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PELICAN RESOURCES LIMITED

(ABN 12 063 388 821)

**INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2019**



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

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PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors of Pelican Resources Limited ("Pelican" or "the Company") present their report together with the consolidated interim financial report for the Company and entities it controlled during the half-year ended 31 December 2019 ("Group").

DIRECTORS

The following persons were directors of Pelican Resources Limited during the half-year and up to the date of this consolidated financial report. Directors were in office for the entire period unless otherwise stated.

- Anthony Torresan (Executive Director)
- Colin Chenu (Non-Executive Director)
- Alec Pismiris (Non-Executive Director and Company Secretary)

REVIEW OF OPERATIONS

REPUBLIC OF THE PHILIPPINES

SALE OF SIBUYAN NICKEL PROPERTIES DEVELOPMENT CORPORATION

In June 2015 Pelican entered into a Memorandum of Understanding ("MOU") with Dynamo Atlantic Limited, a BVI registered company ("Dynamo") for the sale of 100% ownership of Sibuyan Nickel Properties Development Corporation ("SNPDC") which is owned by Pelican in conjunction with its 25% venture partner All-Acacia Resources Inc. ("All Acacia"). SNPDC is the beneficial owner of the Romblon Project located on Sibuyan Island in the Romblon Province in the Philippines.

During the half-year, the Philippines Bureau of Internal Revenue issued the final outstanding Certificate Authorizing Registration ("CAR") to a shareholder of SNPDC relating to the transfer of their shares. On receipt of the final CAR, the shareholders of SNPDC ("Vendor Parties") through their appointed agent delivered to Dynamo Atlantic Limited ("Dynamo") and Dynamo Atlantic Holdings Philippines, Inc. ("DHAP") all corporate records and other relevant documents ("Settlement Documents") as specified by the revised Share Sale and Assignment of Debt Agreement ("SSADA").

Following an extensive review, the Vendor Parties' agent received confirmation from Dynamo and DAHP that they were satisfied with the Settlement Documents. Dynamo and DAHP subsequently took possession of the Settlement Documents, facilitating the transfer of the SNPDC shares.

In accordance with the terms of the SSADA, Dynamo and DAHP deposited the final payment of AUD\$2,190,000 into the Vendor Parties' agent trust account. The final payment along with the second payment of AUD\$940,000 held in escrow by Pelican were subsequently distributed following a final reconciliation of costs attributable to the Vendor parties.

ROMBLON PROJECT, SIBUYAN ISLAND, ROMBLON PROVINCE (MPSA No. 3042009-IVB)

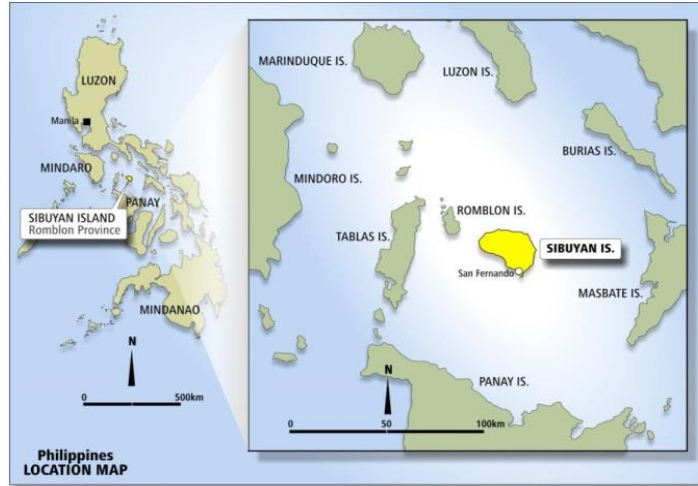
The Romblon Project, on Sibuyan Island in the Romblon Province in the Philippines, is considered a potential source of direct shipping lateritic nickel ore (DSO). The nickel resource explored by two Japanese nickel companies in 1972 is covered by a MPSA No. 3042009-IVB. The project is still in the process of being transferred from Altai Resources Philippines Inc. (Altai), the original applicant of the MPSA, to SNPDC.



