



Renegade Exploration Limited

ABN 92 114 187 978

Financial Report

for the half-year ended 31 December 2019

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CORPORATE DIRECTORY

Directors

Mr. Robert Kirtlan (Non – Executive Chairman)

Mr. Mark Wallace (Non – Executive Director)

Mr. Peter Voulgaris (Non – Executive Director)

Company Secretary

Mr Graeme Smith

Registered Office and Principal Place of Business

Suite 5, Level 1

12-20 Railway Road

Subiaco WA 6008

Australia

Telephone: (+61 8) 9388 6020

Facsimile: (+61 8) 9388 0097

Share Register

Automic Group

Level 2

267 St Georges Terrace

Perth WA 6000

Telephone: 1300 288 664

Website: automicgroup.com.au

Stock Exchange Listing

Renegade Exploration Limited shares are listed on the Australian Securities Exchange, the home branch being Perth.

ASX Code: RNX

Auditors

Stantons International Audit and Consulting Pty Ltd

Level 2, 1 Walker Avenue

West Perth WA 6005

Solicitors

Corrs Chambers Westgarth

Level 6, Brookfield Place Tower 2

123 St Georges Terrace

Perth WA 6000

Directors' Report

The Directors of Renegade Exploration Limited ("Renegade" or "the Company") and its subsidiaries ("the Group") submit their report for the half-year ended 31 December 2019.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

		<u>Appointed</u>		<u>Resigned</u>
Mr. Robert Kirtlan	Non - Executive Chairman	23 May 2017	-	Current
Mr. Mark Wallace	Non - Executive Director	25 June 2017	-	Current
Mr. Peter Voulgaris	Non - Executive Director	24 November 2017	-	Current

Company Secretary

The Company Secretary during the period is as follows:

	<u>Appointed</u>		<u>Resigned</u>
Mr Graeme Smith	30 June 2018	-	Current

Principal Activity

During the period, the Group's principal activity was mineral exploration. The Group currently holds a base metals project in Canada and has a 75% interest in the Yandal East Gold Project in Western Australia.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company since balance date.

Results of Operations

The Group's net loss after taxation attributable to the members of Renegade Exploration Limited for the half-year ended 31 December 2019 was \$1,183,002 (2018: \$21,647).

Review of Operations

YANDAL EAST GOLD PROJECT, WESTERN AUSTRALIA

Yandal East is located 70km north-east of Wiluna, Western Australia and 25km east of the Jundee operation and comprises 352 km² of tenure. The tenure covers 70 strike kilometres of under-explored, prospective greenstones within the world-class Yandal Greenstone Belt with past production exceeding 10Moz. Access to Yandal East is via well maintained country roads to Millrose Station Homestead and then via station tracks within the project area.

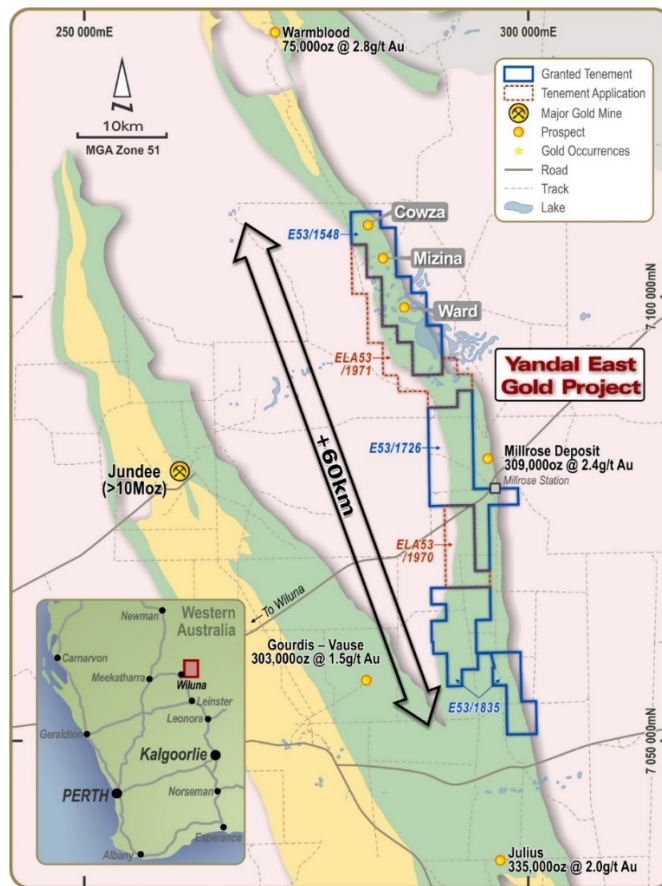


Figure 1. Location and geology of the Yandal East Gold Project

The Company has identified significant mineralisation across multiple prospects with gold grades up to 4.61 g/t at Ward and up to 5.74 g/t at Mizina South with values greater than 1 g/t Au also returned from Mizina North and Millrose Extension.

Some of the more significant intercepts include;

- ★ 23m @ 1.38 g/t Au from 84m, including,
 - 8m @ 2.04 g/t Au from 84m
- ★ 20m @ 1.02 g/t Au from 88m
- ★ 10m @ 0.95 g/t Au from 90m
- ★ 60m @ 0.21 g/t Au from 60m
- ★ 4m @ 4.47 g/t Au from 12m including,
 - 1m @ 10.55 g/t from 12m

A vast amount of knowledge and data has been gathered as a result of the drilling programs which commenced in July of 2018 with a follow up program in November which successfully identified significant mineralisation including both higher grade and thick mineralisation at the Mizina South and Ward Prospects.

Ward

In previous periods at the Ward Prospect the Company completed 61 holes for 5,684m.

