



**GTI RESOURCES LIMITED**

ABN 33 124 792 132

**INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED**

**30 JUNE 2020**

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## CORPORATE DIRECTORY

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### Directors

Bruce Lane *Executive Director*  
Nathan Lude *Non-Executive Chairman*  
Petar Tomasevic *Non-Executive Director*

### Company Secretary

Matthew Foy

### Share Registry

Advanced Share Registry Services Pty Ltd  
110 Stirling Highway  
Nedlands WA 6009  
Telephone: +61 8 9389 8033

### Auditor

Stantons International Audit & Consulting Pty Ltd  
Level 2, 1 Walker Avenue  
West Perth WA 6005

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### Registered & Principal Office

Level 1, 89 St Georges Terrace  
Perth WA 6000

### Bankers

National Australia Bank Limited  
50 St Georges Terrace  
Perth WA 6000

### Stock Exchange Listing

Australian Securities Exchange  
ASX Code - **GTR**

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The Company presents its financial report for the consolidated entity consisting of GTI Resources Limited (**GTI or Company**) and the entities it controls (**Consolidated Entity or Group**) at the end of, or during, the half-year ended 30 June 2020.

## DIRECTORS' REPORT (continued)

### DIRECTORS

The names of Directors who held office during the half-year and up to the date of signing this report, unless otherwise stated are:

Bruce Lane	<i>Executive Director</i>	
Nathan Lude	<i>Non-Executive Chairman</i>	
Petar Tomasevic	<i>Non-Executive Director</i>	<i>Appointed 11.05.2020</i>
Murray McDonald	<i>Non-Executive Chairman</i>	<i>Resigned 11.05.2020</i>

### PRINCIPAL ACTIVITIES

The activities of the Group and its subsidiaries during the half-year ended 30 June 2020 was to explore mineral tenements in Utah (United States) and Western Australia.

### DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial period (30 June 2019: Nil).

### FINANCIAL SUMMARY

The Group made a net loss after tax of \$1,294,165 for the financial half-year ended 30 June 2020 (30 June 2019: loss \$210,200). At 30 June 2020, the Group had net assets of \$3,607,232 (31 December 2019: \$2,666,864) and cash and cash equivalents of \$2,088,919 (31 December 2019: \$1,340,140).

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The significant changes in the state of affairs of the Consolidated Entity during the financial period and to the date of this report are set out in the review of operations below.

### REVIEW OF OPERATIONS

#### Utah Uranium and Vanadium Project

The Group's project claims cover ~1,500 hectares of the Henry Mountains region, within the Garfield and Wayne Counties near Hanksville, Utah. The region forms part of the prolific Colorado Plateau uranium province which historically provided the most important uranium resources in the USA. Ores have been mined in the region since 1904 and the mining region has historically produced in excess of **17.5Mt @ 2,400ppm U<sub>3</sub>O<sub>8</sub> (92 mlbs U<sub>3</sub>O<sub>8</sub>) and 12,500 ppm V<sub>2</sub>O<sub>5</sub> (482 mlbs V<sub>2</sub>O<sub>5</sub>)<sup>1</sup>.**

The region benefits from well-established infrastructure and a mature mining industry providing low cost experienced personnel and equipment. The White Mesa mill, the only conventional fully licensed and operational uranium/vanadium mill in the United States, is located within trucking distance of the Properties (**Figure 1**). The mill is owned and operated by Energy Fuels Inc (TSE: EFR).

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<sup>1</sup> see ASX announcements from 1 July 2019 & 20 August 2019

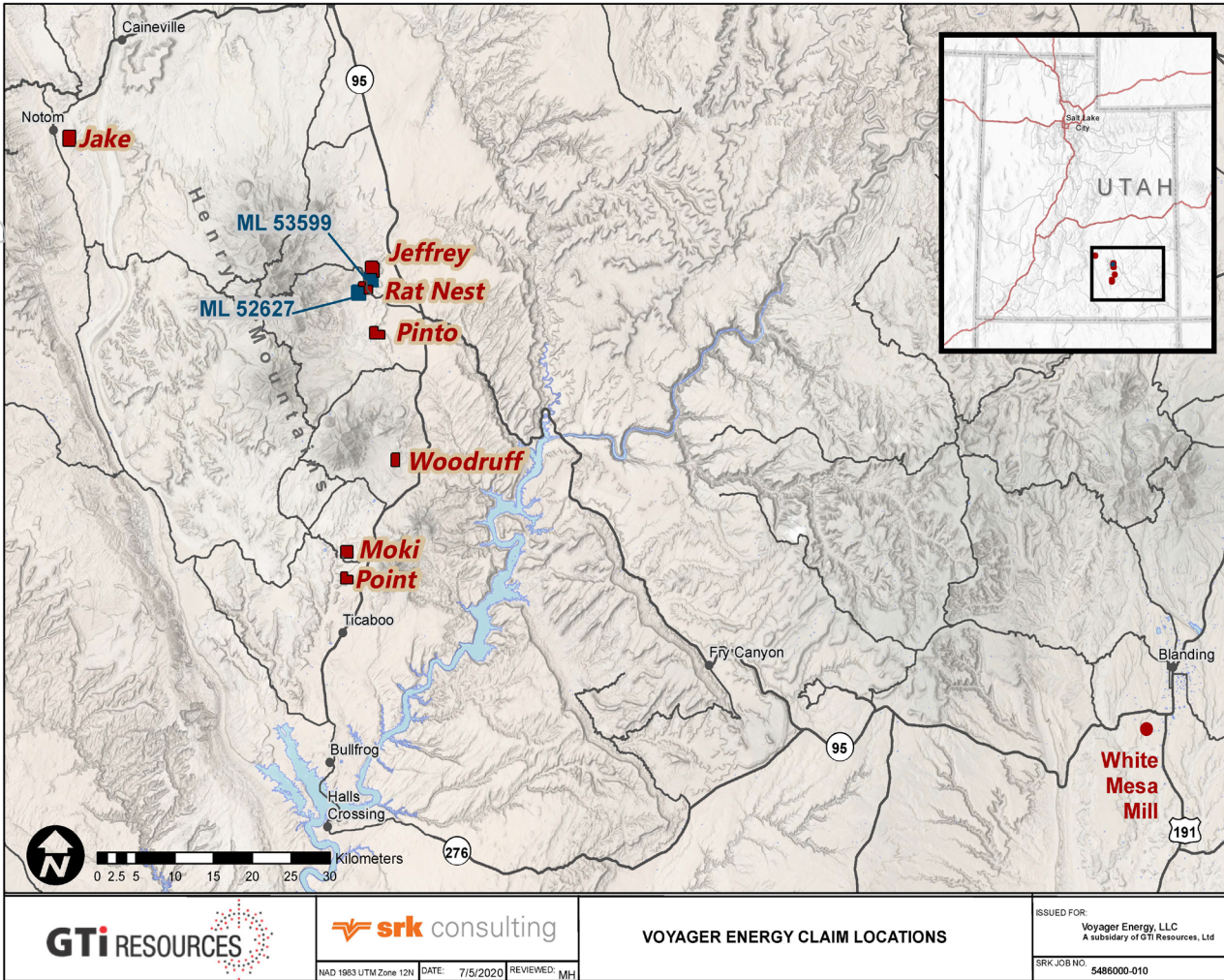


Figure 1: Henry Mountains (Utah) Claim Group Location Map

During the period, GTI completed a sampling program conducted on outcrop and underground workings at the prospective Rat Nest project. Sampling included both face-cut channel samples in historical underground workings, and grab samples. These samples were sent to a laboratory in Reno, Nevada for assay; however, some of the samples emitted radiation at levels that exceeded the laboratory's safe handling limits and were subsequently sent to their facility in Vancouver, Canada for assay. The samples returned assay values ranging up to 0.87%  $U_3O_8$  and 1.07%  $V_2O_5$ , confirming the prospectivity of the Rat Nest project.

A total of 31 samples were collected from two general areas of historical underground workings within the Rat Nest claim group (Figure 2). Samples were collected from vertical channels on the working faces, along with several grab samples. The location of the samples was guided by visible mineralisation and in-field radiometric measurement. The channel samples were designed to mimic vertical drill hole intercepts, and utilised a 75mm vertical channel width, with samples divided into approximately 150mm (6-inch) lengths.

Samples were shipped to ALS USA Inc. with sample preparation occurring in the ALS' Reno, Nevada laboratory, and analytical services completed at ALS Vancouver. As previously noted, the samples emitted radiation above the safe handling limits of ALS' facility in Reno, necessitating that the assays be completed in their Vancouver facility. Reported assays are based on inductively coupled plasma atomic adsorption spectroscopy (ICP-AES) analytical methods, utilising a four-acid digestion. The presented samples and analysis cannot be interpreted as indicating mineral resources and are limited in interpretation to identifying and confirming the presence of uranium and vanadium mineralisation within the Company's Rat Nest project.