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)



Further exploration is required to fully evaluate the laterite nickel resource, however the project is currently on care and maintenance due to a Cease and Desist Order (CDO) issued in September 2011 by the Mines and Geosciences Bureau (MGB) of the Department of Environment and Natural Resources (DENR). Counsel for SNPDC has pursued all legal avenues with respect to the appeal to the MGB and DENR to lift the CDO.

During the half year ended 31 December 2019, no project development field work was undertaken to minimize expenses in the Philippines.

Sale of the Romblon Project was settled in December 2019.

WESTERN AUSTRALIA

KIMBERLEYS

COCKATOO ISLAND PROJECT, KIMBERLEYS

Pelican holds 5,000,000 fully paid ordinary shares in Cockatoo Iron NL (“Cockatoo Iron”) as a consequence of the sale of its interests in the Cockatoo Island Project.

Pelican and Cockatoo Iron have further executed a Revenue Sharing Agreement (“RSA”), whereby Pelican will be entitled to receive up to a maximum of \$500,000 per annum of gross revenue received by Cockatoo Iron and Pearl Gull from certain non-mining activities that may be conducted by third parties within the tenements. Cockatoo Iron will have the right of pre-emption in respect of a sale by Pelican of its rights under the RSA.



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

CORPORATE

Following settlement on the sale of SNPDC, the board of Pelican resolved to implement a reduction to fees paid to directors and consultants by approximately one third with effect from 1 January 2020.

Pelican's securities remain suspended from official quotation until the Company can demonstrate to ASX that the requirements of Listing Rule 12.1 are satisfied.

BUSINESS DEVELOPMENT

The Company continued to search for new opportunities in the resources sector which could demonstrate capacity to add long term shareholder value and support the re-quotation of the Company's securities on the ASX. The directors believe that existing cash reserves combined with funds received from the sale of its interests in SNPDC leave the Company well positioned to fund new opportunities in the resources sector.

SUBSEQUENT EVENTS

On 19 February 2020, the Company entered into an agreement with Carbine Resources Limited ("Carbine") to sell its' shareholding of 5,000,000 shares in Cockatoo Iron NL to Carbine, subject to certain conditions precedent. Consideration for the sale is 6,666,667 fully paid ordinary shares in Carbine. The sale was completed on 27 February 2020.

As at the date of this report, no other matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent years.

RESULTS OF OPERATIONS

The net profit after income tax for the period was \$189,621 (2018: \$1,614,623 loss).

FINANCIAL POSITION

The net assets of the Company are \$3,733,475 as at 31 December 2019 (at 30 June 2019: \$2,798,032).

SCHEDULE OF TENEMENT INTERESTS AS AT 31 DECEMBER 2019

Following the completion of the sale of the Romblon Project, the Company holds no tenement interests as at 31 December 2019.



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is included within this financial report.

This consolidated financial report is signed in accordance with a resolution of the board of directors.

Alec Pismiris
Director

Dated at Perth this 12th day of March 2020

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PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

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

	Note	31 December 2019 \$	31 December 2018 \$
Other income	3	573,518	26,733
Corporate expenses		(369,777)	(235,600)
Exploration expenditure written-off		(14,120)	-
Fair value loss of investments		-	(1,300,000)
Other expenses		-	(105,756)
Profit/(Loss) before income tax		189,621	(1,614,623)
Income tax		-	-
Profit/(Loss) for the period		189,621	(1,614,623)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Exchange differences on disposal of subsidiary		(88,250)	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		-	20,852
Other comprehensive income/(loss) for the period		(88,250)	20,852
Total comprehensive income/(loss) for the period		101,371	(1,593,771)
Loss attributable to:			
Members of the parent entity		189,621	(1,612,305)
Non-controlling interest		-	(2,318)
		189,621	(1,614,623)
Total comprehensive loss attributable to:			
Members of the parent entity		101,371	(1,596,538)
Non-controlling interest		-	2,767
		101,371	(1,593,771)
		Cents	Cents
Basic and diluted earnings/(loss) per share (cents per share)	4	0.05	(0.44)