Thick, significant mineralisation was returned from multiple holes with the better intercepts containing;

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- ★ 10m @ 0.95 g/t Au from 78m including;
 - 6m @ 1.40 g/t Au from 82m
- ★ 4m @ 1.55 g/t Au from 61m
- ★ 4m @ 1.36 g/t Au from 64m
- ★ 1m @ 1.84 g/t Au from 38m
- ★ 8m @ 0.62 g/t Au from 60m
- ★ 23m @ 1.38 g/t Au from 84m, including,
 - 8m @ 2.04 g/t Au from 84m (YEAC0317)
- ★ 20m @ 1.02 g/t Au from 88m (YEAC0313)
- ★ 10m @ 0.95 g/t Au from 90m (YEAC0306)
- ★ 60m @ 0.21 g/t Au from 60m (YEAC0312)

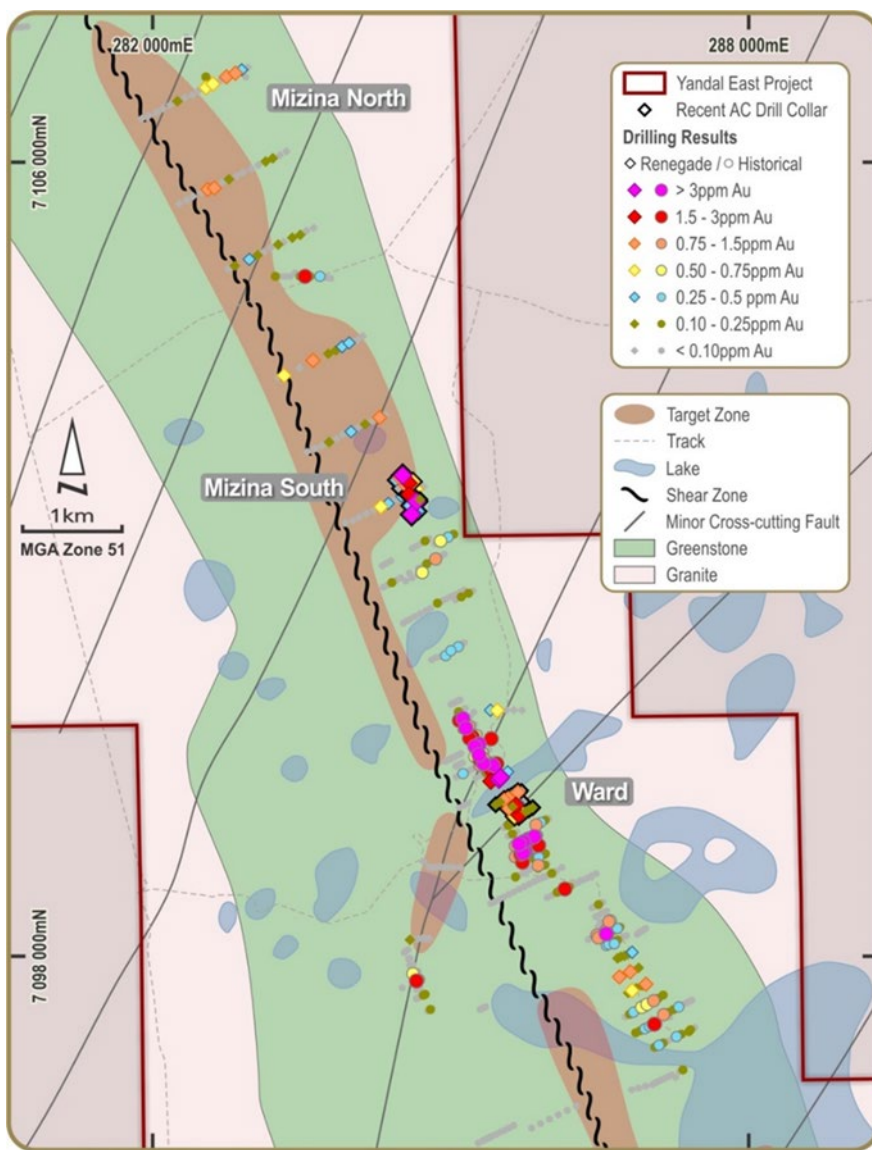


Figure 2: Location and drilling at the Ward and Mizina South prospects

The southern end of the mineralisation was previously interpreted to be closed off immediately north of a small dry lake. The Company drilled a single line on the very northern edge of the lake in July 2018 and intersected significant mineralisation including **6m @ 1.40 g/t Au from 82m** and **4m @ 1.55 g/t Au from 61m**.

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Directors' Report

The Company determined the mineralisation to likely be continuous and still open with a 600m undrilled corridor which was the focus for the November 2018 program at Ward. The corridor is immediately south of some of the best drilling intercepts at Yandal East including **13m @ 3.1 g/t Au from 61m**.

With only one third of the 600m corridor obscured by the lake, the November drilling focused on the easily accessible 400m south of the lake. The Company is excited by the results from this corridor and notably the thickness, including intervals of **23m @ 1.38 g/t Au from 84m** and **20m @ 1.02 g/t Au from 88m**.

These results confirm the prospectivity of the previously undrilled corridor and the Company has plans to continue exploration in this area to determine if higher grade, economic mineralisation can be discovered in the immediate vicinity.

