Zinc of Ireland NL

ABN 23 124 140 889

and its controlled entities

Half year report for the half-year ended

31 December 2019

Company Directory

Board of Directors

Mr Richard Monti	Non-Executive Chairman
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Adrian Goldstone	Non-Executive Director

Company Secretary
Mr Jerry Monzu

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Auditors
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London House, Level 3,
216 St Georges Terrace
Perth WA 6000

Share Registry
Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000

Stock Exchange
Australian Securities Exchange
Level 40, Central Park
152- 158 St Georges Terrace
Perth WA 6000

ASX Code
ZMI, ZMICA, ZMIOC

Half year report for the half-year ended 31 December 2019

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Directors' report

The directors of Zinc of Ireland NL ("Zinc of Ireland" or "the Company") (ASX: ZMI) submit the financial report of Zinc of Ireland and its controlled entities ("the Group") for the half-year ended 31 December 2019. In order to comply with the provisions of the Corporations Act 2001, the directors report is as follows:

Names of Directors

The names of directors of the Company during or since the end of the half-year are:

Mr Richard Monti	Non-Executive Chairman
Mr Patrick Corr	Executive Director (resigned 3 February 2020)
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Adrian Goldstone	Non-Executive Director

The above named directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

Operating and financial review

The loss of the Group for the half-year ended 31 December 2019, after accounting for income tax, amounted to $448,300. The loss after tax for the Group was $140,231 for the half year ended 31 December 2018.

The focus of the Company's activities remained on the Kildare Project where, during the half year, the major technical achievement was the establishment of a mineral resource estimate for the Kildare Zinc Project of **9.0Mt @ 9.5% Zn+Pb** (based on a 5.5% ZnEq cut-off).

The half year's activities, which included the completion of the 2019 drilling program, have advanced the Project to the point where the Company's growth strategy can incorporate some forward planning as to the development options for the Project whilst the Project's significant exploration upside is unlocked.

Specifically, the 2019 drilling campaign has had the following major developments for the Kildare Zinc Project:

- Additional zones identified with the potential to make a significant contribution to the current resource inventory which presently stands at **9Mt @ 9.5% Zn + Pb** (based on a 5.5% ZnEq cut off).

- The FC-3 mineralisation connects with the Shamrock Resource, and demonstrates the potential for continuous mineralisation connecting the currently defined McGregor and Shamrock Resources.

- The fault compartments adjacent to McGregor, Shamrock and FC-3 (known as FC-7 and FC-31) all have considerable potential for additional zinc and lead mineralisation. Future drilling in these priority areas has the potential to make a further contribution to the resource inventory, and to potentially connect these mineralised zones.

- A regionally extensive zone of zinc-lead mineralisation has been confirmed within a fault complex that is over 1,400m long and 400m wide and up to 200m thick and is open in several directions.

- The existence of a major zinc-lead mineralised system has been confirmed with the mineralised sequence occurring over vertical thicknesses ranging from 50m to over 160m.

This latest drilling success, together with the Company's establishment of the JORC resource of **9Mt @ 9.5% Zn+Pb** in the previous Quarter, provides the platform for initial scoping studies with respect to developing the Kildare Zinc Project and undertaking project level de-risking activities.

Subsequent Events

On 3 February 2020 Patrick Corr resigned as executive director effective 29 February 2020.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the half year that has 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.

Auditor's independence declaration

The auditor's independence declaration is included on page 3 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the directors

Mr Richard Monti
Non-Executive Chairman
13 March 2020
Perth, Western Australia

Bentleys
THINKING AHEAD

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To The Board of Directors

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

As lead audit Partner for the review of the financial statements of Zinc of Ireland NL for the period ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Partner

Dated at Perth this 13th day of March 2020

Bentleys
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Independent Auditor's Review Report

To the Members of Zinc of Ireland NL

We have reviewed the accompanying half-year financial report of Zinc of Ireland NL ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the half-year.

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 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 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 Consolidated Entity, 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.