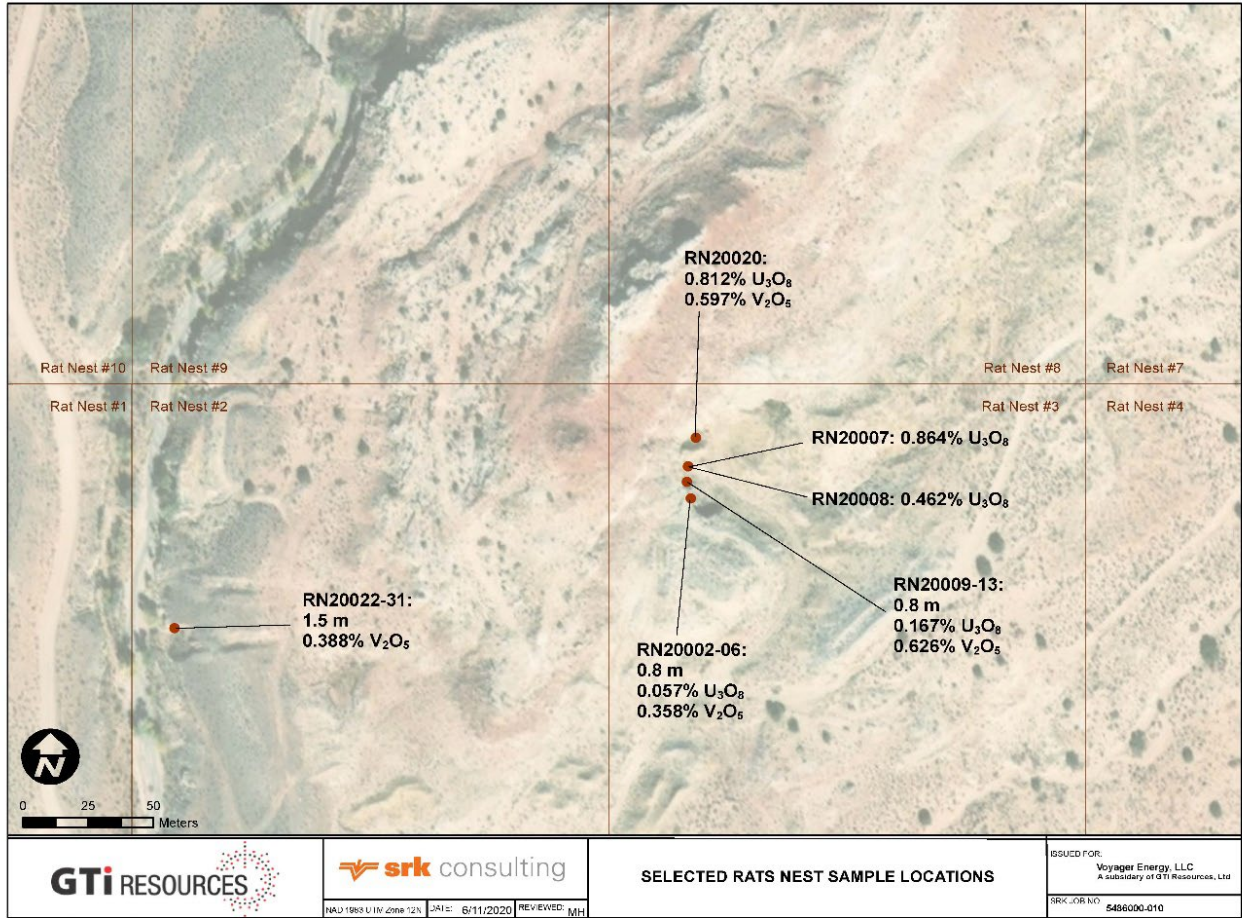


Figure 2: Location of significant samples reported in the Rat Nest project

Maiden Uranium & Vanadium Drill Program Completed

During the period GTI advised it had completed its maiden drill program at the Jeffrey Project in the Henry Mountains region, Utah, USA (Figure 1). The initial small scale exploratory drill program targeted known shallow mineralisation in a near-surface sandstone unit of the lower Salt Wash Member of the Morrison Formation and also explored slightly deeper (to circa 20m from surface) sandstone units within the fluvial depositional sequence. The program successfully achieved the drilling and down-hole gamma logging of the targeted 12 diamond core drill holes to test the extent of shallow uranium and vanadium mineralisation across the southern portion of the Jeffrey project.

Given the shallow nature of the mineralised horizon, a total of 182 metres of core drilling was sufficient to gather a meaningful data set. In addition to the 12 new drill holes, a further 6 historical drill holes were located near the newly drilled holes and subsequently logged with a downhole gamma probe. This phase of exploration has quickly yielded data from 44 drill holes (new and historical drill holes combined, see ASX announcement 21 May 2020) which will be utilised to inform GTI’s understanding of the mineralisation and guide the next phase of exploration.

The next exploration phase may entail a much larger drill program, targeting potential development of a JORC code compliant mineral resource, and would ultimately inform future production studies. The shallow nature of the mineralisation allows for relatively low-cost rapid exploration.

Subsequent to the period on 2 July 2020 the Company reported eU<sub>3</sub>O<sub>8</sub> downhole gamma assay results and vanadium XRF results from the maiden drill program at the Jeffrey Project. GTI successfully identified uranium mineralisation of economic interest in a second, slightly deeper sandstone unit, thereby substantially increasing the potential of the Jeffrey project to host meaningful uranium and vanadium resources, similar to that historically produced. The average depth of mineralisation intersected in the upper sandstone was 8m, while the deeper sandstone unit hosts mineralisation within

18m from surface. The drill core has now been logged, cut, and sampled for laboratory analysis with assay results expected mid-August.

The results of the downhole gamma logging returned high in situ assay values up to 3,535ppm eU<sub>3</sub>O<sub>8</sub>. In addition, field screening of the drill core with a handheld XRF has yielded results up to 26,388 ppm vanadium. The completed drilling has confirmed the projected geometry of the mineralised trend, with the trend remaining open in both directions along strike.

The next exploration phase is expected to entail a larger drill program, targeting potential development of a JORC code compliant mineral resource, and would ultimately inform future production studies.

The shallow nature of the mineralisation supports continued low-cost, rapid exploration advancements.

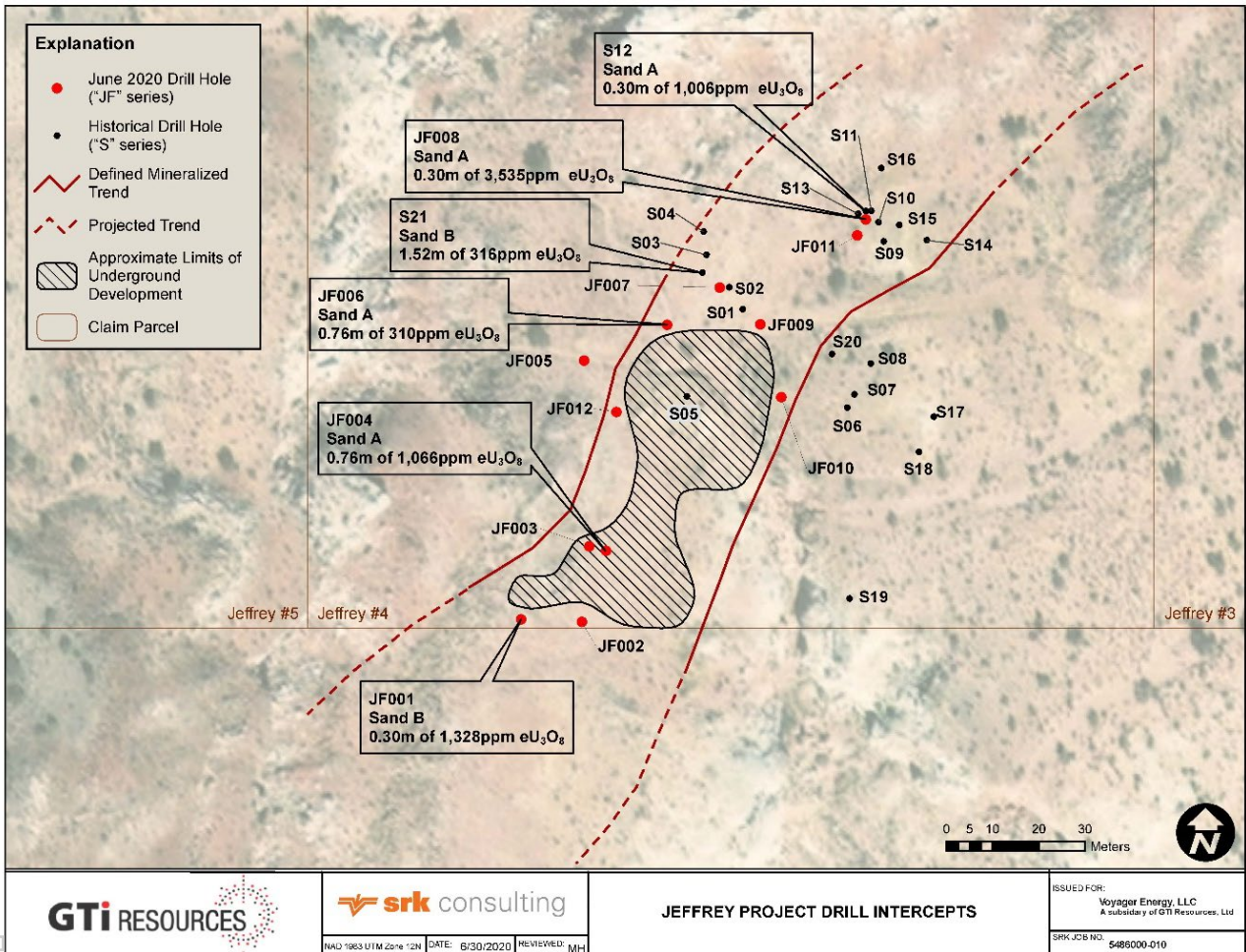


Figure 3: Drill locations & significant mineralization intercepts in the southern portion of the Jeffrey project

**Table 1. Downhole gamma eU<sub>3</sub>O<sub>8</sub> results for drill holes completed in June 2020.**

Hole ID	NAD 83, UTM meters		Collar Elev. (m amsl)	Hole Depth (m)	eU <sub>3</sub> O <sub>8</sub> Intercepts				Sand Unit	Comments
	Easting	Northing			From (m bgs)	To (m bgs)	Thickness (m)	eU <sub>3</sub> O <sub>8</sub> (ppm)		
JF001	531102	4214098	1635.2	18.9	15.6	15.9	0.3	1,328	B	
JF002	531114	4214097	1634.6	15.8					A	Gamma show at 7.7m - 9.5m bgs
JF003	531115	4214116	1634.8	13.7						Broke through to UG workings
JF004	531119	4211415	1636.2	12.2	8.9	9.7	0.8	1,066	A	Within large interior pillar of UG workings
JF005	531114	4214156	1637.0	14.9					B	Very low gamma show in B sand.
JF006	531132	4214164	1635.1	21.3	8.3	8.9	0.6	310	A	
JF007	531144	4214172	1636.0	12.8						Barren
JF008	531179	4214186	1637.6	14.0	6.9	7.2	0.3	3,535	A	
JF009	531152	4214164	1636.2	19.5					A	Gamma show at 7.6m - 8.2m, 9.7 - 11.3m bgs
JF010	531157	4214148	1640.1	14.3					B	Gamma show at 11.6m - 12.8m bgs
JF011	531179	4214185	1637.4	10.7					A	Gamma show at 6.6m - 7.9m bgs
JF012	531125	4214145	1634.7	14.0					B	Gamma show at 11.9m - 13.1m bgs

Notes:

1. Due to rounding, the numbers presented may not add up precisely to the totals.
2. eU<sub>3</sub>O<sub>8</sub> is radiometric equivalent U<sub>3</sub>O<sub>8</sub> from a calibrated total gamma downhole probe.
3. Only gamma intercepts greater than 0.3m (1.0 ft) of 100ppm were interpreted, anything below this threshold is commented as a "gamma show".
4. All drill holes are vertical, with intercepts interpreted to represent true thicknesses.
5. Calculated grades were not adjusted for disequilibrium. Mineralisation in the Henry Mountains is believed to generally be in equilibrium. Further analysis of this will be required when drill core is analysed.