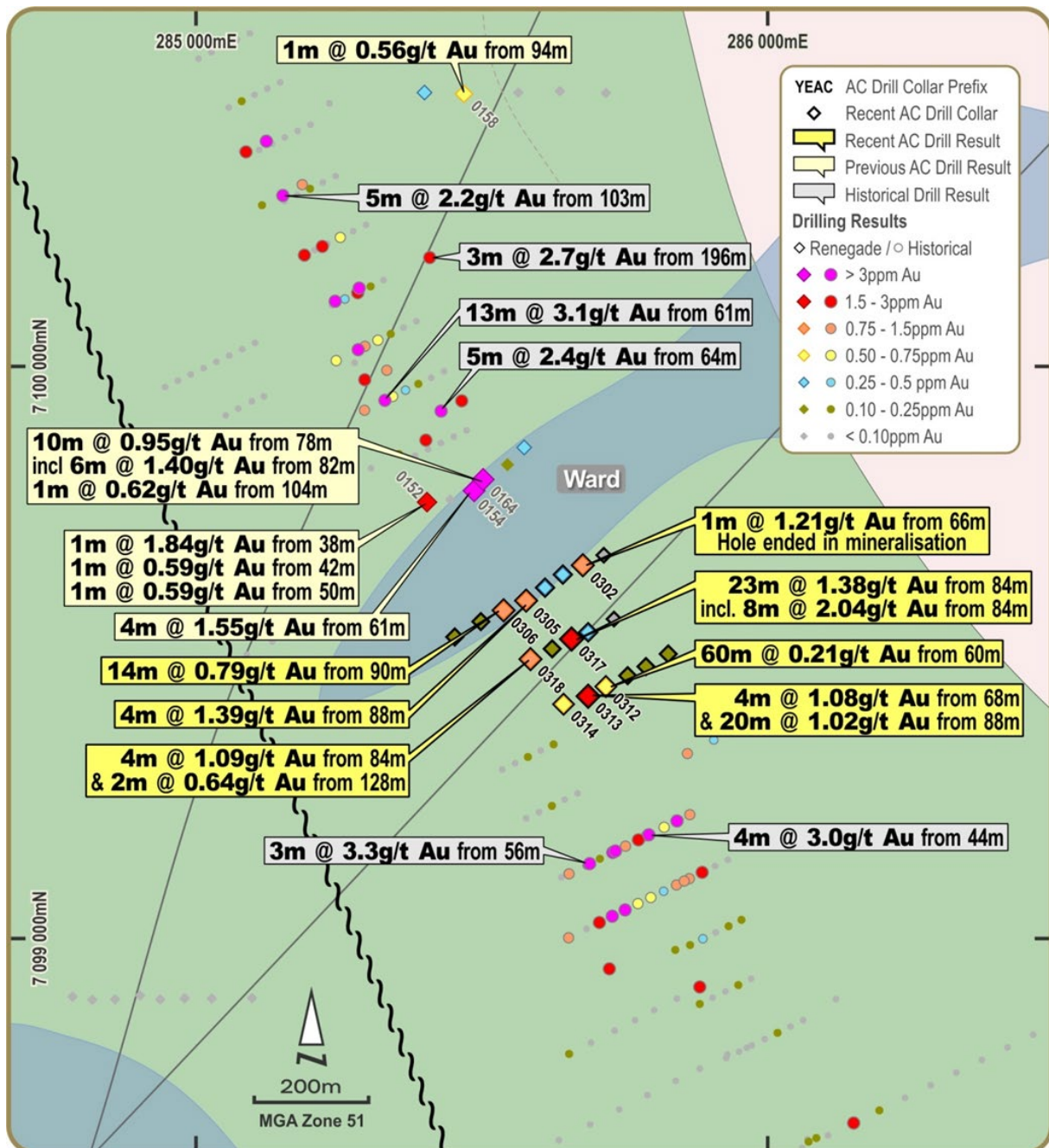


Figure 3: Location of drilling and significant intercepts at Ward

Mizina South

Mizina is one of the most exciting targets drilled in the inaugural aircore program at Yandal East in July 2018.

A total of 93 holes for 9,700m were drilled across the 7km of strike length that makes up the Mizina target. Some of the better results include;

- ★ 1m @ 5.74 g/t Au from 83m
- ★ 1m @ 4.11 g/t Au from 113m
- ★ 6m @ 1.67 g/t Au from 80m
- ★ 4m @ 2.31 g/t Au from 80m

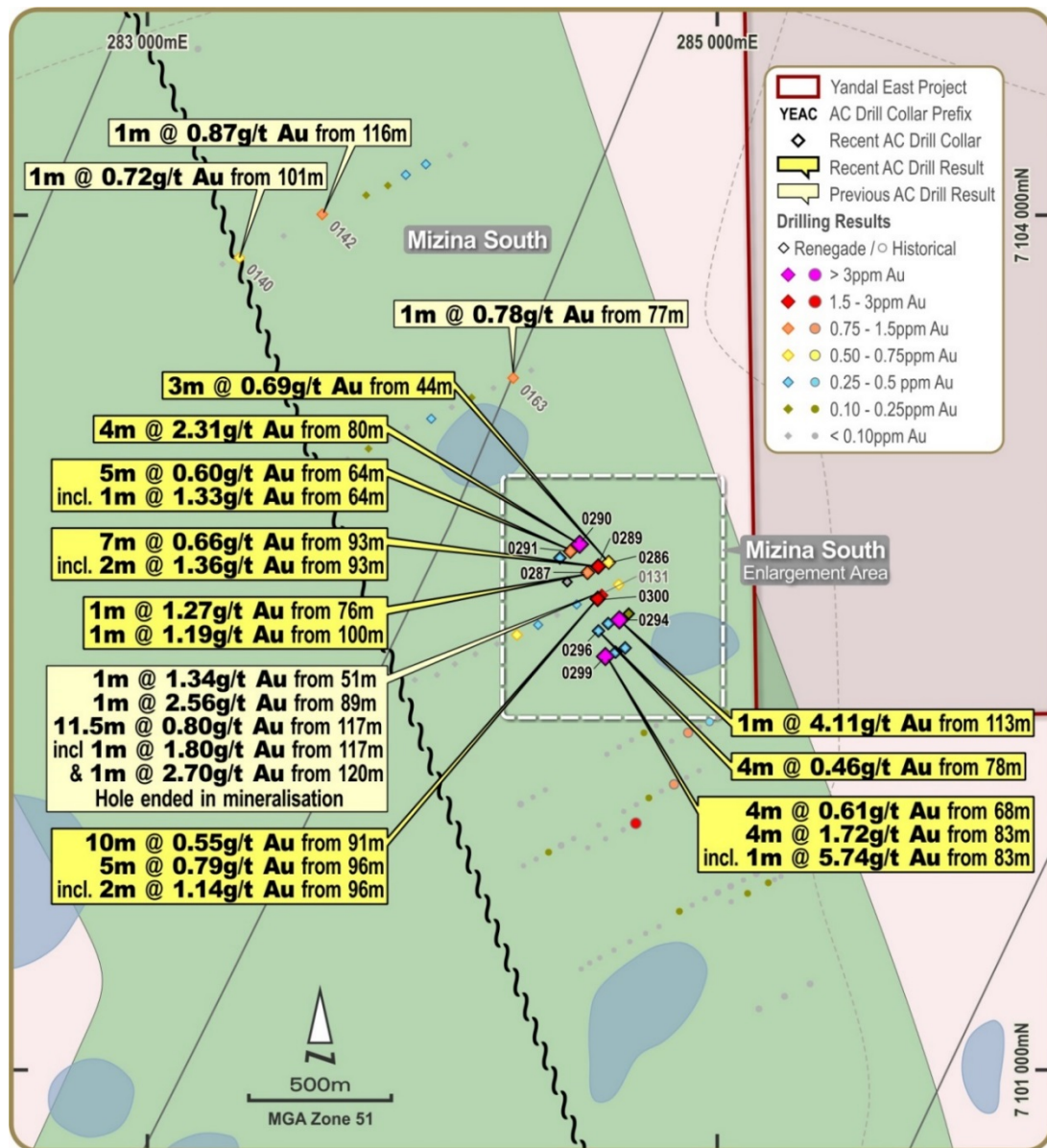


Figure 4: Location of drilling and significant intercepts at Mizina South

The original Mizina target was 7km long extending between the known mineralised areas of Ward and Cowza along the same regional structure, the Celia Shear. The area has an abundance of cross cutting structures, geological complications and disruptions in magnetic features.