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31 December 2019 \$	30 June 2019 \$
CURRENT ASSETS			
Cash and cash equivalents	5	3,432,995	2,033,527
Restricted cash		-	940,000
Security deposits		114,000	114,000
Trade and other receivables		13,389	11,852
Other current assets		12,899	25,798
Assets held for sale	6	-	2,309,779
Total Current Assets		3,573,283	5,434,956
Non-Current Assets			
Other financial assets		200,000	200,000
Total Non-Current Assets		200,000	200,000
TOTAL ASSETS		3,773,283	5,634,956
CURRENT LIABILITIES			
Trade and other payables		39,808	221,705
Deferred revenue	6	-	1,410,000
Liabilities associated with assets held for sale	6	-	1,205,219
Total Current Liabilities		39,808	2,836,924
TOTAL LIABILITIES		39,808	2,836,924
NET ASSETS		3,733,475	2,798,032
EQUITY			
Issued capital	7	14,096,796	14,096,796
Reserves	8	1,937,083	2,025,333
Accumulated losses		(12,300,404)	(12,490,025)
Total parent entity interest		3,733,475	3,632,104
Non-controlling interest		-	(834,072)
TOTAL EQUITY		3,733,475	2,798,032



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

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

	Issued Capital	Options Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non- Controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 01/07/2018	13,630,120	1,937,082	66,043	(10,580,155)	(837,293)	4,215,797
Total comprehensive (loss)/income for the period						
(Loss) for the period	-	-	-	(1,612,305)	(2,318)	(1,614,623)
<i>Other comprehensive income</i>						
Foreign currency translation differences	-	-	15,767	-	5,085	20,852
Total comprehensive loss for the period	-	-	15,767	(1,612,305)	2,767	(1,593,771)
Balance at 31/12/2018	13,630,120	1,937,082	81,810	(12,192,460)	(834,526)	2,622,026
Balance at 01/07/2019	14,096,796	1,937,083	88,250	(12,490,025)	(834,072)	2,798,032
Total comprehensive Income/(loss) for the period						
Income for the period	-	-	-	189,621	-	189,621
Other comprehensive income						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Exchange differences on disposal of subsidiary	-	-	(88,250)	-	-	(88,250)
Total comprehensive loss for the period	-	-	(88,250)	189,621	-	101,371
Disposal of subsidiary	-	-	-	-	834,072	834,072
Balance at 31/12/2019	14,096,796	1,937,083	-	(12,300,404)	-	3,733,475



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

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

	Note	31 December 2019 \$	31 December 2018 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(561,859)	(378,735)
Interest received		19,447	26,733
Net Cash Used In Operating Activities		<u>(542,412)</u>	<u>(352,002)</u>
Cash Flows from Investing Activities			
Payments for exploration expenditure		(14,120)	-
Proceeds from sale of project		2,230,000	-
Transaction costs relating to sale		(274,000)	-
Net Cash From Investing Activities		<u>1,941,880</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held		1,399,468	(352,002)
Cash and cash equivalents at beginning of the financial period		2,033,527	2,127,459
Effect of exchange rate changes on cash holdings		-	-
Cash and cash equivalents at the end of the half-year	5	<u><u>3,432,995</u></u>	<u><u>1,775,457</u></u>



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

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

NOTE 1: BASIS OF PREPARATION

The interim consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this consolidated interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Pelican Resources Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and ASX Listing Rules.

The interim consolidated financial report does not include full disclosures of the type normally included in annual financial reports.

The interim consolidated financial report has been prepared on an accruals basis and is based on historical costs, cost is based on the fair value of the consideration given in exchange for assets.