Independence

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

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 Zinc of Ireland NL and Controlled Entities 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 Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Consolidated Entity incurred a net loss of $448,300 during the half year ended 31 December 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

BENTLEYS	**MARK DELAURENTIS** CA
Chartered Accountants	**Partner**

Dated at Perth this 13th day of March 2020

Directors' declaration

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors

Mr Richard Monti
Non-Executive Chairman
13 March 2020
Perth, Western Australia

Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2019

	Note	Consolidated Half-year ended 31 Dec 2019 $	Consolidated Half-year ended 31 Dec 2018 $
Continuing operations			
Interest income		1,330	20,604
Other income		27,066	490,000
Total revenue and other income	4	**28,396**	**510,604**
Administration expenses		(239,917)	(327,956)
Compliance and regulatory expenses		(34,898)	(58,459)
Employee benefits expenses		(201,881)	(264,420)
Loss before income tax		(448,300)	(140,231)
Income tax expense		-	-
Loss for the period		**(448,300)**	**(140,231)**
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Net fair value gain on equity investments designated at FVOCI	9	16,400	80,000
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		13,879	446
Other comprehensive income for the period, net of income tax		**30,279**	**80,446**
Total comprehensive loss for the period		**(418,021)**	**(59,785)**
Loss attributable to:			
Owners of Zinc of Ireland NL		**(448,300)**	**(140,231)**
Total comprehensive loss attributable to:			
Owners of Zinc of Ireland NL		**(418,021)**	**(59,785)**
Loss per share:			
Basic and diluted (cents per share)	8	(0.37)	(0.14)

Condensed notes to the condensed consolidated financial statements are included on pages 11 to 17.

Condensed consolidated statement of financial position as at 31 December 2019

	Note	Consolidated 31 Dec 2019 $	Consolidated 30 Jun 2019 $
Current assets			
Cash and cash equivalents		1,371,911	3,011,393
Trade and other receivables		331,244	500,028
Other financial assets	9	69,700	130,000
Total current assets		**1,772,855**	**3,641,421**
Non-current assets			
Exploration and evaluation expenditure	10	6,222,137	4,968,114
Total non-current assets		**6,222,137**	**4,968,114**
Total assets		**7,994,992**	**8,609,535**
Current liabilities			
Trade and other payables		316,292	544,305
Total current liabilities		**316,292**	**544,305**
Total liabilities		**316,292**	**544,305**
Net assets		**7,678,700**	**8,065,230**
Equity			
Issued capital	5	12,928,229	12,928,229
Reserves	6	860,730	816,660
Accumulated losses		(6,110,259)	(5,679,659)
Total equity		**7,678,700**	**8,065,230**

Condensed notes to the consolidated financial statements are included on pages 11 to 17.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2019

Consolidated	Issued capital $	Reserves $	FCTR $	Accumulated losses $	Total $
Balance at 1 July 2018	**9,849,199**	**451,632**	**(2,646)**	**(5,004,540)**	**5,293,645**
Loss for the period	-	-	-	(140,231)	(140,231)
Other comprehensive income, net of income tax	-	80,000	446	-	80,446
Total comprehensive loss for the period	**-**	**80,000**	**446**	**(140,231)**	**(59,785)**
Issue of ordinary shares (*refer to note 5*)	950,000	-	-	-	950,000
Share issue costs	(45,900)	-	-	-	(45,900)
Share based payments (*refer to note 6*)	-	178,225	-	-	178,225
Balance at 31 December 2018	**10,753,299**	**709,857**	**(2,200)**	**(5,144,771)**	**6,316,185**
Balance at 1 July 2019	**12,928,229**	**810,008**	**6,652**	**(5,679,659)**	**8,065,230**
Loss for the period	-	-	-	(448,300)	(448,300)
Other comprehensive income, net of income tax	-	16,400	13,879	-	30,279
Total comprehensive income/(loss) for the period	**-**	**16,400**	**13,879**	**(448,300)**	**(418,021)**
Share based payments (*refer to note 6*)	-	31,491	-	-	31,491
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	(17,700)	-	17,700	-
Balance at 31 December 2019	**12,928,229**	**840,199**	**20,531**	**(6,110,259)**	**7,678,700**

Condensed notes to the consolidated financial statements are included on pages 11 to 17.