Drilling in July 2018 identified significant mineralisation at Mizina South including YEAC0131 that contained abundant sulphides and quartz veining over the last 30m of the hole and returned multiple assays over 1 g/t Au from 51m depth until the hole terminated in mineralisation at 128.5m, a width of 75m downhole.

The final 11.5m returned an average grade of 0.80 g/t Au with individual metres up to 2.74 g/t Au.

Previous drilling has also successfully delineated high grade mineralisation over 400m at Mizina South with values of 5.74 g/t and 4.11 g/t Au intercepted 200m and 100m south of YEAC0131. In addition, 4m @ 2.31 g/t Au was intercepted 200m north of YEAC0131 with 2m @ 1.36 g/t Au 100m north. Mineralisation at Mizina

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South remains open in both directions with the potential for the discovery of high grade mineralisation in both directions

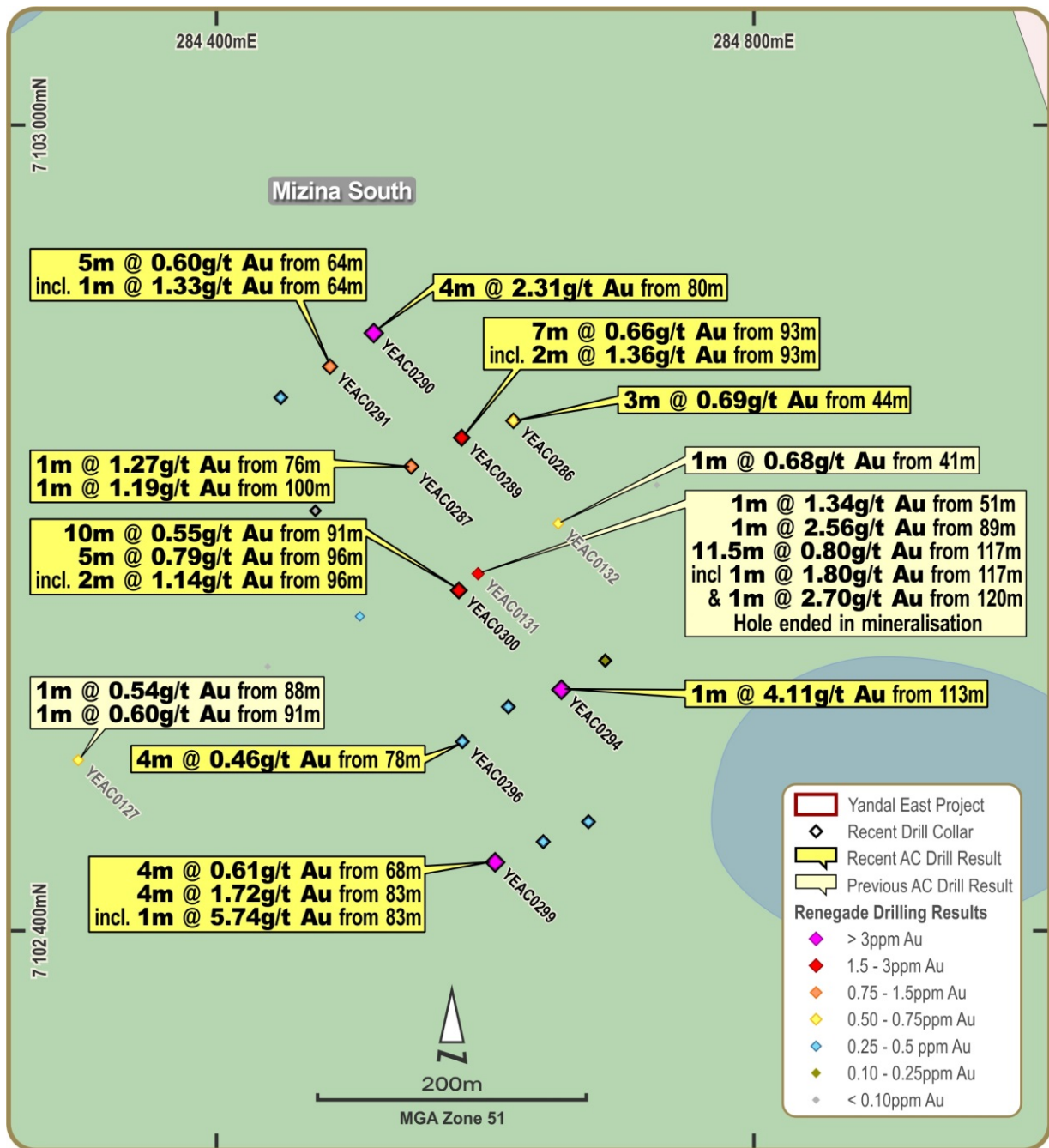


Figure 5: Enlargement of drilling and significant intercepts at Mizina South

Millrose Extension

Millrose Extension was first drilled in mid-2018 when three (3) lines separated by over 800m of strike length were completed, as shown in Figure 6. The northern most line intersected significant disseminated sulphides towards the base of several holes before YEAC0246 intersected mineralisation, with 2m @ 0.99 g/t Au from 87m returned from quartz veining within a silicified felsic schist and 4m @ 0.31 g/t Au from 72m further up hole. The hole ended in mineralisation and the hole immediately to the east encountered granite relatively shallow.

A total of 40 holes for 4,159m have been completed with the best result from the November drilling 1m @ 0.8 g/t Au from 102m on the southern-most line 200m south of the original mineralisation identified in July.

Millrose Extension remains a geologically interesting area with sulphide-bearing mafic schists, felsic schists and both silicification and quartz veining increasing towards a granite body. The internal granite may be an important control on mineralising fluids in the area. Mineralisation elsewhere in the region is located proximal to granite

contacts, including the Millrose Deposit itself. The original target was chosen due to its proximity to the Millrose Deposit, the Celia Shear and other structural complexities. The Millrose Deposit is held by Bowlane Nominees (WA) Limited and contains 309,000 oz of gold @ 2.4 g/t gold.