Statement of compliance

The interim financial statements were authorised for issue on 12 March 2020.

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

Significant accounting estimates and judgements

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

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2019.



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019 *(continued)*

New and Revised Accounting Standards and Interpretations

The accounting policies have been consistently applied by the consolidated entity and are consistent with those in the June 2019 annual financial report except for the impact (if any) of new and revised standards and interpretations outlined below.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half-year.

Standards and Interpretations applicable to 31 December 2019

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

Standards and Interpretations in issue not yet adopted

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

NOTE 2: DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

NOTE 3: PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(Loss) before income tax includes the following revenues, expenses and gains whose disclosure is relevant in explaining the financial performance for the interim period:

	Consolidated	
	6 months to 31 December 2019	6 months to 31 December 2018
	\$	\$
(a) Other income		
Interest earned	19,447	26,733
Gain on sale of SNPDC	554,071	-
(b) Significant items		
<i>Included in corporate expenses</i>		
Accounting and administration fees	39,130	44,736
Consulting and directors fees	190,942	111,141
<i>Included in other expenses</i>		
Foreign taxes	-	105,695

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PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019 *(continued)*

NOTE 4: EARNINGS/(LOSS) PER SHARE

The following reflects the income and data used in the calculations of basic and diluted earnings/(loss) per share:

	Consolidated	
	6 months to 31 December 2019	6 months to 31 December 2018
	\$	\$
Earnings/(Loss) per share (cents)	0.05	(0.44)
Loss before income tax - Group	189,621	(1,614,623)
Adjustments:		
Loss attributable to non-controlling interest	-	2,318
Loss used in calculating basic and diluted loss per share	189,621	(1,612,305)
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic loss per share:	408,591,140	361,923,540

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as the conversion to ordinary shares does not lead to an inferior view of the earnings performance of the entity.

NOTE 5: CASH AND CASH EQUIVALENTS

For the purpose of the half-year statement of cash flows, cash and cash equivalents are comprised of the following:

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
Cash at bank	3,432,995	2,033,527
	3,432,995	2,033,527

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PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019 (continued)

NOTE 6: ASSETS AND LIABILITIES HELD FOR SALE

In June 2015, the Company entered into a Memorandum of Understanding (“MOU”) with Dynamo Atlantic Limited to sell 100% ownership of Sibuyan Nickel Properties Development Corporation (“SNPDC”) for a purchase price of \$4.7 million. In October 2018, the parties executed a revised Share Sale and Assignment of Debt Agreement for a total purchase price of \$3.6 million.

On the 6 December 2019 Pelican Resources Limited (ASX: PEL) (“Pelican” or “the Company”) announced that settlement on the sale of Sibuyan Nickel Properties Development Corporation (“SNPDC”), the beneficial owner of the Romblon Project located on Sibuyan Island in the Romblon Province in the Philippines had been completed; (refer Directors’ Report for further detail).

Assets and liabilities held for sale

The major classes of assets and liabilities comprising the operations classified as held for sale at balance date are as follows:

	Consolidated 30 June 2019
	\$
Cash	952
Trade and other receivables	6,248
Mineral exploration and evaluation expenditure	2,302,579
Assets held for sale	<u>2,309,779</u>
Trade payables	666
Other payables	1,204,553
Liabilities associated with assets held for sale	<u>1,205,219</u>

NOTE 7: ISSUED CAPITAL

(a) Issued Capital

408,591,140 Ordinary shares fully paid
(30/06/2019: 361,923,540)

	Consolidated	
	31 December	30 June
	2019	2019
	\$	\$

	<u>14,096,796</u>	<u>14,096,796</u>
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(b) Movements in ordinary share capital

Date	Details	No. of Shares	\$
01/07/2019	Opening balance	361,923,540	14,096,796
02/07/2019	Exercise of options ⁽¹⁾	46,667,600	-
31/12/2019	Closing balance	<u>408,591,140</u>	<u>14,096,796</u>

⁽¹⁾ On 2 July 2019, the Company issued 46,667,600 shares as a result of the exercise of options at \$0.01 expiring 30 June 2019. Funds were received pre-30 June 2019 however the shares were not issued until post-30 June 2019.