**Table 2. Downhole gamma eU<sub>3</sub>O<sub>8</sub> results for newly identified historical drill holes completed.**

Hole ID	NAD 83, UTM meters		Collar Elev. (m amsl)	Hole Depth (m)	eU <sub>3</sub> O <sub>8</sub> Intercepts				Sand Unit	Comments
	Easting	Northing			From (m bgs)	To (m bgs)	Thickness (m)	eU <sub>3</sub> O <sub>8</sub> (ppm)		
S16	531178	4214197	1607.5	14.3	7.9	8.4	0.5	146	A	
S17	531190	4214144	1639.2	9.4						Barren
S18	531187	4214136	1637.6	12.5					B	Gamma show at 10.7m - 12.5m bgs
S19	531172	4214104	1638.0	7.6						Barren
S20	531168	4214157	1637.1	12.5					B	Gamma show at 11.3m - 12.2m bgs
S21	531140	4214175	1634.9	17.4	15.9	17.4	1.5	316	B	Drill hole ended in mineralization

Notes:

1. Due to rounding, the numbers presented may not add up precisely to the totals.
2. eU<sub>3</sub>O<sub>8</sub> is radiometric equivalent U<sub>3</sub>O<sub>8</sub> from a calibrated total gamma downhole probe.
3. Only gamma intercepts greater than 0.3m (1.0 ft) of 100ppm were interpreted, anything below this threshold is commented as a "gamma show".
4. All historical drill holes are vertical, with intercepts interpreted to represent true thicknesses.
5. Calculated grades were not adjusted for disequilibrium. Mineralisation in the Henry Mountains is believed to generally be in equilibrium. Further analysis of this will be required when drill core is analysed.

Following completion of the drilling, the drill core was taken to GTI's storage facility in Hanksville, Utah for detailed logging and sampling. During this work, the core was screened with a handheld XRF to guide sampling for both uranium and vanadium. Based on this screening, more detailed XRF analysis was completed on two intervals of the core. Strong vanadium mineralisation was noted in drill holes JF004 & JF008. Several 2-gram samples were collected from the core of these two drill holes and crushed for XRF analysis. The samples were then analysed for vanadium using a Bruker S1 Titan portable XRF, with that data presented in **Table 3**. Please note that these results are not formal assays and are an estimate of vanadium grades only. This data is presented to provide confirmation that both uranium and vanadium was intercepted in the newly completed drill holes. Laboratory assay results for both uranium and vanadium are pending.

**Table 3. Portable XRF results for vanadium from selected core samples.**

Hole ID	Sample ID	Depth (m bgs)	Vanadium (ppm)	Bruker XRF Analysis Error Range
JF004	1013	9.5	11,582	± 296
JF008	1018	7.9	10,193	± 267
JF008	1019	8.0	17,275	± 279
JF008	1020	8.0	26,488	± 352

Notes:

1. XRF analysis completed with a Bruker S1 Titan field portable XRF machine calibrated to industry standards.
2. Results are not formal assays.

#### Acquisition Doubles Jeffrey Project

Subsequent to the period on 7 July 2020 the Company advised it had entered into a binding agreement to acquire 100% of two mineral leases from TSX.V listed Anfield Energy Inc. (**Anfield**). The two strategically located mineral leases (the Properties) serve to connect the Company's current ground positions in the area and more than doubles the size of GTI's land position in the area by conjoining the Company's most prospective projects at Jeffrey and Rat Nest (Figure 4). GTI's contiguous land position has now been expanded to over 5.5km along the interpreted strike of the mineralised trend with significant exploration upside within untested areas under cover.

The new leases contain historical underground production workings and are prospective for uranium and vanadium as evidenced from recent sampling, conducted during acquisition due diligence, which yielded in-field XRF measurements of up to 81,745ppm U and 28,375ppm V.

The recent reconnaissance drill program at Jeffrey targeted known shallow mineralisation in a near-surface sandstone unit of the lower Salt Wash Member of the Morrison Formation. The drilling also explored slightly deeper (to circa 20m from surface) sandstone units within the fluvial depositional sequence which lead to identification of uranium mineralisation of economic interest in a second, slightly deeper, sandstone unit. This discovery substantially increases the potential of the Jeffrey project to host meaningful uranium and vanadium resources, similar in character to regional historical production. The mineralised trend is clearly open to the south, with known mineralisation on the property line between the Jeffrey project claims and ML 53599, one of the leases GTI is acquiring from Anfield.

GTI has completed technical due diligence on the two mineral leases including collection of a number of XRF analyses to characterise exposed uranium and vanadium mineralisation. The XRF data covers in-field analysis on underground exposures on mineralisation within Mineral Lease ML 53599 and Rat Nest Claim #1. Due to the west-northwest dip and limited surface exposures of the Salt Wash Member across Mineral Lease ML 52627, underground exposures immediately to the east in Rat Nest Claim #1 were analysed to characterise the nature of mineralisation within this unit that projects under cover. Results from the in-field XRF analysis were up to 81,745ppm U and 28,375ppm V within ML 53599, & 34,258ppm U & 47,441ppm V within Rat Nest Claim #1 (Table 4).



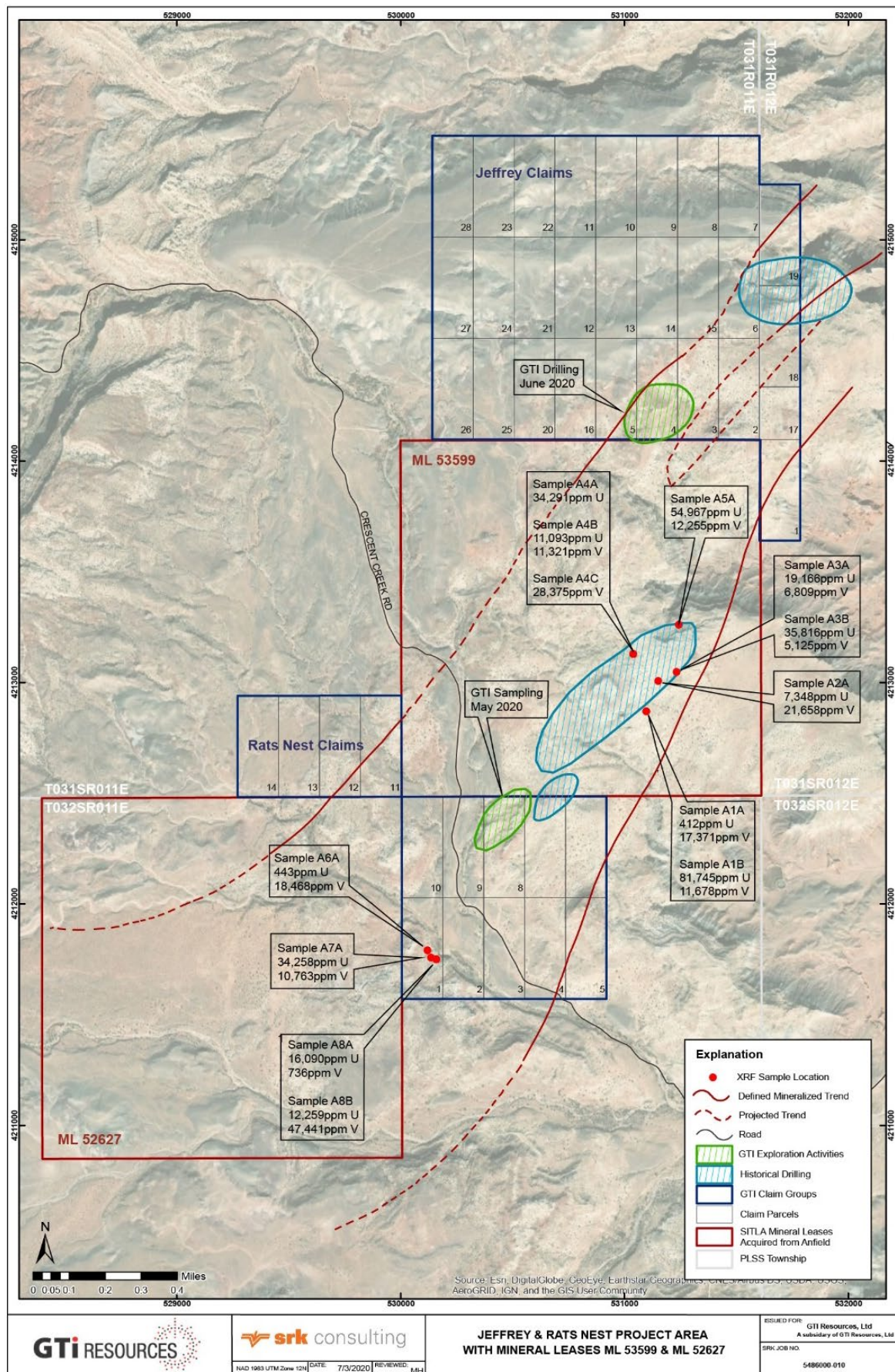


Figure 4: Location of ML 52627 & ML 53599 relative to historical drilling & recent GTI drilling & exploration activities including XRF data collected in the field during due diligence are also shown

XRF analysis were completed with a Bruker S1 Titan portable XRF machine, calibrated to industry standards. The XRF was utilised to analyse exposed mineralisation within historical underground workings. Analysed samples were unprepared, representing random, fresh rock chips devoid of obvious surficial oxide minerals that tend to skew XRF readings. The XRF analyses represent the nature of mineralisation and estimation of grade, but do not represent formal assays and have not been verified by an independent laboratory. Assay samples within the historical underground workings will be collected in the future for lab analysis following a structured QA/QC program.