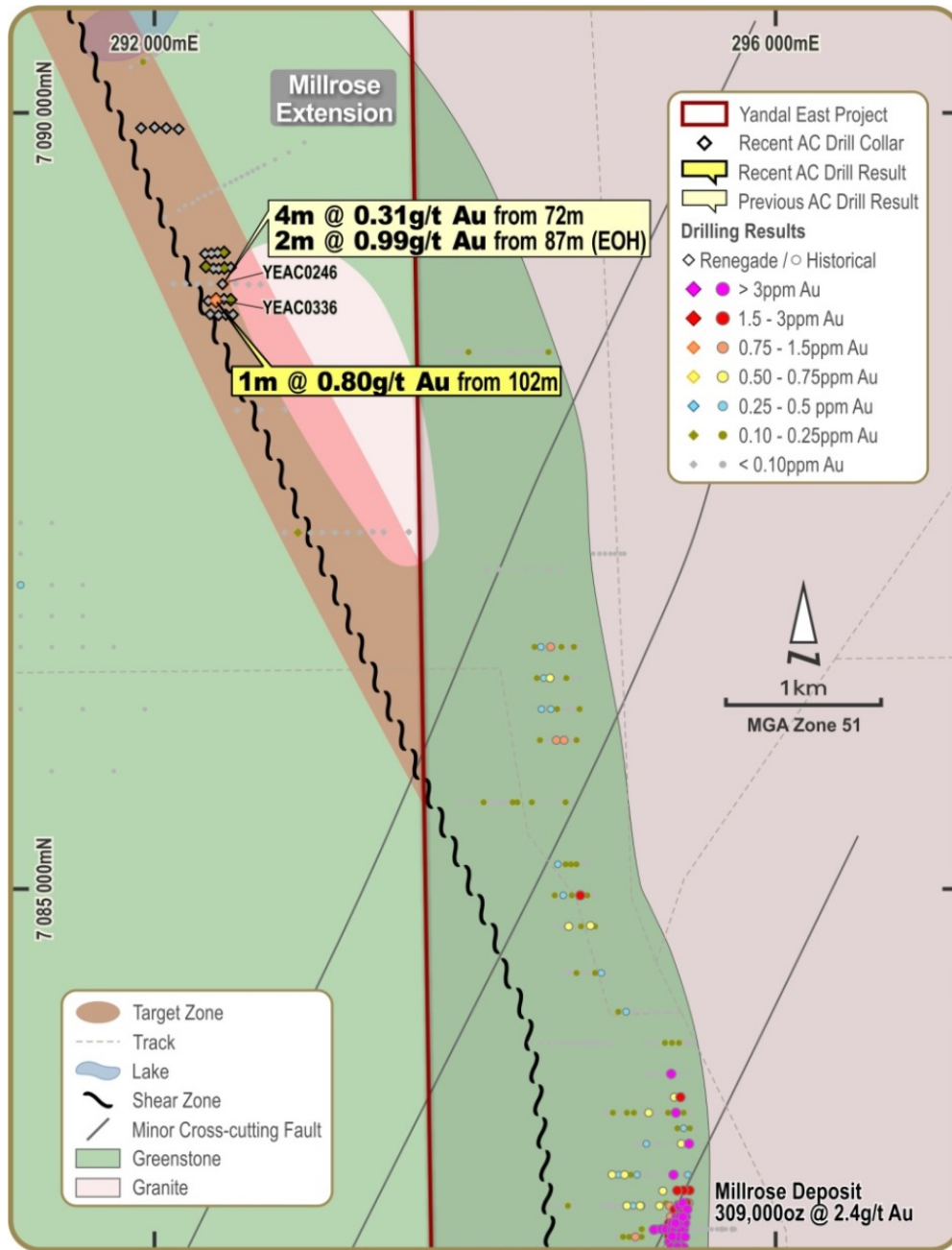


Figure 6: Location of drilling and significant intercepts at Millrose Extension

YUKON BASE METAL PROJECT, CANADA

During 2019 the Company continued to assess strategies to achieve the best outcome for the Yukon Base Metal Project and has received enquiries throughout the year and remains engaged with interested parties.

The permit is also subject to a ten-year renewal. The Company completed all necessary and prerequisite actions and as at 31 December 2019 the Company was awaiting confirmation from the Yukon Mines Department that the permit has been extended. (Refer to Significant Events after the Reporting Date below).

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Directors' Report

Since 2007 the Company has completed 350 diamond drill holes for over 40,000 metres; discovered three separate zinc deposits; and defined a 2012 JORC Code compliant Measured, Indicated and Inferred Resource of 12.6 million tonnes at 5.3% Zn and 0.9% Pb (see Table 1).

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Zinc (%)	Lead (%)	Tonnes	Zinc (%)	Lead (%)	Tonnes	Zinc (%)	Lead (%)	Tonnes	Zinc (%)	Lead (%)
Andrew	1,730,000	5.3	1.7	4,730,000	6.0	1.6	190,000	4.9	1.6	6,650,000	5.8	1.6
Darcy				1,670,000	4.8	0.0	3,880,000	4.7	0.0	5,550,000	4.7	0.0
Darin							360,000	4.0	0.2	360,000	4.0	0.2
Total	1,730,000	5.3	1.7	6,400,000	5.8	1.1	4,430,000	4.6	0.1	12,560,000	5.3	0.9

Table 1. JORC Code 2012 compliant mineral resource estimate for the Yukon Base Metal Project

Note: Cut off of 2% zinc and 1000mRL applied based on economic pit modelling

There is potential to increase the resource base at the Yukon Base Metal Project. Mineralisation remains open at depth and along strike at the Andrew, Darcy and Darin Deposits. Numerous, sizeable, undrilled, coherent soil geochemistry anomalies are evident elsewhere at the Project, including at the Junction Project area where extensive soil anomalies have been delineated (see Figure 10). Further exploration could result in the discovery of additional resources.



