determined at grant date.

Share options and weighted average exercise prices are as follows for the reporting periods presented:

	Options issued to directors		Options issued to contractors	
	Number of shares	Weighted average exercise price (\$)	Number of shares	Weighted average exercise price (\$)
<b>Outstanding at 1 July 2016</b>	-	-	-	-
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
<b>Outstanding at 30 June 2017</b>	-	-	-	-
Granted	1,500,000	0.45	1,000,000	0.45
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
<b>Outstanding at 30 June 2018</b>	<b>1,500,000</b>	<b>0.45</b>	<b>1,000,000</b>	<b>0.45</b>
<b>Exercisable at 30 June 2017</b>	-	-	-	-
<b>Exercisable at 30 June 2018</b>	<b>1,500,000</b>	<b>0.45</b>	<b>1,000,000</b>	<b>0.45</b>

The fair values of options granted were determined using a variation of the Black-Scholes option pricing model. The fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

The following principal assumptions were used in the valuation:

Valuation assumptions	Options issued to directors	Options issued to contractors
Grant date	24 November 2017	24 November 2017
Vesting period ends	27 July 2020	31 December 2020
Share price at date of grant	\$0.21	\$0.21
Expected volatility	61.74%	58.44%
Option life	977 days	1,134 days
Dividend yield	-	-
Risk free investment rate	1.92%	1.92%
Weighted average fair value at grant date	\$0.04	\$0.04
Weighted average exercise price at grant date	\$0.45	\$0.45
Exercisable from	24 November 2017	24 November 2017
Exercisable to	27 July 2020	31 December 2020

The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of time. No special features inherent to the options granted were incorporated into measurement of fair value.

In total, \$103,439 (2017: Nil) expenses, all of which are related to equity-settled share-based payment transactions, have been included in profit or loss and credited to share option reserve.



## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

## 25 POST-REPORTING DATE EVENTS

Subsequent to the end of the financial year:

### ***SPL 1495 Sigatoka Iron Sand Project***

The 3-year licence period expired on July 13, 2018, so notification was made to the Mineral Resources Department (MRD) of the Company's intention to apply for renewal of the SPL1495 in early June 2018 and an application for renewal of SPL1495 for a further 3-year period for the licence was submitted to MRD on 6 July 2018. On Wednesday September 5, 2018 the Director of the MRD confirmed their full support for the renewal and advised that due to new legal requirements, the Company needed to obtain a letter from the Public Trustee that they had no objection to the renewal. On September 7, 2018 a meeting was held with the Public Trustee, Manager of Estates & Trusts responsible for five beneficiaries of the Work Estate freehold who confirmed her office supported the SPL1495 renewal, and will immediately seek the consent of the five beneficiaries. Since the licence remains in force during the renewal process, it is planned that sonic drilling will resume in September 2018 with completion of the updated JORC 2012 report during December 2018.

In July 2018, the Company sought expressions of interest for completion of a Definitive Feasibility Study (DFS) from five major engineering firms with experience in heavy mineral sand deposit mining and processing operations. One international group, IHC Robbins, an affiliate of Royal IHC of the Netherlands (IHC), agreed to enter into a Heads of Agreement with Dome and undertake the DFS as the first part of a developing strategic relationship between the companies.

### ***SPL 1451 Ono Island Project***

Assays for all holes ONODDH001 to ONODDH007 were carried out by ALS Laboratories. Drill hole ONODDH001 (Naqara East), returned anomalous copper assays (to 0.3% Cu) and anomalous molybdenum assays (to 0.2% Mo). The best Mo intercept is 5.05 m @ 0.0643% (643 ppm Mo), from 323 to 328.05 m. This intercept comprises 5 contiguous one metre samples ranging from 110 ppm to 2040 ppm Mo.

The gold-silver assay results are slightly anomalous within areas of strong alteration and sulphide mineralisation, but are well below economic levels, with maximum assay values of 0.036 g/t Au and 3.6 g/t Ag.

The elevated Cu and Mo and weakly anomalous Au and Ag indicates a metal-bearing epithermal system is present at Naqara East, and that further exploration drilling could define gold mineralisation nearby.

In summary, a large sulphide-bearing system weakly anomalous in several metals has been defined at Naqara East prospect on Ono Island, SPL 1451. This system has many similarities to other Pacific Rim gold-copper deposits. The strong epithermal alteration, sulphide mineralisation, elevated Cu-Mo and weakly anomalous Au-Ag in drill core samples is encouraging. Additional systematic drilling is recommended to discover anomalous gold zones within these large sulphide bodies.

No other matters or circumstances have arisen since the end of the year that have 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.

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

## 26 SUBSIDIARIES

Particulars in relation to controlled entities:

	Country of incorporation	Company interest in ordinary shares	
		2018	2017
		%	%
<b>Controlled entities</b>			
Dome Mines Limited	Fiji	100	100
Magma Mines Pty Ltd	Australia	100	100
Magma Mines Limited	Fiji	100	100

## 27 FINANCIAL INSTRUMENT RISK

### 27.1 Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 3.14. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is coordinated by management, in close co-operation with the board of directors, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk and certain other price risks, which result from both its operating and investing activities.