**Table 4. XRF sampling results obtained during due diligence for acquisition of ML 53599 & ML 52627.**

Location			Sample ID	Lease / Claim	XRF U (ppm)	Error Factor	Equiv. % U <sub>3</sub> O <sub>8</sub>	XRF V (ppm)	Error Factor	Equiv. % V <sub>2</sub> O <sub>5</sub>
ID	Northing	Easting								
A1	4212871	531097	A1A	ML53599	412	±238	0.05	17,371	±447	3.10
			A1B	ML53599	81,745	±1,729	9.64	11,678	±358	2.08
A2	4213007	531151	A2A	ML53599	7,348	±546	0.87	21,658	±500	3.87
A3	4213030	531202	A3A	ML53599	19,166	±787	2.26	6,809	±62	1.22
			A3B	ML53599	35,816	±1252	4.22	5,125	±271	0.91
A4	4213128	531039	A4A	ML53599	34,291	±1202	4.04	< DL	-	-
			A4B	ML53599	11,093	±633	1.31	11,321	±371	2.02
			A4C	ML53599	< DL	-	-	28,375	±553	5.06
A5	4213337	531264	A5A	ML53599	54,967	±1,072	6.48	12,255	±279	2.19
A6	4211791	530120	A6A	Rat Nest #1	443	±170	0.05	18,468	±384	3.30
A7	4211759	530152	A7A	Rat Nest #1	34,258	±1,170	4.04	10,763	±360	1.92
A8	4211749	530159	A8A	Rat Nest #1	16,909	±831	1.99	736	±113	0.13
			A8B	Rat Nest #1	12,259	±530	1.45	47,441	±757	8.47

Notes:

1. Uranium and vanadium XRF analyses completed with a Bruker S1 Titan field portable XRF machine calibrated to industry standards.
2. XRF results are not formal assays.
3. Coordinates are based on location of the closest underground adit. All samples were collected within 10m of the adit.
4. < DL equates to an analysis that indicates the constituent is in concentrations below the detection limit of the XRF or is not present.
5. The error factor is the margin of error reported for the analyses by the XRF (Bruker S1 Titan).
6. Conversion of uranium (U) to uranium oxide (U<sub>3</sub>O<sub>8</sub>) is by a factor of 1.179.
7. Conversion of vanadium (V) to vanadium oxide (V<sub>2</sub>O<sub>5</sub>) is by a factor of 1.785.

The two mineral leases to be acquired are administered through the State of Utah School and Institutional Trust Lands Administration (SITLA). SITLA mineral leases are 10 years in length and can be renewed by current lessees without a competitive bid process. The leases to be acquired from Anfield are as follows:

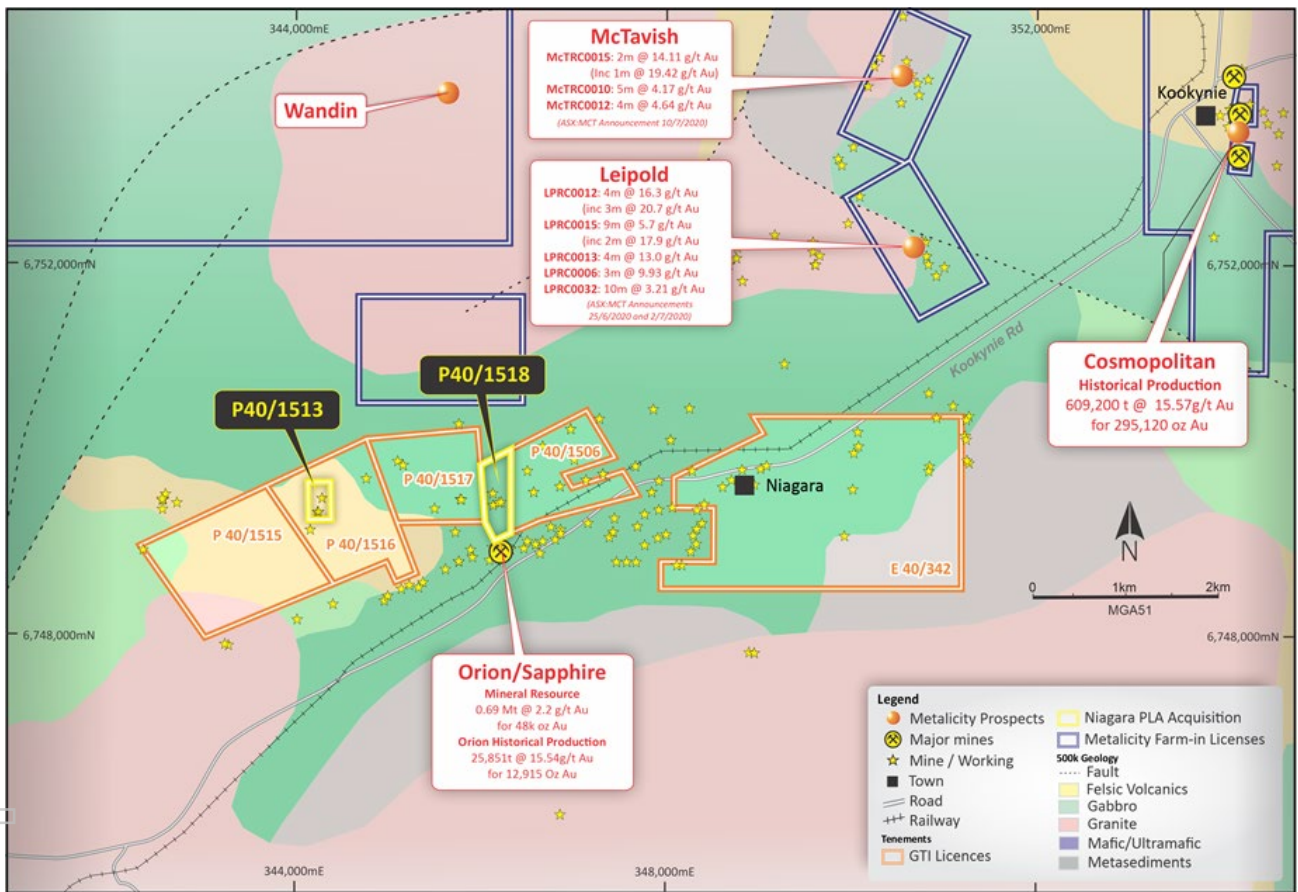
1. ML 53599, Metalliferous Minerals, Section 36 T31S R11E, 640 acres.
  - Lease term: 1 September 2017 – 31 August 2027 with a US\$640 annual lease payment to State of Utah.
  - 8% royalty gross value fissionable metalliferous minerals (uranium).
  - 4% royalty gross value non-fissionable minerals (vanadium).
2. ML 52627, Metalliferous Minerals, Section 2 T32S R11E, 648.76 acres.
  - Lease term: 1 November 2013 – 31 October 2023 with a US\$649 annual lease payment to State of Utah.
  - 8% royalty gross value fissionable metalliferous minerals (uranium).
  - 4% royalty gross value non-fissionable minerals (vanadium).

In consideration for the Acquisition, at settlement the Company will issue to Anfield (**Vendors**) a total of 2,000,000 fully paid ordinary shares (**Shares**) and pay US\$100,000 cash. Within 14 days of the first anniversary of settlement the Company will issue a further 2,000,000 Shares and pay a further US\$100,000 to the Vendors. The Acquisition Shares will be issued pursuant to the Company's capacity under Listing Rule 7.1.

**Niagara Gold Project – Western Australia**

The Niagara project is located ~6km southwest of Kookynie in the central goldfields of Western Australia. The project comprises one granted exploration licence, E40/342 and six contiguous prospecting licence applications including existing applications, P40/1506, P40/1515, P40/1516 and P40/1517 plus the recently acquired P40/1513 and P40/1518. Access to the project is provided via Goldfields Highway from the town of Menzies and the sealed Kookynie Road which bisects the northern part of exploration licence E40/342 and the southern part of P40/1506 (Figure 5).

During the period GTI continued to progress the grant of the new prospecting licence applications (P40/1506, P40/1515, P40/1516 and P40/1517). The new licences cover 5.11 km<sup>2</sup> and include a number of historical gold workings which were mined during the late 1890s and early 1900s.



**Figure 4: Niagara (Kookynie) Project – New Licences and Mineral Occurrences on 1:500,000 Geology**

Subsequent to the period on 20 July 2020 the Company confirmed it had been granted a 5-year extension of term for Kookynie exploration licence E40/0342 (the Niagara Project) until 7 May 2025. In addition, subsequent to the end of the period the Company entered into binding agreements to acquire three prospecting licences in the Kookynie region of WA's goldfields. Prospecting licence applications P40/1513 and P40/1518 adjoin GTI's existing applications at Niagara near Kookynie (**New Niagara PLAs**) and P40/1492 is a granted prospecting licence located ~15km northwest of Kookynie (**Reach PL**) (Figure 6).