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019 (continued)

NOTE 8: RESERVES

	Consolidated	
	31 December 2019	30 June 2019
(a) Composition	\$	\$
Share based payments reserve	1,937,083	1,937,083
Foreign currency translation reserve	-	88,250
	<u>1,937,083</u>	<u>2,025,333</u>

(b) Movements in options reserve

Date	Details	No. of Unlisted Options	Exercise Price	Expiry Date
01/07/19	Opening balance	35,000,000		
31/12/19	Expired	(35,000,000)	\$0.02	31/12/19
31/12/19	Closing balance	<u>-</u>		

NOTE 9: CONTINGENT LIABILITIES

As part of its acquisition of Nugold Hill Mines in 2002, the Company has an obligation to rehabilitate the Xanadu tenements area. The Company has a security bond in place with the Department of Mines, Industry, Regulation and Safety which is expected to cover the majority of the cost. The Department of Mines, Industry, Regulation and Safety has not currently insisted on rehabilitating the site as there is the potential for future operations.

Other than as disclosed above, Pelican Resources Limited and its controlled entities have no known material contingent liabilities as at 31 December 2019.

NOTE 10: SEGMENT INFORMATION

Business Segments

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Pelican Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Australia and Philippines.

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PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019 *(continued)*

NOTE 10: SEGMENT INFORMATION *(continued)*

	Australia		Philippines		Eliminations		Consolidated	
	31 Dec 2019 \$	31 Dec 2018 \$	31 Dec 2019 \$	31 Dec 2018 \$	31 Dec 2019 \$	31 Dec 2018 \$	31 Dec 2019 \$	31 Dec 2018 \$
Geographical Segments								
Revenue								
Other revenues from customers outside the Consolidated Entity	19,447	26,727	554,071	6	-	-	573,518	26,733
Total segment revenue	19,447	26,727	554,071	6	-	-	573,518	26,733
Results								
Segment result	(2,293,847)	(1,616,847)	551,005	(116,615)	1,932,463	118,839	189,621	(1,614,623)
Assets								
Segment assets	4,723,079	4,000,111	205	2,272,276	(950,001)	(950,001)	3,773,283	5,322,386
Liabilities								
Segment liabilities	1,941,493	2,960,049	3,794,391	7,364,986	(5,696,076)	(7,624,675)	39,808	2,700,360



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019 *(continued)*

NOTE 11: FINANCIAL INSTRUMENTS

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

The carrying amounts of the current receivables, current payables and other liabilities are considered to be a reasonable approximation of their fair value.

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

On 19 February 2020, the Company entered into an agreement with Carbine Resources Limited (“Carbine”) to sell its’ shareholding of 5,000,000 shares in Cockatoo Iron NL to Carbine, subject to certain conditions precedent. Consideration for the sale is 6,666,667 fully paid ordinary shares in Carbine. The sale was completed on 27 February 2020.

As at the date of this report, no other matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent years.



PELICAN RESOURCES LIMITED AND CONTROLLED ENTITIES

DIRECTORS' DECLARATION

1. In the opinion of the directors:
 - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half- year then ended; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2019.

Signed in accordance with a resolution of the board of directors

Dated this 12th day of March 2020

Alec Pismiris
Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pelican Resources Ltd

Report on the Interim Financial Report

Conclusion

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

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

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

Directors' responsibility for the half-year financial report

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

Auditor's responsibility

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

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
12 March 2020

Norman Neill

N G Neill
Partner

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AUDITOR'S INDEPENDENCE DECLARATION

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

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

Perth, Western Australia
12 March 2020



N G Neill
Partner

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