### 27.2 Market risk analysis

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

#### *Foreign currency sensitivity*

Most of the Group's transactions are carried out in AUD. Exposures to currency exchange rates arise from the Group's overseas purchases, which are primarily denominated in Fijian dollars (FJD). To mitigate the Group's exposure to foreign currency risk, non-AUD cash flows are monitored.

The following table illustrates the sensitivity of profit in regards to the Group's financial assets and financial liabilities and the AUD/FJD exchange rate 'all other things being equal'. It assumes a +/- 5% change of the AUD/FJD exchange rate for the year ended 30 June 2018. This percentage has been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

If the AUD had strengthened against the FJD by 5% (2017: 5%) then this would have had the following impact:

	<u>Profit for the year</u>	<u>Equity</u>
	\$	\$
30 June 2018	-	227,097
30 June 2017	-	168,726

## Notes to the Consolidated Financial Statements

### 27 FINANCIAL INSTRUMENT RISK (CONTINUED)

#### 27.2 Market risk analysis (continued)

If the AUD had weakened against the FJD by 5% (2017: 5%) then this would have had the following impact:

	<u>Profit for the year</u>	<u>Equity</u>
	\$	\$
30 June 2018	-	(227,097)
30 June 2017	-	(168,726)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

#### **Interest rate sensitivity**

Interest risk arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk).

The Group's policy is to minimise interest rate cash flow risk exposures on financing. Borrowings are therefore usually at fixed rates. At 30 June 2018, the Group is not exposed to changes in market interest rates through borrowings as all borrowings are at fixed interest rates.

At 30 June 2018, the Group's exposure to cash flow interest relates primarily to cash at bank of the Group which bears floating rates. The Group is considering investing surplus cash in long term deposits at fixed rates in the future.

As at the end of the reporting period, the Group had the following floating financial instruments:

	2018		2017	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Cash and cash equivalents	0.46	1,004,930	0.58	1,182,258

The following table demonstrates the sensitivity to a 0.5% change in interest rates, with all other variables held constant, of the Group's profit (through the impact on floating rate financial assets and financial liabilities).

	2018		2017	
	+0.5% \$	-0.5% \$	+0.5% \$	-0.5% \$
Profit/(loss) for the year	5,025	(5,025)	5,911	(5,911)

## Dome Gold Mines Ltd

and its controlled entities

# Notes to the Consolidated Financial Statements

## 27 FINANCIAL INSTRUMENT RISK (CONTINUED)

### 27.3 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by receivables from other parties, placing deposits etc. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2018	2017
Classes of financial assets -	\$	\$
Carrying amounts:		
Cash and cash equivalents	1,004,930	1,182,258
Trade and other receivables	51,384	40,609
Bank guarantee deposit	114,543	114,543
Bond deposit	98,324	96,356
<b>Carrying amount</b>	<b>1,269,181</b>	<b>1,433,766</b>

The Group continuously monitors defaults of other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality. The Group currently has no receivables from trading therefore is not exposed to credit risk in relation to trade receivables.

None of the Group's financial assets are secured by collateral or other credit enhancements.

The credit risk for cash and cash equivalents, bank guarantee deposit, bond deposit and tax refunds is considered negligible, since the counterparties are reputable banks and government body with high quality external credit ratings.

### 27.4 Liquidity risk analysis

Liquidity risk is that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Group's objective is to maintain cash and marketable securities to meet its liquidity requirements for 90-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

## **Dome Gold Mines Ltd**

and its controlled entities

# **Notes to the Consolidated Financial Statements**

## **28 CAPITAL RISK MANAGEMENT**

Our objective of capital risk management is to manage capital and safeguard our ability to continue as a going concern, and to generate returns for shareholders. The Group manages its risk exposure of its financial instruments in accordance with the guidance of the Board of Directors. The Group uses different methods to manage and minimise its exposure to risks. These include monitoring levels of interest rates fluctuations to maximise the return of bank balances and the flexing of the gearing ratios. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The final approval and monitoring of any of these policies is done by the Board which review and agrees on the policies for managing risks.

The primary responsibility to monitor the financial risks lies with the Directors and the Company Secretary under the authority of the Board. The Board approved policies for managing risks including the setting up of approval limits for purchases and monitoring projections of future cash flows.

## **29 AUTHORISATION OF FINANCIAL STATEMENTS**

The consolidated financial statements for the year ended 30 June 2018 (including comparatives) were approved by the board of directors on 13 September 2018.

For personal use only

## Dome Gold Mines Ltd

and its controlled entities

### Directors' Declaration

The directors of the Company declare that:

1 In the opinion of the Directors of Dome Gold Mines Limited:

a) The consolidated financial statements and notes of Dome Gold Mines Limited are in accordance with the Corporations Act 2001, including:

i Giving a true and fair view of its 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 (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b) There are reasonable grounds to believe that Dome Gold Mines Limited 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 (or equivalent) for the financial year ended 30 June 2018.