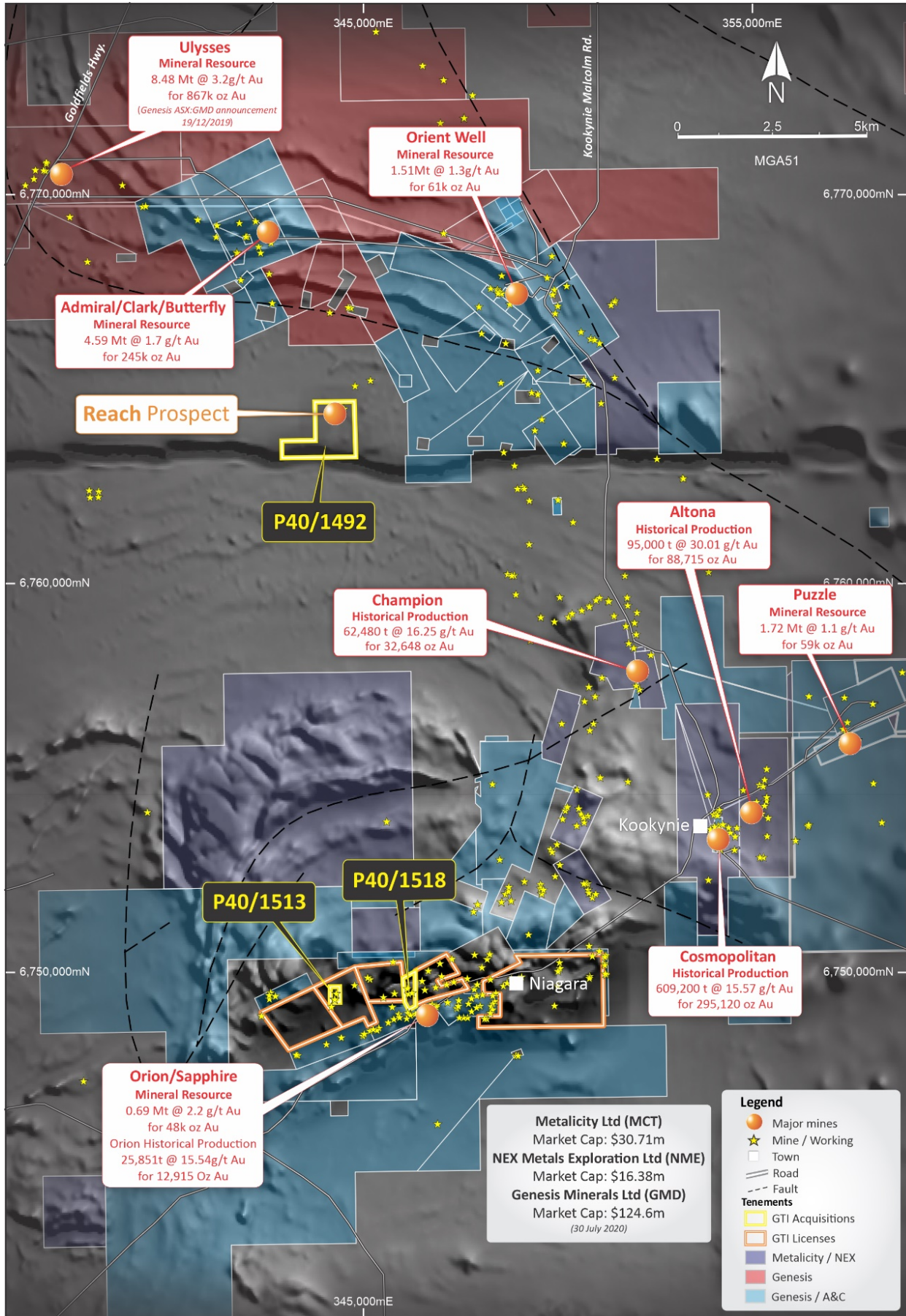


Figure 6. GTI Kookynie Project Location and Neighbouring Holders on Regional Aeromagnetics

Aeromagnetic Survey Completed

During the period, the Company undertook an airborne magnetic survey over the Niagara Project that aimed to follow up anomalous soil sampling results (refer ASX release 7 May 2020).

The detailed aeromagnetic survey comprised 2,053-line kms at 20m line spacings over E40/342, P40/1506 and P40/1517. The detailed fixed wing airborne survey aimed to define and map potential north trending structures within the buried magnetic basement, that are associated with gold mineralisation in the Kookynie region. Final magnetic data is expected to be available within the next two weeks. Processing and interpretation of the aeromagnetic data will help to refine a follow up field program which is likely to include additional infill auger soil sampling and ground mapping to aid in drill targeting. Permitting for a PoW has been approved, for up to 5,000 metres of drilling. GTI is working towards an initial drilling campaign during September 2020.

Exploration by GTI has identified a number of significant gold in soil targets within the northern and central parts of E40/342, including a strong 500m long, 100m wide anomaly up to a peak of 38 ppb Au, in the north-eastern corner of the licence. The sigmoidal shaped, north to north-northeast trending anomaly is open to the north east and adjacent to a major east to northeast trending regional fault. The anomaly lies on a similar orientation to other known gold mineralisation within the Niagara - Kookynie district.

Recent highly successful exploration drilling conducted at the Leipold and McTavish prospects (within 2 - 4 kms north of the Niagara Project), by Metalicity Ltd (ASX:MCT) in a joint venture with Nex Metals Exploration Ltd (ASX:NME), demonstrates the exciting potential of the Kookynie region within the central Norseman-Wiluna greenstone belt.

**Competent Person Statements:**

The information in this announcement that relates to the Exploration Results on the Henry Mountains project is based on information compiled and fairly represented by Matthew Hartmann. Mr. Hartmann is a Senior Consultant with SRK Consulting (U.S) Inc. with over 18 years of experience in mineral exploration and project evaluation. Mr. Hartmann is a Member of the Australasian Institute of Mining and Metallurgy (318271) and a Registered Member of the Society of Mining, Metallurgy and Exploration (4170350RM). Mr Hartmann has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken in 2019, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of exploration results, Mineral Resources and Ore Reserves. Mr Hartmann provides his consent to the inclusion in this report of the matter based on this information in the form and context in which it appears. Additionally, Mr Hartmann confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

Information in this release that relates to Exploration Results on the Western Australian projects is based on information compiled by Mr Andrew Rust, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Rust is a full-time employee of Shearwater Australia Proprietary Limited. Mr Rust is engaged by GTI Resources Limited as an independent consultant. Mr Rust has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Rust consents to the inclusion in this release of the matters based on his information in the form and context in which it appears. Additionally, Mr Rust confirms that the entity is not aware of any new information or data that materially affects the information.

**CORPORATE**

Placement and Share Purchase Plan

Subsequent to the period on 15 July 2020 the Company advised it had completed a placement via the issue of 60,376,300 new shares at \$0.03 per share to raise \$1,811,289 before costs (**Placement**). Funds raised from the Placement will be issued to fund the acquisition of additional ground at the Jeffrey Project, Utah and to increase the pace and scale of the current exploration work programs in both the US and Australia.

In conjunction with the Placement the Company also announced it was undertaking a Share Purchase Plan (**SPP**) offering all shareholders on the register as at 6 July 2020 an opportunity to participate in an underwritten SPP and purchase up

## DIRECTORS' REPORT (continued)

to \$30,000 of new fully paid ordinary shares in the Company at an issue price of \$0.03 (3 cents) per new share and free of all brokerage and commissions.

CPS Capital Group Pty Ltd (**CPS**) will underwrite the SPP, to a maximum underwritten amount of \$978,000 (32,600,000 new fully paid ordinary shares), and act as lead manager and arranger to the Placement. CPS will receive a 6% capital raising fee for both the funds raised in the Placement and the underwritten amount of the SPP (**Capital Raising Fee**). The Capital Raising Fee will be paid (at CPS' election) in cash or new Shares at an issue price of \$0.03, subject to all necessary prior shareholder and regulatory approvals.

Full details of the SPP Offer were contained in the SPP offer document booklet, with a hardcopy of the offer document and acceptance form dispatched to Eligible Shareholders on 13 July 2020.

### Board Changes

On 20 April 2020:

- Mr John Kay resigned as Company Secretary; and
- Mr Bruce Lane and Ms Emma Gilbert were appointed as co-Company Secretaries.

On 11 May 2020:

- Mr Murray McDonald resigned as a Director
- Mr Nathan Lude was appointed Non-Executive Chairman; and
- Mr Petar Tomasevic was appointed Non-Executive Director.

On 1 June 2020:

- Mr Bruce Lane and Ms Emma Gilbert resigned as co-Company Secretaries; and
- Mr Matthew Foy was appointed as Company Secretary.

### Performance Milestones Achieved

During the period, the Company advised that completion of the maiden drill program at the Jeffrey Project satisfies a second of the three (3) performance milestones attached to the performance rights issued (as advised to ASX on 22 May 2020). In addition, the capital raising milestone had also been achieved with the recent exercise of 25,750,000 options (as advised to ASX on 19 May 2020). With satisfaction of two (2) of the three (3) performance milestones now confirmed, the GTI board deemed the performance rights to be vested and eligible for exercise, which occurred on 3 July 2020.

### Tenement Schedule

Tenements held as at 30 June 2020 are as follows:

#### Western Australia

PROJECT	TENEMENT	HOLDER/APPLICANT	INTEREST
NIAGARA	E40/342	GTI Resources Ltd	100%
NIAGARA	PLA40/1506	GTI Resources Ltd	100%
NIAGARA	PLA40/1515	GTI Resources Ltd	100%
NIAGARA	PLA40/1516	GTI Resources Ltd	100%
NIAGARA	PLA40/1517	GTI Resources Ltd	100%

Three mining tenements, PLA40/1515, PLA40/1516 and PLA40/1517 were applied for during the previous December period. Subsequent to the end of the period the Company entered into agreements to acquire P40/1513, P40/1518 and P40/1492.

**DIRECTORS' REPORT (continued)**

Utah (USA)

*Key to Tenement Schedule*

- E - Exploration Licence
- ELA - Exploration Licence Application
- P - Prospecting Licence
- PLA - Prospecting Licence Application

Serial Number	Type	Claim Name	Claim Status	Holder/Applicant	Shares Held
UMC444089	LODE	WOODRUFF # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444090	LODE	WOODRUFF # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444091	LODE	WOODRUFF # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444092	LODE	WOODRUFF # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444093	LODE	WOODRUFF # 5	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444094	LODE	WOODRUFF # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444095	LODE	WOODRUFF # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444096	LODE	WOODRUFF # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444097	LODE	WOODRUFF # 9 FRAC	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444098	LODE	WOODRUFF # 10 FRAC	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444099	LODE	WOODRUFF # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444100	LODE	WOODRUFF # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444101	LODE	WOODRUFF # 13	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444102	LODE	WOODRUFF # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444103	LODE	WOODRUFF # 15	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444104	LODE	WOODRUFF # 16	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444105	LODE	WOODRUFF # 17	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444106	LODE	WOODRUFF # 18	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444126	LODE	MOKI # 20	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444127	LODE	MOKI # 21	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444128	LODE	MOKI # 22	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444129	LODE	MOKI # 23	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444130	LODE	MOKI # 24	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444147	LODE	JAKE # 17	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444148	LODE	JAKE # 18	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444149	LODE	JAKE # 19	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444150	LODE	JAKE # 20	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444151	LODE	JAKE # 21	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444152	LODE	JAKE # 22	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444153	LODE	JAKE # 23	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444154	LODE	JAKE # 24	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444155	LODE	JAKE # 25	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444156	LODE	JAKE # 26	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444157	LODE	JAKE # 27	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444158	LODE	JAKE # 28	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444159	LODE	JAKE # 29	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444160	LODE	JAKE # 30	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444161	LODE	JAKE # 31	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444162	LODE	JAKE # 32	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444195	LODE	JEFFREY # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444196	LODE	JEFFREY # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444197	LODE	JEFFREY # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444198	LODE	JEFFREY # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444199	LODE	JEFFREY # 5	Claim Perfected at BLM	Voyager Energy LLC	100%