Condensed consolidated statement of cash flows for the half-year ended 31 December 2019

	Note	Consolidated	
		Half-year ended	
		31 Dec 2019	31 Dec 2018
		$	$
Cash flows from operating activities			
Payments to suppliers and employees		(480,800)	(822,879)
Interest received		1,114	20,604
Net cash used in operating activities		(479,686)	(802,275)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,277,441)	(1,274,130)
Proceeds from sale of interest in tenement	4	-	490,000
Proceeds from sale of interest in investments		103,766	-
Net cash used in investing activities		(1,173,675)	(784,130)
Cash flows from financing activities			
Proceeds from issues of equity instruments of the Company	5	-	950,000
Payment for share issue costs		-	(45,900)
Net cash provided by financing activities		-	904,100
Net (decrease)/increase in cash and cash equivalents		**(1,653,361)**	**(682,305)**
Cash and cash equivalents at the beginning of the period		3,011,393	2,978,371
Effects of exchange rate changes		13,879	446
Cash and cash equivalents at the end of the period		**1,371,911**	**2,296,512**

Condensed notes to the consolidated financial statements are included on pages 11 to 17.

Condensed notes to the consolidated financial statements for the half-year ended 31 December 2019

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with annual financial statements of the Company for the year ended 30 June 2019 together with any public announcements made during the following half year.

The half-year financial report was authorised for issue by the directors on 13 March 2020.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern

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

For the year half year ended 31 December 2019, the Group incurred a loss after tax of $448,300 (2018: $140,231), and net cash outflows from operating and investing activities of $1,653,361 (2018: $1,586,405) and had a net working capital surplus as at 31 December 2019 of $1,456,563 (30 June 2019: $3,097,116). As disclosed in Note 11, the Group has $555,644 in exploration commitments due within the next 12 months.

The directors have prepared a cash flow forecast which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

The Company may require further funding during the 2020 calendar year in order to meet day to day obligations as they fall due and to progress its exploration projects. Based on the Company's cash flow forecast, the Board of Directors is aware of the Company's need to access additional working capital funds in the next 12 months to enable the Company to continue its normal business activities and to ensure the realisation of assets and extinguishment of liabilities as and when they fall due.

Based on the above, the Directors consider the going concern basis of preparation to be appropriate for this half-year report.

In the event that the Company is not successful in raising funds from the issue of new equity, containing operating and exploration expenditures and the sale of non-core assets, there exists material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year report.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting period
The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an annual accounting period that begins on or after 1 July 2019.
New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 16 *Leases*; and
- AASB Interpretation 23 *Uncertainty over Income Tax Treatments*.

AASB 16 Leases requires lessees to account for all leases under a single on-balance sheet model. The standard includes two recognition exemptions for lessees namely leases of ’low-value’ assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group has adopted *AASB 16 Leases* however its current leases fall within either the ’low-value’ or ‘short-term’ recognition exemptions. The adoption of this standard has had no impact on the current or previous reporting period and as such there have been no adjustments to the opening balance of retained earnings.

AASB Interpretation 23 Uncertainty over Income Tax Treatments clarifies the application of the recognition and measurement criteria in *AASB 112 Income Taxes* when there is uncertainty over income tax treatments. The Interpretation addresses (a) whether an entity considers uncertain tax treatments separately; (b) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (c) how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and (d) how an entity considers changes in facts and circumstances.

The adoption of this Interpretation has had no impact on the current or previous reporting period and as such there have been no adjustments to the opening balance of retained earnings.

Principles of consolidation
As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the half-year then ended. Where controlled entities have entered (left) the Group, their operating results have been included (excluded) from the date control was obtained (ceased).

Estimates
When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

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 Consolidated Entity's last annual financial statements for the year ended 30 June 2019.

2. Segment information

The Group operates in one business segment, namely the mineral exploration industry. AASB 8 '*Operating Segments'* states that similar operating segments can be aggregated to form one reportable segment. Also, based on quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. However, none of the operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Group has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenue and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities are those of the Group and set out in the consolidated statement of financial position.

3. Dividends

No dividends were paid or declared for the half-year ended 31 December 2019 and the directors have not recommended the payment of a dividend.