3 Note 1 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors



**G. G. Lowder**

Chairman

Dated this 13 September 2018

Sydney

# Independent Auditor's Report

To the Members of Dome Gold Mines Limited

Report on the audit of the financial report

## Opinion

We have audited the financial report of Dome Gold Mines Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the 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, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

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

## Basis for opinion

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

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

### Material uncertainty related to going concern

We draw attention to Note 3.16 in the financial statements, which indicates that the Group incurred a net loss of \$1,704,321 during the year ended 30 June 2018, and used \$3,231,434 of net cash in operations including payments for exploration. As stated in Note 3.16, these events or conditions, along with other matters as set forth in Note 3.16, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
<b>Exploration and Evaluation Assets – valuation</b> <b>Note 3 and 14</b>	
<p>At 30 June 2018 the carrying value of Exploration and Evaluation Assets was \$30,264,494.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the company is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.</p> <p>There are a number of assumptions made when assessing the recoverability of capitalised costs many times it is hinged upon the future success of projects.</p> <p>This area is a key audit matter due to the inherent subjectivity that is involved in the Group making judgements in relation to the evaluation for any impairment indicators, in accordance with AASB 6: <i>Exploration for and Evaluation of Mineral Resources</i>.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Obtaining the management prepared reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;</li> <li>▪ Reviewing management's area of interest considerations against AASB 6;</li> <li>▪ Conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including: <ul style="list-style-type: none"> <li>- Tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed;</li> <li>- Enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of managements' budgeted expenditure;</li> <li>- Understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;</li> </ul> </li> <li>▪ Reviewing the appropriateness of the related disclosures within the financial statements.</li> </ul>

### Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

### Responsibilities of the Directors' for the financial report

The Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors



determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the 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 objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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\\_responsibilities/ar1.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf). This description forms part of our auditor's report.

#### **Report on the remuneration report**

##### **Opinion on the remuneration report**

We have audited the Remuneration Report included in pages 21 to 24 of the Directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Dome Gold Mines Limited, for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

##### **Responsibilities**

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



Grant Thornton Audit Pty Ltd  
Chartered Accountants



M D Dewhurst  
Partner – Audit & Assurance

Sydney, 13 September 2018

## ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 31 August 2018.

### SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange. The Home Exchange is Sydney.

### SUBSTANTIAL SHAREHOLDERS

The number of substantial shareholders and their associates are set out below:

Shareholder	Number of Shares
Blue Ridge Interactive Limited	40,000,000
Onizaki Corporation	30,000,000
Fleet Market Investments Pty Ltd	19,776,499

### THE NUMBER OF HOLDERS IN EACH CLASS OF SECURITIES

As at 31 August 2018, the number of holders in each class of securities on issue were as follows:

Type of security	Number of holders	Number of securities
Ordinary shares	455	269,031,700
Unlisted options	28	25,085,401

### CLASS 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 on a show of hands and one vote for each share held on a poll.

A member holding partly paid shares is entitled to a fraction of a vote equivalent to the proportion which the amount paid up bears to the issue price for the shares.

Options don't carry voting rights.

### DISTRIBUTION OF SHAREHOLDERS

The total distribution of fully paid shareholders, being the only class of equity was as follows:

Range	Total Shareholders	Total No of Shares
1 - 1,000	10	1,724
1,001 - 5,000	17	44,462
5,001 - 10,000	167	1,663,800
10,001 - 100,000	144	3,792,364
100,001 and over	117	263,529,350
<b>Total</b>	<b>455</b>	<b>269,031,700</b>

## ASX Additional Information

### DISTRIBUTION OF OPTIONHOLDERS

The total distribution of unlisted optionholders was as follows:

Expiry Date	Number of holders	Exercise Price
15 November 2019	3	\$0.20
27 July 2020	3	\$0.40
27 July 2020	3	\$0.50
31 December 2020	1	\$0.40
31 December 2020	1	\$0.50
28 November 2019	4	\$0.20
14 December 2019	7	\$0.20
3 January 2020	5	\$0.20
22 January 2020	5	\$0.20
20 February 2020	2	\$0.20
2 May 2020	2	\$0.20

### LESS THAN MARKETABLE PARCELS

On 31 August 2018, there were 18 holders of less than a marketable parcel of 2,174 ordinary shares.

### TWENTY LARGEST SHAREHOLDERS

As at 31 August 2018, the twenty largest quoted shareholders held 75.20% of the fully paid ordinary shares as follows:

Name	Ordinary Shares	
	Quantity	%
Blue Ridge Interactive Limited	40,000,000	14.87
Onizaki Corporation	30,000,000	11.15
Fleet Market Investments Pty Ltd	19,776,499	7.35
Precious Tori Ltd	12,964,250	4.82
Brave Top Enterprises Ltd	10,500,000	3.90
Globe Street Investments Pty Ltd <FRG Superannuation Fund A/C>	10,000,000	3.72
Globe Street Investments Pty Ltd <Globe Street Investments A/C>	10,000,000	3.72
Mr Zhengjian Xu	8,320,888	3.09
Cybersys Inc	8,000,000	2.97
Monex Boom Securities (HK) Ltd <Clients Account>	7,593,027	2.82
Tiger Ten Investment Limited	7,292,393	2.71
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	6,788,597	2.52
Primavera	5,000,000	1.86
Thamadia Nominees Pty Ltd <Jean White Super Fund A/C>	5,000,000	1.86
Mr Hwaeun Park	4,764,092	1.77
Mr Masayuki Kudo	3,973,976	1.48
Mr Katsuji Kato	3,382,720	1.26
Mr Akio Miyashita	3,289,163	1.22
Creative Management Consultants Co Ltd	2,866,754	1.07
Mr Nurbol Nazarbayev	2,802,647	1.04

## ASX Additional Information

### TWENTY LARGEST OPTIONOLDERS

As at 31 August 2018, there were no optionholders that held 20% or more of the unquoted options.