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DIRECTORS' REPORT (continued)

Serial Number	Type	Claim Name	Claim Status	Holder/Applicant	Shares Held
UMC444200	LODE	JEFFREY # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444201	LODE	JEFFREY # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444202	LODE	JEFFREY # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444203	LODE	JEFFREY # 9	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444204	LODE	JEFFREY # 10	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444205	LODE	JEFFREY # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444206	LODE	JEFFREY # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444207	LODE	JEFFREY # 13	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444208	LODE	JEFFREY # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444209	LODE	JEFFREY # 15	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444210	LODE	JEFFREY # 16	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444211	LODE	JEFFREY # 17 FRAC	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444212	LODE	JEFFREY # 18	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444213	LODE	JEFFREY # 19	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444214	LODE	POINT # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444215	LODE	POINT # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444216	LODE	POINT # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444217	LODE	POINT # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444218	LODE	POINT # 5	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444221	LODE	POINT # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444222	LODE	POINT # 9	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444223	LODE	POINT # 10	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444224	LODE	POINT # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444225	LODE	POINT # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444226	LODE	POINT # 13	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444227	LODE	POINT # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444229	LODE	POINT # 16	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444231	LODE	POINT # 18	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444232	LODE	POINT # 19	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444233	LODE	POINT # 20	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444235	LODE	RAT NEST # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444236	LODE	RAT NEST # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444237	LODE	RAT NEST # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444238	LODE	RAT NEST # 5	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444239	LODE	RAT NEST # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444240	LODE	RAT NEST # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444241	LODE	RAT NEST # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444242	LODE	RAT NEST # 9	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444243	LODE	PINTO # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444244	LODE	PINTO # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444245	LODE	PINTO # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444246	LODE	PINTO # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444247	LODE	PINTO # 5	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444248	LODE	PINTO # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444249	LODE	PINTO # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444250	LODE	PINTO # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444251	LODE	PINTO # 9	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444252	LODE	PINTO # 10	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444253	LODE	PINTO # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444254	LODE	PINTO # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444255	LODE	PINTO # 13	Claim Perfected at BLM	Voyager Energy LLC	100%

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DIRECTORS' REPORT (continued)

Serial Number	Type	Claim Name	Claim Status	Holder/Applicant	Shares Held
UMC444256	LODE	PINTO # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444257	LODE	PINTO # 15	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444259	LODE	PINTO # 17	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444260	LODE	PINTO # 18	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444261	LODE	PINTO # 19	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444264	LODE	PINTO # 22	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444265	LODE	PINTO # 23	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444266	LODE	PINTO # 24	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC444267	LODE	PINTO # 25	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445317	LODE	MOKI # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445318	LODE	MOKI # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445319	LODE	MOKI # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445320	LODE	MOKI # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445321	LODE	MOKI # 5	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445322	LODE	MOKI # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445323	LODE	MOKI # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445324	LODE	MOKI # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445325	LODE	MOKI # 9	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445326	LODE	MOKI # 10	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445327	LODE	MOKI # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445328	LODE	MOKI # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445329	LODE	MOKI # 13	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445330	LODE	MOKI # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445331	LODE	MOKI # 15	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445332	LODE	MOKI # 16	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445333	LODE	MOKI # 17	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445334	LODE	MOKI # 18	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445335	LODE	MOKI # 19	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445341	LODE	JAKE # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445342	LODE	JAKE # 2	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445343	LODE	JAKE # 3	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445344	LODE	JAKE # 4	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445345	LODE	JAKE # 5	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445346	LODE	JAKE # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445347	LODE	JAKE # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445348	LODE	JAKE # 8	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445349	LODE	JAKE # 9	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445350	LODE	JAKE # 10	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445351	LODE	JAKE # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445352	LODE	JAKE # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445353	LODE	JAKE # 13	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445354	LODE	JAKE # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445355	LODE	JAKE # 15	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445356	LODE	JAKE # 16	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445357	LODE	JEFFREY # 20	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445358	LODE	JEFFREY # 21	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445359	LODE	JEFFREY # 22	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445360	LODE	JEFFREY # 23	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445361	LODE	JEFFREY # 24	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445362	LODE	JEFFREY # 25	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445363	LODE	JEFFREY # 26	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445364	LODE	JEFFREY # 27	Claim Perfected at BLM	Voyager Energy LLC	100%

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Serial Number	Type	Claim Name	Claim Status	Holder/Applicant	Shares Held
UMC445365	LODE	JEFFREY # 28	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445366	LODE	PINTO # 16	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445367	LODE	PINTO # 20	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445368	LODE	PINTO # 21	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445369	LODE	POINT # 6	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445370	LODE	POINT # 7	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445371	LODE	POINT # 15	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445372	LODE	POINT # 17	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445373	LODE	RAT NEST # 1	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445374	LODE	RAT NEST # 10	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445375	LODE	RAT NEST # 11	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445376	LODE	RAT NEST # 12	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445377	LODE	RAT NEST # 13	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445378	LODE	RAT NEST # 14	Claim Perfected at BLM	Voyager Energy LLC	100%
UMC445437	LODE	BRUCE # 1	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445438	LODE	BRUCE # 2	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445439	LODE	BRUCE # 3	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445440	LODE	BRUCE # 4	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445441	LODE	BRUCE # 5	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445442	LODE	BRUCE # 6	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445443	LODE	BRUCE # 7	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445444	LODE	BRUCE # 8	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445445	LODE	BRUCE # 9	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445446	LODE	BRUCE # 10	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445447	LODE	BRUCE # 11	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445448	LODE	BRUCE # 12	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445449	LODE	BRUCE # 13	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445450	LODE	BRUCE # 14	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445451	LODE	BRUCE # 15	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445452	LODE	BRUCE # 16	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445453	LODE	BRUCE # 17	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445454	LODE	BRUCE # 18	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445455	LODE	BRUCE # 19	Claim Registered at BLM	Voyager Energy LLC*	100%
UMC445456	LODE	BRUCE # 20	Claim Registered at BLM	Voyager Energy LLC*	100%

\*Via the acquisition agreement & its amendments, between Voyager Energy Pty Ltd & Ausi Projects LLC (Acquisition Agreement). These claims have been validly registered at the BLM by Ausi Projects LLC but are yet to be perfected at the BLM in the name of Voyager Energy LLC. The deferred consideration shares under the Acquisition Agreement, which relate to these claims, are yet to be issued. There were no changes in the Company's interest in the claims during the period.

**EVENTS SUBSEQUENT TO END OF THE REPORTING PERIOD**

Subsequent to the period end:

- On 3 July 2020, the Company issued:
  - 1,750,000 ordinary fully paid shares to S3 Consortium Pty Ltd for the provision of marketing services,
  - 30,000,000 ordinary fully paid shares following the conversion of performance rights, and
  - 1,150,000 Options exercisable at \$0.03 expiring on 31 December 2021.
- On 3 July 2020, the GTI board confirmed that the performance rights had vested, with the satisfaction of two of the three performance milestones, and were eligible for exercise. On 22 May 2020 the Company advised that completion of the maiden drill program at the Jeffrey Project satisfied a performance milestones. In addition on 19 May 2020, the capital raising milestone had also been achieved with the recent exercise of 25,750,000 options.
- On 7 July 2020, the Company advised it had entered into a binding agreement to acquire 100% of mineral leases ML 53599 & 52627 (**Acquisition**) from TSX.V listed Anfield Energy Inc. (**Anfield**). In consideration for the Acquisition, at settlement the Company will issue to Anfield a total of 2,000,000 fully paid ordinary shares and pay US\$100,000

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## DIRECTORS' REPORT (continued)

cash. Within 14 days of the first anniversary of settlement the Company will issue a further 2,000,000 Shares and pay a further US\$100,000 to the Anfeild.

- On 15 July 2020, the Company advised it had completed a placement via the issue of 60,376,300 new shares at \$0.03 per share to raise \$1,811,289 before costs (**Placement**). Funds raised from the Placement will be issued to fund the acquisition of additional ground at the Jeffrey Project, Utah and to increase the pace and scale of the current exploration work programs in both the US and Australia.
- The Company entered into binding agreements to acquire three prospecting licences in the Kookynie region of WA's goldfields. Prospecting licence applications P40/1513 and P40/1518 adjoin GTI's existing applications at Niagara near Kookynie (**New Niagara PLAs**) and P40/1492 is a granted prospecting licence located ~15km northwest of Kookynie
- On 26 August 2020 the Company announced it had completed a Share Purchase Plan (**SPP**) for 32,600,000 fully paid ordinary shares, raising \$978,000 before costs. In conjunction with the Placement the SPP offered all shareholders on the register as at 6 July 2020 an opportunity to participate in an underwritten SPP and purchase up to \$30,000 of new fully paid ordinary shares in the Company at an issue price of \$0.03 per share and free of all brokerage and commissions. CPS Capital Group Pty Ltd underwrote the SPP and act as lead manager and arranger to the Placement.

Thankfully, no positive COVID-19 (Coronavirus) cases have been reported amongst the Group's employee and contractor base. However, GTI are taking pre-emptive precautions to protect its employees, contractors, their families and their communities. The Board has implemented a work from home policy and limited travel. The Board believes that this decision is aligned and in the best interests of all the Group's stakeholders.

There have been no other events of a material nature or transaction, that have arisen since half-year end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

### AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* for the period ended 30 June 2020 has been received and can be found on page 18.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 295(5) of the *Corporations Act 2001*.