4. Revenue and other income

	31 Dec 2019 $	31 Dec 2018 $
Revenue from continuing operations		
Interest income	1,330	20,604
Proceeds from the sale of interest in tenements[1]	-	490,000
Gain on disposal of investments[2]	27,066	-
	28,396	**510,604**

[1] On the 22 August 2018, the Company's subsidiary Messina Resources Limited completed a farm-out of 75% of its non-core Leonora Gold Project with Roman Kings Limited and Kingswest Resources Limited. The Company received consideration of $490,000 in cash during the period. This is in addition to the one million fully paid ordinary shares the Company received in Roman Kings Pty Ltd in prior periods as consideration for the Stage 1 Interest. The fully paid ordinary shares in Roman Kings Pty Ltd were converted on a 1:1 basis to fully paid ordinary shares in Kingswest Resources Limited (ASX:KWR) pursuant to a Share Purchase Deed.

[2] During the half year ended 31 December 2019, 590,000 Kingswest Resources Limited shares were sold at market value.

5. Issued capital

	31 Dec 2019 $	30 Jun 2019 $
Fully paid ordinary shares	**12,928,229**	**12,928,229**

Fully paid ordinary shares	31 Dec 2019		30 Jun 2019	
	No.	$	No.	$
Balance at beginning of period	121,534,931	12,928,229	1,755,695,208	9,849,199
Issue of shares (i)	-	-	190,000,000	950,000
Share placement (ii)	-	-	485,000,000	2,425,000
Elimination (iii)	-	-	(2,309,160,277)	-
Share issue costs	-	-	-	(295,970)
	121,534,931	12,928,229	121,534,931	12,928,229

(i) Issue of fully paid ordinary shares on 11 July 2018 at $0.005 pursuant to placement to sophisticated investors.
(ii) Issue of fully paid ordinary shares on 29 January 2019 at $0.005 pursuant to a Placement.
(iii) Consolidation of capital on the basis of 1 for 20.

6. Reserves

6.1 Reserve balances

	31 Dec 2019 $	30 Jun 2019 $
Share based payment reserve [(i)]	811,499	780,008
Foreign currency translation reserves	20,531	6,652
Net fair value gain on equity investments designated at FVOCI	28,700	30,000
Carrying value at end of the period	**860,730**	816,660

(i) This represents the value of options (listed and unlisted) issued to advisors and the value of Performance Rights (expensed over their vesting dates) issued to directors during the period ended 31 December 2019 and the year ended 30 June 2019, see below.

6.2 Share based payments movement during the year

Reconciliation of share-based payments expensed during the half year ended 31 December 2019 & movement in share-based payments reserve:

	31 Dec 2019 $	30 Jun 2019 $
Amortisation of performance rights	16,863	47,180
Director incentive options issued to Mr Goldstone	14,628	-
Performance rights forfeited	-	(40,666)
Director incentive options issued to Mr Monti	-	82,487
Director incentive options issued to Dr Barnes	-	28,588
Charlestown Performance Rights issued	-	11,421
Total share-based payments included in administration expense	31,491	129,010
2,5000,000 broker options issued	-	105,812
Performance rights forfeited	-	93,554
Total movement in share-based payment reserve	**31,491**	328,376
Balance at beginning of the period	780,008	451,632
Share based payment reserve movement	31,491	328,376
Carrying value at end of the period	811,499	780,008

7. Options

The following option arrangements were in existence at the reporting date:

Series	Number	Grant date	Grant date fair value $	Exercise price $	Expiry date	Vesting date
ZMIO2	6,490,000	Various	-	0.400	30 Apr 2020	Vested
ZMIO3	16,316,682	Various	-	0.800	21 July 2021	Vested
ZMIOC	23,327,901	Various	-	0.300	21 July 2021	Vested
ZMIOC	2,500,000	9 Feb 2018	0.040	0.300	21 July 2021	Vested
ZMIO5	350,000	25 Nov 2016	0.144	1.200	30 Sept 2021	Vested
ZMIO8	2,500,000	11 July 2018	0.042	0.300	11 July 2020	Vested
ZMIOC	27,050,000	11 July 2018	0.040	0.300	21 July 2021	Vested
ZMIDA	750,000	11 July 2018	0.058	0.300	11 July 2021	Vested
ZMIDB	750,000	11 July 2018	0.052	0.400	11 July 2021	Vested
ZMIO9	1,500,000	12 April 2019	0.062	0.200	12 Apr 2020	Vested
ZMIDA	250,000	12 April 2019	0.059	0.300	11 July 2021	Vested
ZMIDB	250,000	12 April 2019	0.055	0.400	11 July 2021	Vested
ZMIDA	250,000	28 Nov 2019	0.032	0.300	11 July 2021	Vested
ZMIDB	250,000	28 Nov 2019	0.027	0.400	11 July 2021	Vested

7.1 Options issued during the half-year

The following options were issued during the half-year ended 31 December 2019.