Figure 7. Yukon Base Metal Project location map

Directors' Report

Competent Person Statement

The information in this report that relates to exploration results for the Yandal East Gold Project is based on information compiled by Mr Ben Vallerine, who is a consultant to the Company. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results (JORC Code). Mr Vallerine consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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

Previously Reported Results

There is information in this report relating to exploration results which were previously announced on 18 January 2019, 30 July 2018, 14 September 2018 and 2 March 2018. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

Significant Events after the Reporting Date

On February 7, 2020 the Yukon Mines Department advised the Company that the permits constituting the Yukon Base Metal Project had been extended for a period of ten years.

The directors are not aware of any other material significant events after the reporting date.

Corporate

The Company had 712,626,638 ordinary shares on issue and the equivalent funds of A\$0.649M at bank as of 31 December 2019.

The Company manages its costs in accordance with the projects it holds and the requirements these projects have, for either management or exploration funds. The Company engages external consultants with specific experience to its projects who provide in depth advice as to how these projects are best managed.

The Company continues to assess new opportunities presented. The board remains focused on gold and base metal projects.

Table 1 Mining Claims / Tenements held at 31 December 2019

Australian Projects	Tenement Number	Tenement Type	Type of Interest	Interest at Start of Quarter	Interest at End of Quarter
Yandal East Gold Project	E53/1547	Exploration Licence	Option to acquire	75%	-
	E53/1548	Exploration Licence	Option to acquire	75%	75%
	E53/1726	Exploration Licence	Option to acquire	75%	75%
	E53/1835	Exploration Licence	Option to acquire	75%	75%
	E53/1970	Exploration Licence Application	Option to acquire	75%	75%
	E53/1971	Exploration Licence	Contractual Owner	100%	100%
Canadian Projects	Claim Name	Claim Numbers	Type of Interest	Interest at Start of Quarter	Interest at End of Quarter
Yukon Base Metal Project	A	1-8, 57-104	Claim owner	90%	90%
	AMB	1-112, 115-116, 123-150	Claim owner	90%	90%
	AMBfr	117-122, 151-162	Claim owner	90%	90%
	Andrew	1-10	Claim owner	90%	90%
	Atlas	1-6	Claim owner	90%	90%
	B	53, 55, 57, 59, 61, 63, 65-74, 79-100, 105-126	Claim owner	90%	90%
	B	127-194	Claim owner	100%	100%
	Bridge	1-8, 11-16, 19-32	Claim owner	90%	90%
	Clear	1-25	Claim owner	100%	100%
	Dasha	1-6	Claim owner	90%	90%
	Data	1-320	Claim owner	100%	100%
	Link	1-231	Claim owner	100%	100%
	Myschka	1-17, 19-96	Claim owner	90%	90%
	Ozzie	1-32	Claim owner	90%	90%
	Riddell	1-80	Claim owner	100%	100%
	Scott	1-36	Claim owner	90%	90%
	Shack	1-5	Claim owner	100%	100%
	Sophia	1-4	Claim owner	90%	90%
TA	1-332	Claim owner	100%	100%	

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Directors' Report

Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Stantons International Audit and Consulting Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 13 and forms part of this directors' report for the half-year ended 31 December 2019.

Signed in accordance with a resolution of the Board of Directors.



Robert Kirtlan

Non – Executive Chairman

13 March 2020

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13 March 2020

Board of Directors
Renegade Exploration Limited
Suite 5, Level 1, 12-20 Railway Road
SUBIACO WA 6008

Dear Directors

RE: RENEGADE EXPLORATION LIMITED

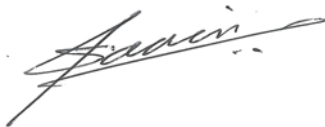
In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Renegade Exploration Limited.

As Audit Director for the review of the financial statements of Renegade Exploration Limited 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:

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

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Samir Tirodkar
Director

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Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2019

	Notes	Consolidated	
		31 December 2019 \$	31 December 2018 \$
Revenues from operations			
Interest revenue		4,228	21,252
Other Income		35,655	-
Government grant received		-	150,000
Gain on sale of subsidiary	4	-	86,537
Revenue		39,883	257,789
Expenses			
Consultants, directors and employee benefits	5	(72,500)	(92,399)
Audit and tax fees		(14,780)	(17,389)
Insurance		(23,001)	(17,824)
Accounting fees		(18,000)	(11,360)
Computer and website expenses		(2,757)	(504)
Occupancy expenses		(15,079)	(10,989)
Travel and accommodation		(3,371)	(17,271)
Listing and registry fees		(26,834)	(39,376)
Exploration expenditure written off	9	(1,009,909)	(1,330)
Loss on revaluation of financial asset	6	(34,000)	(59,000)
Other expenses	7	(2,654)	(11,994)
Loss from operations before income tax		(1,183,002)	(21,647)
Income tax expense		-	-
Loss from operations after tax attributable to members of Renegade Exploration Limited		(1,183,002)	(21,647)
Other comprehensive income/(loss) net of tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(58,961)	41,043
Other comprehensive income/(loss) for the half year		(58,961)	41,043
Total comprehensive income / (loss) for the half year attributable to the members of Renegade Exploration Limited		(1,241,963)	19,396
Loss per share:			
Basic loss per share (cents per share)		(0.166)	(0.003)
Diluted loss per share (cents per share)		(0.166)	(0.003)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the condensed notes.

Consolidated Statement of Financial Position as at 31 December 2019

	Notes	Consolidated	
		31 December 2019	30 June 2019
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		649,007	857,785
Other receivables and prepayments		171,580	65,777
Financial assets / Investment	6	48,500	82,500
Total current assets		869,087	1,006,062
Non-current assets			
Deferred exploration and evaluation expenditure	9	2,008,982	2,998,345
Other receivables		-	244,911
Total non-current assets		2,008,982	3,243,256
TOTAL ASSETS		2,878,069	4,249,318
LIABILITIES			
Current liabilities			
Trade and other payables		63,773	103,160
Provisions		155,012	-
Total current liabilities		218,785	103,160
Non-current liabilities			
Provisions		-	244,911
Total non-current liabilities		-	244,911
TOTAL LIABILITIES		218,785	348,071
NET ASSETS		2,659,284	3,901,247
EQUITY			
Contributed equity	10	44,012,408	44,012,408
Reserves	11	3,622,950	3,681,911
Accumulated losses		(44,976,074)	(43,793,072)
TOTAL EQUITY		2,659,284	3,901,247

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

Consolidated Statement of Changes in Equity for the half-year ended 31 December 2019