**Bruce Lane**  
Executive Director

Perth, Western Australia  
31 August 2020

31 August 2020

Board of Directors  
GTI Resources Limited  
Level 1, 89 St George Terrace  
PERTH WA 6008

Dear Directors

**RE: GTI RESOURCES 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 GTI Resources Limited.

As Audit Director for the review of the financial statements of GTI Resources Limited for the half year ended 30 June 2020, 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**



**Martin Michalik**  
Director

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2020**

	Note	Group 30 June 2020 \$	Company 30 June 2019 (restated) \$
<b>Revenue from continuing operations</b>			
Other income	2	29,314	10,000
<b>Expenses</b>			
Exploration and evaluation written off	3	-	(93,380)
Depreciation and amortisation expense		(215)	(114)
Other expenses	3	(1,323,104)	(126,696)
Loss on investment	7	(160)	(10)
Loss before income tax		(1,294,165)	(210,200)
Income tax benefit		-	-
Loss attributable to the owners of the Company		(1,294,165)	(210,200)
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		266	-
Other comprehensive loss for the half-year, net of tax		266	-
Total comprehensive income for the half-year attributable to the owners of GTI Resources Limited		(1,293,899)	(210,200)
Loss per share for loss from continuing operations attributable to the ordinary equity holders			
Basic and diluted loss per share (cents per share)		(0.27)	(0.13)

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 30 JUNE 2020

	Note	Group 30 June 2020 \$	Group 31 December 2019 \$
<b>Current assets</b>			
Cash and cash equivalents	4	2,088,919	1,340,140
Other receivables and prepayments	5	70,382	24,097
<b>Total current assets</b>		<b>2,159,301</b>	<b>1,364,237</b>
<b>Non-current assets</b>			
Exploration and evaluation	6	1,771,522	1,509,147
Plant and equipment		991	1,206
Financial assets at fair value through profit or loss	7	140	300
<b>Total non-current assets</b>		<b>1,772,653</b>	<b>1,510,653</b>
<b>Total assets</b>		<b>3,931,954</b>	<b>2,874,890</b>
<b>Current liabilities</b>			
Trade and other payables	8	183,257	72,200
Deferred consideration	9	129,721	129,721
Provisions	10	11,744	6,105
<b>Total current liabilities</b>		<b>324,722</b>	<b>208,026</b>
<b>Total liabilities</b>		<b>324,722</b>	<b>208,026</b>
<b>Net assets</b>		<b>3,607,232</b>	<b>2,666,864</b>
<b>Equity</b>			
Issued capital	13	11,374,637	10,190,370
Share based payment reserve		1,958,882	908,882
Foreign exchange reserve		(5,687)	(5,953)
Accumulated losses		(9,720,600)	(8,426,435)
<b>Total equity</b>		<b>3,607,232</b>	<b>2,666,864</b>

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
FOR THE HALF-YEAR ENDED 30 JUNE 2020

	Note	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
<b>Company</b>					
<b>As at 1 January 2019</b>		<b>7,367,871</b>	<b>763,196</b>	<b>(7,830,375)</b>	<b>300,692</b>
Loss for the period		-	-	(210,200)	(210,200)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		-	-	(210,200)	(210,200)
<b>Transactions with owners in their capacity as owners</b>					
Shares issued during the period		-	-	-	-
Share issue expenses		-	-	-	-
<b>As at 30 June 2019</b>		<b>7,367,871</b>	<b>763,196</b>	<b>(8,040,575)</b>	<b>90,492</b>
<b>Group</b>					
<b>As at 1 January 2020</b>		<b>10,190,370</b>	<b>902,929</b>	<b>(8,426,435)</b>	<b>2,666,864</b>
Loss for the period		-	-	(1,294,165)	(1,294,165)
Other comprehensive income		-	266	-	266
Total comprehensive income/(loss) for the period		-	266	(1,294,165)	(1,293,899)
<b>Transactions with owners in their capacity as owners</b>					
Shares issued during the period	13	1,254,008	-	-	1,254,008
Share issue expenses	13	(70,041)	-	-	(70,041)
Contribution from performance rights issued during the period	13	300	-	-	300
Performance right expense recognised during the period	14	-	1,050,000	-	1,050,000
<b>As at 30 June 2020</b>		<b>11,374,637</b>	<b>1,953,195</b>	<b>(9,720,600)</b>	<b>3,607,232</b>

*This above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
FOR THE HALF-YEAR ENDED 30 JUNE 2020

	Note	Group 30 June 2020 \$	Company 30 June 2019 (restated) \$
<b>Cash flows from operating activities</b>			
Payments in the normal course of business		(153,527)	(115,609)
Government incentives		17,515	-
Other income		-	10,000
Interest received		1,853	-
<b>Net cash (used in) operating activities</b>		<b>(134,159)</b>	<b>(105,609)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation expenditure		(224,662)	(86,108)
Proceeds from the disposal of tenements		10,000	-
<b>Net cash (used in) investing activities</b>		<b>(214,662)</b>	<b>(86,108)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	13	1,167,341	-
Proceeds from performance rights issued	13	300	-
Share issue costs	13	(70,041)	-
<b>Net cash generated from financing activities</b>		<b>1,097,600</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>748,779</b>	<b>(191,717)</b>
Cash and cash equivalents at the beginning of the period		1,340,140	440,930
<b>Net cash and cash equivalents at the half-year</b>	4	<b>2,088,919</b>	<b>249,213</b>

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



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**1. SEGMENT INFORMATION**

Management has determined that the Group has two reportable segments, being exploration in Western Australia and Utah, United States. This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources. The Board monitors the Group based on actual versus budgeted expenditure incurred by segment. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing activities, while also taking into consideration the results that has been performed to date.

	US \$	Australia \$	Corporate <sup>(1)</sup> \$	Total \$
<b>Group</b>				
<b>For half-year ended 30 June 2020</b>				
Revenue from external sources	-	10,000	19,314	29,314
Reportable segment (loss)	-	-	(1,294,165)	(1,294,165)
Reportable segment assets	1,734,448	37,074	2,160,432	3,931,954
Reportable segment liabilities	(176,230)	(4,673)	(143,819)	(324,722)
<b>Company</b>				
<b>For half-year ended 30 June 2019</b>				
Revenue from external sources	-	10,000	-	10,000
Reportable segment (loss)	-	(83,380)	(126,820)	(210,200)
<b>Group</b>				
<b>For year ended 31 December 2019</b>				
Reportable segment assets	1,509,147	-	1,365,743	2,874,890
Reportable segment liabilities	(139,212)	(4,243)	(64,571)	(208,026)

<sup>1</sup> Corporate activities include cash held of \$2,088,919 for the half-year ended 30 June 2020 and \$1,340,140 for the year ended 31 December 2019.

**2. OTHER INCOME**

	Note	Group 30 June 2020 \$	Company 30 June 2019 \$
Interest income		1,799	-
Other income		10,000	10,000
Cash flow boost incentive payments <sup>(1)</sup>		17,515	-
Total other income		29,314	10,000

<sup>1</sup> Cash flow boost incentive payments are delivered as credits in the activity statements and equivalent to the amount withheld from wages paid to employees from March to June 2020.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**3. EXPENSES**

	<b>Group 30 June 2020</b>	<b>Company 30 June 2019 (restated)</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax includes the following specific items:		
Exploration and evaluation expense written-off <sup>(1)</sup>	-	93,380
Other expenses		
Employee benefits expense	74,949	78,185
PR & Marketing costs <sup>(2)</sup>	51,647	667
Advisory Costs <sup>(3)</sup>	1,074,203	12,865
Compliance Costs	62,270	11,688
Consultants	31,976	19,317
Office costs	20,281	3,417
Other administrative expenses	7,778	557
<b>Total administrative expenses</b>	<b>1,323,104</b>	<b>126,696</b>

1 Costs written off are in relation to the Group's Western Australian projects

2 Includes an expense arising from performance rights of \$1,050,000, see Note 14(a).

3 Includes an expense arising from shares issued in consideration for marketing services of \$45,000, see Note 14(b).

**4. CASH AND CASH EQUIVALENTS**

	<b>Group 30 June 2020</b>	<b>Group 31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	2,088,551	1,339,772
Petty cash	368	368
	<b>2,088,919</b>	<b>1,340,140</b>

**5. OTHER RECEIVABLES AND PREPAYMENTS**

	<b>Group 30 June 2020</b>	<b>Group 31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Other receivables	27,432	15,110
Prepayments	42,950	8,987
	<b>70,382</b>	<b>24,097</b>

The Group has no impairments to other receivables or have receivables that are past due but not impaired.

Due to the short-term nature of the current trade and other receivables, their carrying amount is assumed to be the same as their fair value.

Other receivables are generally due for settlement within 30 days and are therefore classified as current.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**6. EXPLORATION AND EVALUATION**

	Note	Group 30 June 2020 \$	Group 31 December 2019 \$
Opening balance		1,509,147	-
Claim acquisition cost	9	-	1,284,366
Exploration expenditure incurred <sup>(1)</sup>		262,375	442,431
Exploration expenditure written off <sup>(2)</sup>		-	(217,650)
Balance at period end		1,771,522	1,509,147

1 Exploration expenditure includes a portion of Directors and employee benefits expense.

2 Costs written off are in relation to the Group's Western Australian projects

**Significant accounting estimates and assumptions**

*Impairment of capitalised exploration and evaluation expenditure*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

**Significant accounting judgement**

*Capitalisation of exploration and evaluation expenditure*

The Group has capitalised significant exploration and evaluation expenditure on the basis that this is expected to be recouped through future successful development (or alternatively sale) of the areas of interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets at fair value through profit or loss comprise of listed equity securities in the ASX listed Aquis Entertainment Ltd.

	Group 30 June 2020 \$	Group 31 December 2019 \$
Opening balance	300	280
Fair value (loss)/gain recognised in profit or loss	(160)	20
Closing balance	140	300

**Significant accounting estimates, assumptions, and judgements**

*Classification of financial assets at fair value through profit or loss*

Investments are designated at fair value through profit or loss where management have made the election in accordance with AASB 9: *Financial Instruments*.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

*Fair value for financial assets at fair value through profit or loss*

Information about the methods and assumptions used in determining fair value is provided in Note 11.

The financial assets at fair value through profit or loss are denominated in Australian dollars.

**8. TRADE AND OTHER PAYABLES**

	<b>Group 30 June 2020 \$</b>	<b>Group 31 December 2019 \$</b>
Trade payables	160,656	27,945
Other payables and accruals	20,411	30,255
Director entitlements	2,190	14,000
	<b>183,257</b>	<b>72,200</b>

Trade and other payables are normally settled within 30 days from receipt of invoice. All amounts recognised as trade and other payables, are expected to settle within 12 months.

The carrying value of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

*Director Entitlements*

For the prior year, Director entitlements relate to accrued entitlements for Mr McDonald and Ms Gilbert from the 2016 and 2018 financial years. During the prior year, upon resignation of their Executive and Non-Executive positions respectively, the entitlements and outstanding provisions were settled for Mr McDonald and Ms Gilbert. A sum of \$50,000 was paid to Mr McDonald for settlement of outstanding entitlements and provisions. An amount of \$20,000 (excluding superannuation) is to be paid to Ms Gilbert, over a period of 10 months for settlement of outstanding provisions. As at 30 June 2020, an amount of \$2,190 remains outstanding.