Option series	Number	Exercise price	Expiry date	Purpose of Grant
ZMIDA	250,000	$0.300	11 Jul 2021	Issue of Class A unlisted director options
ZMIDB	250,000	$0.400	11 Jul 2021	Issue of Class B unlisted director options

250,000 Class A and 250,000 Class B Director incentive options were issued to Mr Adrian Goldstone on 28 November 2019 after shareholder approval was obtained. The value of the options was determined using the Black-Scholes option pricing model.

8. Loss per share

	31 Dec 2019 cents per share	31 Dec 2018 cents per share
Basic and diluted loss per share (cents per share)[1]	(0.37)	(0.14)[1]

[1] The loss per share has been restated for the 20:1 consolidation which occurred on 21 March 2019 as per AASB 133.

8.1 Basic and diluted loss per share

The loss and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share are as follows:

	31 Dec 2019 $	31 Dec 2018 $
Loss for the period attributable to owners of the Company	**(448,300)**	**(140,231)**

	31 Dec 2019 No.	31 Dec 2018 No.
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**121,534,931**	**96,768,456**

9. Other financial assets

	31 Dec 2019 $	30 Jun 2019 $
Investments held for sale[1]	**69,700**	**130,000**

[1] As at 31 December 2019, the Company holds 410,000 fully paid ordinary shares in Kingswest Resources Limited valued at $69,700. The net fair value gain of $16,400 on equity investments for the period is designated at Fair Value Other Comprehensive Income (refer note 4 and 6).

10. Exploration and evaluation expenditure

	31 Dec 2019 $	30 Jun 2019 $
Balance at beginning of the period	4,968,114	2,585,704
Expenditure incurred during the period	1,254,023	2,382,410
	6,222,137	**4,968,114**

11. Commitments for expenditure

Exploration expenditure

	31 Dec 2019 $	30 Jun 2019 $
Not longer than one (1) year	555,644	875,061
Two (2) to five (5) years	819,476	1,142,440
	1,375,120	2,017,501

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the consolidated statement of financial position may require review to determine the appropriateness of carrying value. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations. Where commitments are denominated in foreign currencies, the amounts have been converted to Australian dollars based on the exchange rates prevailing as at 31 December 2019.

12. Related Party Transactions

During the period the Group acquired 100% of the shares in Centenary Resources Limited ("Centenary") which held prospecting licences 3318, 4035 and 4510 located in County Tipperary. Centenary Resources Limited is an Irish company of which Thomas Corr was the sole director and shareholder. The board determined the acquisition of the licenses was in line with the Groups strategy and the shares in Centenary were acquired at arm's length. The total cost of the acquisition was $25,456 which was the historical holding and project expenditure incurred by Centenary.

13. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 30 June 2019 annual financial report.

14. Key management personnel

Remuneration policies of key management personnel are disclosed in the 2019 annual financial report. During the period under review, there were a number of changes to key management personnel.

On 3 February 2020, Mr Patrick Corr resigned as Executive Director effective 29 February 2020. Following his resignation 45,000 performance rights were cancelled. Mr Patrick Corr received an annual salary of $160,000 plus superannuation for his services as Executive Director. Effective from 1 August 2019, Mr Patrick Corr received an annual salary of $230,000 plus superannuation.

Mr Richard Monti received $5,500 (inclusive of GST) per month for his services as Non-Executive Chairman. Dr Julian Barnes, Mr Adrian Goldstone and Mr Thomas Corr received $4,167 per month, $3,000 per month and $3,000 per month respectively for their services as Non-Executive Directors.

15. Subsequent events

On 3 February 2020 Patrick Corr resigned as executive director effective 29 February 2020.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the half year that has 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.