### ON MARKET BUY BACK

There is no on market buy-back.

### ESCROWED SECURITIES

As at 31 August 2018, there were no escrowed securities.

### TENEMENTS SCHEDULE

Tenement	Location	Holder	Area (Ha)	Expiry Date	Interest %
<b>SPL 1451</b>	Ono Island	Dome Mines Ltd	3,028	12/02/2020	100
<b>SPL 1452</b>	Nadrau	Dome Mines Ltd	33,213	12/02/2019	100
<b>SPL 1495</b>	Sigatoka	Magma Mines Ltd	2,522	13/07/2018*	100

\*Application to renew this Special Prospecting Licence for a further 3-year period was submitted to the Mineral Resources Department, Fiji on July 6, 2018. The Company believes there is no reason why the licence will not be renewed.

**Note:** Magma Mines Ltd and Dome Mines Ltd, both incorporated in Fiji, are wholly owned subsidiaries of Dome Gold Mines Ltd. All tenements are located in the Republic of Fiji.

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# CORPORATE DIRECTORY

**ABN 49 151 996 566**

## **Directors**

Dr Garry Lowder (Chairman)  
Mr Tadao Tsubata (Non-Executive Director)  
Ms Sarah Harvey (Non-Executive Director)

## **Company Secretary**

Mr Marcelo Mora

## **Corporate Office**

Suite 2, Level 8, 17-19 Bridge Street  
Sydney NSW 2000  
Australia

## **Registered Office**

Suite 2, Level 8, 17-19 Bridge Street  
Sydney NSW 2000  
Australia

## **Auditors**

Grant Thornton Audit Pty Ltd  
Level 17, 383 Kent Street  
Sydney NSW 2000

## **Bankers**

National Australia Bank  
255 George Street  
Sydney NSW 2000

## **Solicitors**

Websters  
Level 11, 37 Bligh Street  
Sydney NSW 2000

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**Dome Gold Mines Ltd**

ABN 49 151 996 566

Level 8, 17-19 Bridge Street Sydney NSW 2000 Australia

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**NOTICE OF ANNUAL GENERAL MEETING**

– and –

**EXPLANATORY MEMORANDUM**

– and –

**PROXY FORM**

**DATE & TIME OF MEETING:** Thursday 15 November 2018 at 11 am

**VENUE:** Level 8, 17-19 Bridge Street Sydney NSW 2000

**These documents should be read in their entirety.**

**If shareholders are in any doubt as to how they should vote,  
they should seek advice from their professional advisors.**

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of members is to be convened at Level 8, 17-19 Bridge Street, Sydney, NSW, 2000 on 15 November 2018 at 11 am.

### AGENDA

#### ORDINARY BUSINESS

**1. Financial Reports for the Year Ended 30 June 2018**

To receive and consider the Company's Annual Financial Reports, the Directors' Report and the Auditor's Report for the year ended 30 June 2018.

To consider and, if thought fit, pass the following resolutions, with or without amendment:

**2. Resolution 1 Adoption of the Remuneration Report**

'That the Remuneration Report for the year ended 30 June 2018 be and is hereby adopted.'

**3. Resolution 2 Re-election of a Director**

'That Tadao Tsubata be and is hereby re-elected as a Director.'

**4. Resolution 3 Ratification of Prior Issue Shares**

'That the issue of 561,990 fully paid ordinary shares in the Company on 20 February 2018 for \$0.20 per share to Mr. Hwaeun Park be and is hereby ratified for the purposes of ASX Listing Rules 7.4.'

**5. Resolution 4 Ratification of Prior Issue of Options**

'That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the grant on 20 February 2018 of 162,398 unlisted options in the Company on such terms as set out in the Explanatory Memorandum accompanying this Notice of Meeting.'

**6. Resolution 5 Ratification of Prior Issue of Options**

'That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the grant on 2 May 2018 of 5,672,094 unlisted options in the Company on such terms as set out in the Explanatory Memorandum accompanying this Notice of Meeting.'

**7. Resolution 6 Additional capacity to issue securities**

'That the additional capacity to issue equity securities up to 10% of the issued capital of the Company as set out in the Explanatory Memorandum attached to this Notice of Meeting be and is hereby approved for the purposes of ASX Listing Rule 7.1A.'

To transact any other business that may be brought forward in accordance with the Company's Constitution.

**By order of the Board**

**Marcelo Mora**  
**Company Secretary**  
2 October 2018



**EXPLANATORY MEMORANDUM  
TO THE NOTICE OF ANNUAL GENERAL MEETING**

This Explanatory Memorandum has been prepared to assist members to understand the business to be put to members at the Annual General Meeting to be held at Level 8, 17-19 Bridge Street, Sydney, NSW, on Thursday, 15 November 2018 at 11 am Eastern Daylight Saving Time (EDST).