	Contributed Equity \$	Accumulated Losses \$	Share Based Payment Reserve \$	Foreign Currency Translation Reserve \$	Total \$
Consolidated					
At 1 July 2019	44,012,408	(43,793,072)	4,118,528	(436,617)	3,901,247
Loss for the period	-	(1,183,002)	-	-	(1,183,002)
Other comprehensive loss	-	-	-	(58,961)	(58,961)
Total comprehensive (loss)/Income for the period	-	(1,183,002)	-	(58,961)	(1,241,963)
Transactions with owners in their capacity as owners					
Share Issue	-	-	-	-	-
Transaction costs on share issue	-	-	-	-	-
Balance at 31 December 2019	44,012,408	(44,976,074)	4,118,528	(495,578)	2,659,284
At 1 July 2018	44,012,408	(43,138,732)	4,118,528	(550,660)	4,441,544
Loss for the period	-	(21,647)	-	-	(21,647)
Other comprehensive Income	-	-	-	41,043	41,043
Total comprehensive (loss)/Income for the period	-	(21,647)	-	41,043	19,396
Transactions with owners in their capacity as owners					
Share Issue	-	-	-	-	-
Transaction costs on share issue	-	-	-	-	-
Balance at 31 December 2018	44,012,408	(43,160,379)	4,118,528	(509,617)	4,460,940

The consolidated statement of changes in equity should be read in conjunction with the company's condensed notes.

Consolidated Statement of Cash Flows for the half-year ended 31 December 2019

	Notes	Consolidated	
		31 December 2019	31 December 2018
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(183,271)	(278,806)
Interest received		4,228	18,649
Other income		35,655	150,000
Net cash flows used in operating activities		<u>(143,388)</u>	<u>(110,157)</u>
Cash flows from investing activities			
Payments for expenditure on exploration		(65,390)	(794,860)
Net cash flows used in investing activities		<u>(65,390)</u>	<u>(794,860)</u>
Cash flows from financing activities			
Issue of shares		-	-
Net cash flows used in financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(208,778)	(905,017)
Cash and cash equivalents at beginning of period		857,785	2,280,396
Cash and cash equivalents at end of period		<u>649,007</u>	<u>1,375,379</u>

The consolidated statement of cash flows should be read in conjunction with the company's condensed notes.

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1. Corporate Information

The financial report of Renegade Exploration Limited (“Renegade” or “the Company”) and its subsidiaries (“the Group”) for the half-year ended 31 December 2019 was authorised for issue in accordance with a resolution of the directors on 13 March 2020.

Renegade Exploration Limited is a public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial statements are presented in Australian dollars (\$).

During the half year ended 31 December 2019, the principal activity was mineral exploration. The Group holds a base metals project in Canada and a gold project in Western Australia.

2. Basis of Preparation and Accounting Policies

Basis of Preparation

This general purpose condensed financial report for the half-year ended 31 December 2019 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2019 and considered together with any public announcements made by Renegade Exploration Limited during the half-year ended 31 December 2019 in accordance with the continuous disclosure obligations of the ASX listing rules.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a net loss after tax for the half-year ended 31 December 2019 of \$1,183,002 (2018: \$21,647) and experienced net cash outflows of \$208,778 (2018: \$905,017). At 31 December 2019, the Group had net current assets of \$650,302 (June 2019: \$902,902).

The Directors have reviewed the Group’s financial position and are of the opinion that the use of the going concern basis of accounting is appropriate on the basis that the Group has been successful to date in securing required funding and the Directors are of the opinion that it will continue to do so through a combination of debt and equity. The Directors are currently assessing options for additional funding.

Should the Group not be able to secure additional funds, there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except as noted below.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has considered the implications of new and amended Accounting Standards and the Group is required to change some of its accounting policies as a result of new or revised accounting standards which became effective from 1 July 2019. The affected policies and standards are:

- AASB 16 Leases

The impact of the adoption of this Standard and the respective accounting policies is disclosed in Note 2 (a) below.

Changes in Accounting Policies

This note describes the nature and effect of the adoption of AASB 16: Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1 July 2019, where they are different to those applied in prior periods.

As a result of the changes in Group's accounting policies, prior year financial statements were required to be restated. However, the Group has adopted AASB 16: Leases retrospectively with the cumulative effect of initially applying AASB 16 recognised as 1 July 2019.

a) Leases

The Group as lessee

At inception of a contract the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows;

- fixed lease payments less any lease incentives;
- variable lease payments that depend on index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of options to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Based on the Group's detailed assessment for the impact of AASB 16, the standard has not had a material impact on the transactions and balances recognised in the financial statements. The Group's current lease obligations consist of leases on office premises in Perth, Western Australia on a monthly holding over basis. The lease agreement allows either party to terminate the contract without significant penalties hence, under the AASB 16, no non-cancellable period exists so the lease agreement is classified as a short term lease and the Group recognises rent payments as an operating expense on a straight-line basis over the term of the lease.

Other standards not yet applicable

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

Deconsolidation of Subsidiary

Subsidiaries are entities controlled by the company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. As a result of the sale of its wholly owned subsidiary, Renegade derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any resulting gain or loss is recognised in profit or loss. In 2018, the Group sold the McCleery Project and deconsolidated its Canadian subsidiary. The net gain on sale of subsidiary recognised in profit or loss, amounted to \$86,537 as disclosed in Note 4.

Grant Revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received, and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

3. Segment Reporting

For management purposes, the Group is organised into two geographical operating segments, Australia and Canada which involves mineral exploration. All of the Group's activities are interrelated, and discrete financial information is reported to the Chief Executive Officer (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The

Renegade Exploration Limited

Condensed Notes to the Consolidated financial statements for the half-year ended 31 December 2019

financial results from this segment are equivalent to the financial statements of the Group as a whole. The Group operates in Australia and Canada. As at 31 December 2019, the following table shows the assets and liabilities of the Group by geographical region:

	31 December 2019	30 June 2019
	\$	\$
Current Assets		
Australia	692,997	1,001,233
Canada	176,090	4,839
Non-Current Assets		
Australia	962,468	1,365,605
Canada	1,046,514	1,877,641
Total Assets	2,878,069	4,249,318
Current Liabilities		
Australia	63,773	97,643
Canada	155,012	5,517
Non-Current Liabilities		
Australia	-	-
Canada	-	244,911
Total Liabilities	218,785	348,071
Segment Results	31 December 2019	31 December 2018
	\$	\$
Profit/(Loss) for the period		
Australia	(677,491)	1,924
Canada	(505,511)	(23,571)
Total Loss for the period	(1,183,002)	(21,647)
	Consolidated	Consolidated
	31 December 2019	31 December 2018
	\$	\$
4. Gain on sale of Subsidiary		
Fair value of Consideration received	-	100,000
Less: Net Assets of the subsidiary as at date of sale	-	(13,463)
Gain on sale of subsidiary	-	86,537