**1. Financial Report**

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2018 will be laid before the meeting. There is no requirement for shareholders to approve these reports, however, the Chairman of the meeting will allow a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

**2. Adoption of Remuneration Report**

The Remuneration Report, which can be found as part of the Directors' Report in the Company's 2018 Annual Report, contains certain prescribed details, sets out the policy adopted by the Board of Directors and discloses the payments to key management personnel, Directors and senior executives.

In accordance with section 250R of the Corporations Act, a resolution that the Remuneration Report be adopted must be put to the vote. The resolution is advisory only and does not bind the Directors or the Company.

Shareholders will be given a reasonable opportunity at the meeting to comment on and ask questions about the Company's Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

***Voting Exclusion Statement***

Any member of the key management personnel of the Company's consolidated group whose remuneration details are included in the Remuneration Report (or closely related party of any such member), may not vote, and the Company will disregard any votes cast in favour by or on behalf of such persons on Resolution 1, unless the vote is cast:

- as a proxy appointed in writing which specifies how the proxy is to vote on Resolution 1; or
- the proxy is the Chairman of the meeting, and;
  - the appointment does not specify the way the proxy is to vote on the resolution; and
  - the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the key management personnel.

**The Directors recommend that you vote IN FAVOUR of advisory Resolution 1.**

**The Chairman of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 1.**

**3. Re-election of Tadao Tsubata**

In accordance with Article 39.1 of the Company's Constitution, a Director must not hold office without re-election past the third Annual General Meeting following the Director's appointment or three years, whichever is longer. A Director who retires in accordance with these requirements is eligible for re-election. Mr Tadao Tsubata retires by rotation and, being eligible, offers himself for re-election.

Mr Tadao Tsubata graduated with a B.A. in Economics in 1991 from Kokushikan University, Tokyo. From 1991 to 1997, Tadao worked in corporate finance at a major Japanese securities company. From this role he moved to a major international life insurance and investment company where he was involved in retail offerings and distribution of the business in Japan. Establishing his first business in life insurance distribution and agencies in 2001, this formed the basis of a new business being a Japanese focused asset management company.

In early 2010 the asset management company's activities grew in prominence and a number of private investment funds were formed to specifically target investments internationally, in mining exploration, primary production and other growth industries. Tadao continues in the role of Chief Executive Officer of this business with operations in many countries including Australia.

**The Directors recommend that you vote IN FAVOUR of Resolution 2.**

**The Chairman for this Resolution intends to vote undirected proxies IN FAVOUR of Resolution 2.**

#### 4. Ratification of Prior Issue of Shares

On 20 February 2018, the Company issued 561,990 ordinary shares to raise \$112,398. The shares were issued under the 15% placement capacity under the Listing Rules, and the issue of the shares did not breach ASX Listing Rule 7.1 at the time they were originally issued.

Resolution 3 seeks Shareholders ratification pursuant to ASX Listing Rule 7.4 of this share issue. By ratifying this issue, the Company will retain flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholders' approval.

For the purpose of Listing Rule 7.5, the following information is provided:

- Number of securities allotted: 561,990 on 20 February 2018.
- Issue price: \$0.20 per share.
- Terms: Fully paid ordinary shares ranking *pari passu* with existing fully paid ordinary shares.
- Name of allottee: Mr Hwaeun Park, who is not a related party.
- Intended use of funds: To further advance the exploration program in Fiji and working capital.

#### **Voting Exclusions on this Resolution:**

The Company will disregard any votes cast in favour on this Resolution by or on behalf of Hwaeun Park or an associate of Hwaeun Park.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person Chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**The Directors recommend that you vote IN FAVOUR of Resolution 3.**

**The Chairman of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 3.**

#### 5. Ratification of Prior Issue of Options

On 20 February 2018, the Company granted 162,398 unlisted options. The Options were issued under the 15% placement capacity under the Listing Rules, and the grant of the options did not breach ASX Listing Rule 7.1 at the time they were granted.

Resolution 4 seeks Shareholders ratification pursuant to ASX Listing Rule 7.4 of this options granted. By ratifying this grant, the Company will retain flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholders' approval.

For the purpose of Listing Rule 7.5, the following information is provided:

- Number of securities allotted: 162,398 on 20 February 2018.
- Issue price: Nil cash consideration.
- Terms:
  - Unlisted options expiring on 20 February 2020.
  - Terms and conditions are attached on Appendix "A".
- Name of allottee: Precious Tori Ltd who is not a related party
- Intended use of funds: No funds were raised by the issue of these options.

***Voting Exclusions on this Resolution:***

The Company will disregard any votes cast in favour on this Resolution by or on behalf of Precious or an associate of Precious Tori Ltd.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**The Directors recommend that you vote IN FAVOUR of Resolution 4.**

**The Chairman of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 4.**

**6. Ratification of Prior Issue of Options**

On 2 May 2018, the Company granted 5,672,094 unlisted options. The Options were issued under the 15% placement capacity under the Listing Rules, and the grant of the options did not breach ASX Listing Rule 7.1 at the time they were granted.

Resolution 5 seeks Shareholders ratification pursuant to ASX Listing Rule 7.4 of this options granted. By ratifying this grant, the Company will retain flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholders' approval.