	Consolidated	
	31 December 2019	31 December 2018
	\$	\$
5. Consultants, directors and employee benefits		
Consultants fees	48,500	41,009
Directors fees	24,000	44,000
Employee benefits	-	7,390
Total consultants, directors and employee benefits	72,500	92,399

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
6. Financial Assets/Investment		
Carrying value of Financial assets (Note 6.1)	48,500	82,500

	6 months ended 31 December 2019		12 months ended 30 June 2019	
	Number of shares	\$	Number of shares	\$
6.1 Movements in financial assets				
Balance at beginning of period	500,000	82,500	-	-
Investment in quoted securities (Note 6.2)	-	-	500,000	100,000
Fair value adjustment	-	(34,000)	-	(17,500)
Balance at end of period	500,000	48,500	500,000	82,500

6.2: During the prior period the company divested the McCleery Copper – Cobalt project via the sale of its wholly owned subsidiary Overland Resources (BC) Limited to Rafaella Resources Limited (Rafaella). Company received \$100,000 in shares (500,000 shares) in Rafaella which listed on the ASX during July 2018. The investment has been classified as Fair Value through profit or loss.

	Consolidated	
	31 December 2019	31 December 2018
	\$	\$
7. Other Expenditure		
Telecommunications	112	-
General office expenses	-	1,084
Printing and stationery	-	208
Others	2,542	10,702
Total other expenditure	2,654	11,994

8. Commitments and Contingencies

There are no known contingent liabilities as at 31 December 2019 (2018: Nil).

9. Deferred Exploration and Evaluation Expenditure

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
Exploration and evaluation		
At cost	36,097,721	37,561,336
Accumulated provision for impairment	(34,088,739)	(34,562,991)
Total exploration and evaluation	2,008,982	2,998,345
	6 months ended 31 December 2019	12 months ended 30 June 2019
Carrying amount at beginning of the period	2,998,345	2,260,374
Exploration expenditure during the half-year	79,677	1,017,039
Impairment/written off	(1,009,909)	(389,124)
Net exchange differences on translation	(59,131)	110,056
Carrying amount at end of period	2,008,982	2,998,345

The recoverability of the carrying amount of the capitalised exploration and evaluation expenditure is dependent on the successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

10. Contributed Equity

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
(a) Issued and paid up capital		
Ordinary shares fully paid	44,012,408	44,012,408

	31 December 2019		30 June 2019	
	Number of shares	\$	Number of shares	\$
(b) Movements in ordinary shares on issue				
Balance at beginning of period	712,626,638	44,012,408	712,626,638	44,012,408
Balance at end of period	712,626,638	44,012,408	712,626,638	44,012,408

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
11. Reserves		
Share based payments reserve 11(a)	4,118,528	4,118,528
Foreign currency translation reserve 11(b)	(495,578)	(436,617)
	3,622,950	3,681,911

Movement in reserves:a) *Share based payments reserve*

Balance at beginning of period	4,118,528	4,118,528
Equity benefits expense	-	-
Balance at end of period	4,118,528	4,118,528

The share-based payments reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration and provided to brokers/consultants as a fee for services provided.

	Consolidated	
	6 months ended 31 December 2019	12 months ended 30 June 2019
	\$	\$
b) <i>Foreign currency translation reserve</i>		
Balance at beginning of period	(436,617)	(550,660)
Foreign currency translation	(58,961)	114,043
Balance at end of period	(495,578)	(436,617)

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12. Dividends

No dividends have been paid or provided for during the half-year (2019: \$Nil).

13. Events after the Reporting Date

On 7 February 2020, the Yukon Mines Department advised the Company that the permits constituting the Yukon Base Metals Project had been extended for a period of 10 years

Other than the above, no matters or circumstances have arisen since 31 December 2019, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Renegade Exploration Limited, I state that:

In the opinion of the directors:

1. The financial statements and notes of the consolidated entity are 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 Australian Accounting Standards AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*;
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Robert Kirtlan
Chairman
13 March 2020

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
RENEGADE EXPLORATION LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Renegade Exploration Limited, which comprises the consolidated statement of financial position as at 31 December 2019, 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 half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Renegade Exploration Limited (the consolidated entity). The consolidated entity comprises both Renegade Exploration Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Renegade Exploration Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 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 Renegade Exploration Limited, 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 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Renegade Exploration Limited on 13 March 2020.

Conclusion

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 Renegade Exploration Limited 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 Corporations Regulations 2001.

Material Uncertainty Regarding Carrying Values of Non-current Assets

The recoverability of the Consolidated Entity's carrying value of Capitalised Exploration and Evaluation Expenditure of \$2,008,982 as at 31 December 2019 is dependent on the successful commercial exploitation of the assets and / or sale of the assets to generate proceeds equivalent to or in excess of the book values. In the event that the consolidated entity is not successful in commercial exploitation and / or sale of the assets, the realisable value of the consolidated entity's assets may be significantly less than their current carrying values. Our conclusion is not modified in respect of this matter.

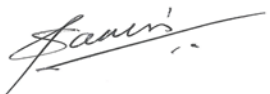
Material Uncertainty Regarding Going Concern

We draw attention to Note 2 of the financial report, which describes the matters of going concern.

As referred to in Note 2 to the financial statements, the financial statements have been prepared on a going concern basis. At 31 December 2019, the entity had a working capital surplus of \$650,302, cash and cash equivalents of \$649,007 and had incurred a loss for the half year amounting to \$1,183,002.

The ability of the consolidated entity to continue as a going concern is subject to successful recapitalisation of the consolidated entity. In the event that the Board is not successful in recapitalising the consolidated entity and in raising further funds, the consolidated entity may not be able to meet its liabilities as they fall due and the realisable value of the entity's non-current assets may be significantly less than book values. Our conclusion is not modified in respect of this matter.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd


Samir Tirodkar
Director

West Perth, Western Australia
13 March 2020

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