For the purpose of Listing Rule 7.5, the following information is provided:

- Number of securities allotted: 5,672,094 on 2 May 2018.
- Issue price: Nil cash consideration.
- Terms:
  - Unlisted options expiring on 2 May 2020.
  - Terms and conditions are attached on Appendix "A".
- Name of allottee:

Mr Hiroyuki Miyake	449,694 unlisted options
Mr Hwaeun Park	4,202,102 unlisted options
Precious Tori Ltd	1,020,298 unlisted options
None of whom are a related party	
- Intended use of funds: No funds were raised by the issue of these options.

***Voting Exclusions on this Resolution:***

The Company will disregard any votes cast in favour on this Resolution by or on behalf of Hiroyuki Miyake, Hwaeun Park, and Precious or an associate of Hiroyuki Miyake, Hwaeun Park and Precious Tori Ltd.

However, the Company need not disregard a vote if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**The Directors recommend that you vote IN FAVOUR of Resolution 5.**

**The Chairman of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 5.**

## 7. Approval of additional capacity to issue securities

ASX Listing Rule 7.1A enables the Company to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the AGM ('10% Placement Facility'). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 6, which is a Special Resolution requiring 75% of votes cast to be in favour of the resolution, seeks shareholder approval for the Company to have the ability to issue equity securities under the 10% Placement Facility on the following terms:

### (a) Placement Period

Shareholder approval of the 10% Placement Facility is valid from the date of the AGM and expires on the earlier of:

- (i) the date that is 12 months after the date of the AGM; or
- (ii) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

### (b) Equity Securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company which, in the Company's case, are fully paid ordinary shares.

### (c) Formula for calculating 10% Placement Facility.

The maximum number of shares that can be issued under the 10% Placement Facility is calculated as follows:

$$(A \times D) - E$$

Where: *A* is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- (ii) plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4;
- (iii) less the number of fully paid shares cancelled in the 12 months.

*D* is 10%.

*E* is the number of fully paid ordinary shares issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

The current maximum number of shares, as at the date of this meeting, that can be issued under the 10% Placement Facility is 26,846,971. The Company's current capacity to issue securities as at the date of the meeting pursuant to listing rule 7.1 is 33,873,974

### (d) Minimum Issue Price

The minimum issue price of equity securities issued for the purpose of Listing Rule 7.1.A.3 must be not less than 75% of the volume weighted average price of equity securities in the same class calculated over the 15 trading days on which trades were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

### (e) Risk of Economic and Voting Dilution

If Resolution 6 is approved by shareholders and the Company issues equity securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in the table below. Further, there is a risk that:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the AGM; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date.

Because variable A in the formula for calculating 10% Placement Facility, and consequently the number of shares that can be issued under the 10% Placement Facility, can change during the Placement Period, the table below shows a matrix of scenarios of the potential dilution of existing shareholders as at the date of the AGM on the basis of:

- (i) the issue price of equity securities being the current approximate market price of fully paid ordinary shares, plus 50% and minus 50%; and
- (ii) the maximum number of shares that can be issued under the 10% Placement Facility in accordance with the definition of Variable A in the formula for calculating 10% Placement Facility increasing by 50% and 100%.

Variable A in 10% Placement Facility under ASX Listing Rule 7.1A.2	Voting Dilution and Placement Facility Capacity	Issue Price and Funds Raised		
		50% Decrease in Current Approximate Market Price \$0.11	Current Approximate Market Price \$0.22*	50% Increase in Current Approximate Market Price \$0.33
<b>Current Variable A</b> 268,469,710 shares	10% 26,846,971 Shares	\$2,953,167	\$5,906,334	\$8,859,500
<b>50% increase in current Variable A</b> 402,704,565 shares	13.0% 40,270,457 Shares	\$4,429,750	\$8,859,500	\$13,289,251
<b>100% increase in current Variable A</b> 536,939,420 shares	16.7% 53,693,942 shares	\$5,906,334	\$11,812,667	\$17,719,001

\*The current approximate market price of \$0.22 was the closing price as at 17 September 2018.

As an example, if variable A is increased to 536,939,420 shares, the 10% Placement Facility capacity is 53,693,942 shares and therefore the dilution of existing shares as at the date of the AGM, being 268,469,710 shares, is calculated as:

$$53,693,942 \div (268,469,710 + 53,693,942) = 16.7\%$$

(f) Other Matters

The approval under Listing Rule 7.1A ceases to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 or 11.2

The Company may issue equity securities under the 10% Placement Facility for cash consideration to support the Company's exploration program in Fiji, ongoing activities and working capital or non-cash consideration for the acquisition of compatible business opportunities which may arise. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. As there is no issue currently proposed, the identity of the allottees is not currently known and will be determined on a case-by-case basis at the time of allotment, having regard to factors including, but not limited to, the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the equity securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not currently been determined but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

The Company obtained Shareholder approval under Listing Rule 7.1A at its 2017 Annual General Meeting, but no equity securities have been issued under the 10% Placement Facility during the past 12 months.

The Company issued a total of 47,289,672 equity securities made up of 22,204,271 ordinary fully paid shares and 25,085,401 unlisted options in the 12 month preceding the date of this Annual General Meeting which based on the number of Equity Securities on issue at the commencement of that period represents 19.15% of the Company's Equity Securities.

Further details of the issues of Equity Securities by the Company during the 12 months period preceding the date of the meeting are set out in Appendix "B" on page 9 of this Explanatory Memorandum.

Information relating to the issue of Equity Securities in the preceding 12 months is as follows:

- Number of securities issued: 22,204,271;
- Class of securities issued: Ordinary fully paid shares;
- Issued of the Securities: To professional and sophisticated investors;
- Issue price:
  - 16,540,791 shares were issued at \$0.20 per share and the closing price on the date of the issue was \$0.21;
  - 561,990 shares were issued at \$0.20 per share and the closing price on the date of the issue was \$0.20;
  - 5,101,490 shares were issued at \$0.20 per share and the closing price on the date of the issue was \$0.14;
- The issue was for cash: The total cash consideration received was \$4,440,854 and was used for the drilling program in ONO island, continuing exploration activities at Sigatoka, for working capital and payment of ongoing activities and liabilities.
  
- Number of securities issued: 25,085,401;
- Class of securities issued: Unlisted Options;
- Issued of the Securities: To professional and sophisticated investors 23,585,401 unlisted options  
To Directors of the Company 1,500,000 unlisted options
- Issue price: Nil cash consideration
- The issue was for cash: No funds were raised by the issue of these options.

#### **Voting Exclusion:**

The Company will disregard any votes cast in favour on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associate of that person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**The Directors recommend that you vote IN FAVOUR of Resolution 6.**

**The Chairman of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 6.**

## Appendix "A"

### OPTIONS TERMS AND CONDITIONS

1. The maximum number of options to be issued is set by the Board.
2. Each Option entitles the holder to subscribe for and be allotted one ordinary share (Share) in Dome Gold Mines Ltd, at an exercise price of \$0.20 per Option, expiring 24 months from the date of issue (Expiry Date).
3. The Options may be exercised at any time prior to the Expiry Date wholly or in part by delivering a duly completed form of notice of exercise together with payment of the exercise price per Option exercised to the Company.
4. The Options expire at 5pm Eastern Standard Time on the Expiry Date.
5. Any Options not exercised on or before the Expiry Date will automatically lapse.
6. All Shares allotted on the exercise of Options will rank equally in all respects with the Company's then existing ordinary fully paid ordinary shares.
7. The Options must not be assigned, transferred or otherwise dealt with except with the approval of the Board or in the case of a takeover offer or a Scheme of Arrangement.
8. The Options will not be listed on The Australian Securities Exchange (ASX), although the Company will apply for the official quotation of any shares which are issued as a result of an exercise of Options.
9. Shares allotted and issued pursuant to the exercise of Options will be allotted and issued not more than 10 business days after receipt of a properly executed notice of exercise of the Options and payment of the requisite application moneys.
10. There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered or made to shareholders during the currency of the Options unless they exercise their Options prior to the date for determining entitlements to participate in any such issue.
11. There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro rata issue of shares or other securities to the holders of ordinary shares in the Company.
12. In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an option-holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation, including the number of Options held, the number of securities to be issued on exercise of the Options, the exercise price, the due date for payment and the consequences of non-payment.
13. The Options are transferable provided the holder has obtained the prior written consent of the Board to the transfer and the transfer complies with section 707(3) of the Corporations Act.

## Appendix "B"

### Issue of Equity Securities since 16 November 2017

Date	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to market price on the trading day prior to the issue	Form of Consideration
15 November 2017	2,477,625	Ordinary shares	Field of Dreams Co., Ltd. Creative Management Consultants Co., Ltd Akiyoshi Sato	\$0.20 Represent a discount of 5% to the market price	Cash consideration of \$495,524 was used to further advance the exploration program in Fiji and working capital and payment of outstanding liabilities.
28 November 2017	1,454,165	Ordinary shares	Creative Management Consultants Co., Ltd	\$0.20 Represent a discount of 5% to the market price	Cash consideration of \$290,833 was used to further advance the exploration program in Fiji, working capital and payment of outstanding liabilities.
14 December 2017	5,231,512	Ordinary shares	Ms Noriko Kikuchi Ms Akiko Nagase Mr Saravut Udomtham; Mr Kazutaka Shimohigoshi	\$0.20 Represent a discount of 5% to the market price	Cash consideration of \$1,046,302 was used to further advance the exploration program in Fiji, working capital and payment of outstanding liabilities.
3 January 2018	3,000,000	Ordinary shares	Mr Daizo Hara Mr Sumiyo Yamamoto	\$0.20 Represent a discount of 5% to the market price	Cash consideration of \$600,000 was used to further advance the exploration program in Fiji, working capital and payment of outstanding liabilities.
22 January 2018	4,377,489	Ordinary shares	Mr Nurbol Nazarbayev Airs Rock Ltd.	\$0.20 Represent a discount of 5% to the market price	Cash consideration of \$875,498 was used to further advance the exploration program in Fiji, working capital and payment of outstanding liabilities.
20 February 2018	561,990	Ordinary shares	Mr Hwaeun Park	\$0.20 The shares were issued at no discount to the market price	Cash consideration of \$112,398 was used to further advance the exploration program in Fiji, working capital and payment of outstanding liabilities.
2 May 2018	5,101,490	Ordinary shares	Mr Hwaeun Park Mr Hiroyuki Miyake	\$0.20 Represent a premium of 20% to the market price	Cash consideration of \$1,020,298 was used to further advance the exploration program in Fiji, working capital and payment of outstanding liabilities.

The Company has spent 93% of the cash raised from the placements on advancing the exploration program of its tenements in Fiji and in working capital including payment of liabilities.



**Appendix “B”**

**Issue of Equity Securities since 16 November 2017**

<b>Date</b>	<b>Number of Equity Securities</b>	<b>Class of Equity Securities and summary of terms</b>	<b>Names of recipients or basis on which recipients determined</b>	<b>Issue price of Equity Securities and discount to market price on the trading day prior to the issue</b>	<b>Form of Consideration</b>
15 November 2017	1,945,107	Unlisted options	Field of Dreams Co., Ltd. Creative Management Consultants Co., Ltd Akiyoshi Sato	Nil consideration	No funds were raised and no non-cash cash consideration paid
24 November 2017	2,500,000	Unlisted options	Tadao Tsubata Sarah E Harvey Margaret L Lowder Garry G Lowder	Nil consideration	No funds were raised and no non-cash cash consideration paid
28 November 2017	2,240,523	Unlisted options	Creative Management Consultants Co., Ltd Precious Tori Ltd	Nil consideration	No funds were raised and no non-cash cash consideration paid
14 December 2017	4,799,713	Unlisted options	Noriko Kikuchi Akiko Nagase Saravut Udomtham Kazutaka Shimohigoshi Precious Tori Ltd	Nil consideration	No funds were raised and no non-cash cash consideration paid
3 January 2018	3,300,000	Unlisted options	Mr Daizo Hara Mr Sumiyo Yamamoto Precious Tori Ltd	Nil consideration	No funds were raised and no non-cash cash consideration paid
22 January 2018	4,465,566	Unlisted options	Mr Nurbol Nazarbayev Airs Rock Ltd. Precious Tori Ltd	Nil consideration	No funds were raised and no non-cash cash consideration paid
20 February 2018	162,398	Unlisted options	Precious Tori Ltd	Nil consideration	No funds were raised and no non-cash cash consideration paid
2 May 2018	5,672,094	Unlisted options	Mr Hwaeun Park Mr Hiroyuki Miyake Precious Tori Ltd	Nil consideration	No funds were raised and no non-cash cash consideration paid

Shareholder:

I/We being a member/s of Dome Gold Mines Ltd and entitled to attend and vote HEREBY APPOINT

the Chairman of the Meeting (mark box)

**OR** if you are not appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing him, the Chairman of the Meeting, as my/our Proxy to vote for me/us and on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Members of the Company to be held at 11 am on 15 November 2018 and at any adjournment thereof.

The Proxy is directed by me/us to vote as indicated by the marks in the appropriate voting boxes below:

**RESOLUTIONS**

**FOR      AGAINST      ABSTAIN**

1. Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr Tadao Tsubata as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of prior issue 561,990 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of prior issue 162,398 unlisted options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of prior issue 5,672,094 unlisted options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval additional capacity to issue equity securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**The Chairman of the Meeting is authorised to exercise undirected proxies on remuneration related matter (Resolution 1):** If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default, by signing and submitting this form I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of Resolution 1 (except where I/we have indicated a different voting intention above) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel for Dome Gold Mines Ltd, which includes the Chairman.

**The Chairman of the Meeting intends to vote all undirected proxies in favour of each resolution (including Resolution 1).** If you have appointed the Chairman of the Meeting as your proxy (or the Chairman of the Meeting becomes your proxy by default), and you wish to give the Chairman specific voting directions on an item, you should mark the appropriate box/es opposite those resolutions above (directing the Chairman to vote for, against or to abstain from voting).

If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

PLEASE SIGN HERE - This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

X

Sole Director and  
Sole Company Secretary

Director

Director/Company Secretary

Dated: \_\_\_/\_\_\_/2018

# How to Complete the Proxy Form

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## 1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company.

## 2 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

## 3 Voting restrictions

Any member of the key management personnel of the Company's consolidated group whose remuneration details are included in the Remuneration Report (or a closely related party of any such member), may not vote, and the Company will disregard the votes cast by such persons on Resolution 1, unless the vote is cast:

- as a proxy appointed in writing which specifies how the proxy is to vote on Resolution1; or
- the proxy is the Chairman of the meeting, and:
  - the appointment does not specify the way the proxy is to vote on the resolution; and
  - the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the key management personnel.

## 4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

## 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry or the Company. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

## 6 Persons entitle to attend and vote

The Company has determined, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that the Company's shares quoted on the ASX Limited at 7.00 pm Sydney time on 13 November 2018 are taken, for the purposes of the Annual General Meeting to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the meeting.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

## Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the time appointed for holding the meeting.

## Documents may be lodged:

IN PERSON: Registered Office – Level 8, 17-19 Bridge Street, Sydney, NSW 2000, Australia  
BY MAIL: GPO Box 1759, Sydney, NSW 2001, Australia  
BY FAX: +61 2 9241 2013  
BY E-MAIL: info@domegoldmines.com.au