**9. DEFERRED CONSIDERATION**

On 3 September 2019, the Company announced the successful acquisition of 100% of the issued capital of Voyager Energy Pty Ltd and its subsidiary Voyager Energy LLC (Voyager). Through Voyager, the Company is now the owner of eight strategically located properties in Utah, USA prospective for uranium and vanadium mineralisation, being the Jake, Jeffrey, Moki, Point, Pinto, Woodruff, Rat Nest and Bruce claims. The capitalised exploration and evaluation expenditure at the date of acquisition was \$1,284,366.

In consideration for the acquisition of 100% equity in Voyager Energy Pty Ltd and the entities it controls, including the Jake, Jeffrey, Moki, Point, Pinto, Woodruff, Rat Nest and Bruce claims in Utah, the Company is to issue 90,000,000 fully paid ordinary shares. 79,189,944 fully paid ordinary shares were issued on 3 September 2019 and 10,810,056 fully paid ordinary shares are due and owing as a result of the claims not yet being perfected. The fair value of the 10,810,056 fully paid ordinary shares due is \$129,721. As at the date of this report the shares had not yet been issued.

**10. PROVISIONS**

The current provision for employee benefits relate to annual leave which is provided for all employees of the Group in line with their employment contracts and the balances are expected to be settled within 12 months.

	<b>Group 30 June 2020 \$</b>	<b>Group 31 December 2019 \$</b>
Employee benefits	11,744	6,105

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**11. FAIR VALUES OF FINANCIAL INSTRUMENTS**

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

**Fair value hierarchy**

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents financial assets and financial liabilities measured and recognised at fair value on a recurring basis as at 30 June 2020 and 31 December 2019:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Group</b>				
<b>As at 30 June 2020</b>				
Financial assets at fair value through profit or loss	140	-	-	140
<b>Group</b>				
<b>As at 31 December 2019</b>				
Financial assets at fair value through profit or loss	300	-	-	300

There was no transfer between levels for recurring fair value measurements during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The fair value of financial assets and liabilities held by the Group must be estimated for recognition, measurement and/or disclosure purposes. The Group measures fair values by level, per the following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

**Valuation techniques used to determine fair values**

The Group did not have any financial instruments that are recognised in the financial statements where their carrying value differed from the fair value. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying amounts of cash and short-term trade and other receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these payments.

*Financial assets at fair value through profit or loss*

The fair value of the equity holdings held in Aquis Entertainment Ltd is based on the quoted market prices from the ASX on the last traded price prior to half-yearend.

**12. DIVIDENDS**

No dividends have been declared or paid for the half-year ended 30 June 2020 (30 June 2019: nil).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE HALF-YEAR ENDED 30 JUNE 2020

**13. ISSUED CAPITAL**

**(a) Issued capital**

	30 June 2020 Shares	31 December 2019 Shares	30 June 2020 \$	31 December 2019 \$
Fully paid	508,763,062	464,851,697	11,374,637	10,190,370

Movements in ordinary share capital during the current period are as follows:

Details	Date	Number of shares	Issue price/share \$	\$
<b>Balance at 1 January 2020</b>		<b>464,851,697</b>		<b>10,190,370</b>
Issue of shares – Conversion of Options	19-May-20	25,750,000	0.03	772,500
Issue of shares – Conversion of Options	19-May-20	13,161,365	0.03	394,841
Share based payment (Note 14(b)) <sup>(1)</sup>	22-May-20	3,750,000	0.012	45,000
Share based payment (Note 14(b)) <sup>(1)</sup>	22-May-20	1,250,000	0.033	41,667
Contribution from Performance Rights Issued during the half-year	29-May-20	-		300
Less: Share issue costs				(70,041)
<b>Balance at 30 June 2020</b>		<b>508,763,062</b>		<b>11,374,637</b>

<sup>1</sup> Share based payments have been made at fair value of services received for corporate advisory and geological services.

**14. SHARE BASED PAYMENTS**

Share-based payment transactions are recognised at fair value in accordance with AASB 2.

The total movement arising from share-based payment transactions recognised during the half-year were as follows:

	Note	Group 30 June 2020 \$	Company 30 June 2019 \$
As part of other expenses			
Shares issued	14(b)	86,667	-
Performance rights	14(a)	1,050,000	-
		1,136,667	-

During the half-year, the Group had the following share-based payments:

**(a) Performance rights**

Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares.

Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**14. SHARE-BASED PAYMENTS (continued)**

Movement in the performance rights for the current period is shown below:

Grant date	Expiry date	Exercise price	Balance at start of the period	Granted during the period	Converted during the period	Cancelled during the period	Balance at period end	Vested at period end
10-May-20	21-May-23	-	-	30,000,000	-	-	30,000,000	30,000,000
Total			-	30,000,000	-	-	30,000,000	30,000,000

**1 Performance rights granted to advisors**

Key inputs used in the fair value calculation of the performance rights which have been granted during the period ended 30 June 2020 were as follows:

Key inputs	Grant date: 22 May 2020
Exercise price	Nil
Exercise period	3 years from the date of grant
Expected share price volatility	105%
Risk-free interest rate	0.25%
Vesting conditions	Various <sup>(1)</sup>
Expected dividend yield	Nil
Value per right	\$0.035

**1 Performance rights vest on upon achieving any 2 of either Milestone 1, Milestone 2 or Milestone 3.**

*Milestone 1 Completion of an exploration program on the Utah projects that includes the drilling of at least 8 new drill holes.*

*Milestone 2 A capital raising of at least \$1 million at not less than 1.5c cents per share by the issue of new equity, the exercise of options or debt.*

*Milestone 3 Securing a new mineral exploration or development project anywhere in the world or securing an additional material area of mineral claims in Utah. (Milestone 3).*

As announced on 25 June 2020, completion of the maiden drill program satisfies a second of the three (3) performance milestones. The capital raising milestone was achieved on 19 May 2020 with the exercise of 25,750,000 options. With satisfaction of two of the performance milestones the performance rights were deemed vested and eligible for exercise.

The total expense arising from the above performance rights is \$1,050,000 and has been recognised in the Condensed Consolidated Statement of Profit or Loss under other expenses.

**(b) Share capital to vendors and service providers**

During the period:

- On 22 May 2020, 3,750,000 shares were issued to S3 Consortium Pty Ltd in consideration for marketing services. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding invoice received which amounted to \$45,000. This amount has been recognised in the Condensed Consolidated Statement of Profit or Loss under other expenses.
- During the half-year, the Company entered into an agreement with S3 Consortium Pty Ltd for the provision of marketing services for a 12-month period commencing on 1 July 2020. In exchange for the services a total of 3,000,000 shares are to be issued.
  - On 22 May 2020, 1,250,000 shares of the 3,000,000 were issued. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding invoice received which amounted to \$41,667. This amount has been recognised in the Condensed Consolidated Statement of Financial Position under other receivables and prepayments, which will be apportioned over the period of service.
  - Subsequent to period end, on 3 July 2020, the remaining 1,750,000 shares were issued.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**15. COMMITMENTS**

The Group has certain obligations to perform minimum exploration work on tenements held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As a result of the relinquished rights to the Meekatharra VMS Project (E51/1556), the Group no longer has commitments for this tenement.

Other than those detailed above there have been no changes to commitments as disclosed in the annual report for the year ended 31 December 2019.

**16. RELATED PARTY TRANSACTIONS**

*Appointment*

On 11 May 2020, the Company welcomed Mr Petar Tomasevic to the Board as Non-Executive Director. Mr Tomasevic is remunerated in line with the Non-executive remuneration structure as disclosed in the annual report for the year ended 31 December 2019.

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. There have been no other changes to related party transactions as disclosed in the annual report for the year ended 31 December 2019.

**17. CONTINGENCIES**

There have been no changes to the contingent assets or liabilities as disclosed in the annual report for the year ended 31 December 2019.

**18. EVENTS SUBSEQUENT TO END OF THE FINANCIAL HALF-YEAR**

Subsequent to the period end:

- On 3 July 2020, the Company issued:
  - 1,750,000 ordinary fully paid shares to S3 Consortium Pty Ltd for the provision of marketing services,
  - 30,000,000 ordinary fully paid shares following the conversion of performance rights, and
  - 1,150,000 Options exercisable at \$0.03 expiring on 31 December 2021.
- On 3 July 2020, the GTI board confirmed that the performance rights had vested, with the satisfaction of two of the three performance milestones, and were eligible for exercise. On 22 May 2020 the Company advised that completion of the maiden drill program at the Jeffrey Project satisfied a performance milestones. In addition, on 19 May 2020, the capital raising milestone had also been achieved with the recent exercise of 25,750,000 options.
- On 7 July 2020, the Company advised it had entered into a binding agreement to acquire 100% of mineral leases ML 53599 & 52627 (**Acquisition**) from TSX.V listed Anfield Energy Inc. (**Anfield**). In consideration for the Acquisition, at settlement the Company will issue to Anfield a total of 2,000,000 fully paid ordinary shares and pay US\$100,000 cash. Within 14 days of the first anniversary of settlement the Company will issue a further 2,000,000 Shares and pay a further US\$100,000 to the Anfield.
- On 15 July 2020, the Company advised it had completed a placement via the issue of 60,376,300 new shares at \$0.03 per share to raise \$1,811,289 before costs (**Placement**). Funds raised from the Placement will be issued to fund the acquisition of additional ground at the Jeffrey Project, Utah and to increase the pace and scale of the current exploration work programs in both the US and Australia.
- The Company entered into binding agreements to acquire three prospecting licences in the Kookynie region of WA's goldfields. Prospecting licence applications P40/1513 and P40/1518 adjoin GTI's existing applications at Niagara near Kookynie (**New Niagara PLAs**) and P40/1492 is a granted prospecting licence located ~15km northwest of Kookynie



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2020**

**18. EVENTS SUBSEQUENT TO END OF THE FINANCIAL HALF-YEAR (continued)**

- On 26 August 2020 the Company announced it had completed a Share Purchase Plan (**SPP**) for 32,600,000 fully paid ordinary shares, raising \$978,000 before costs. In conjunction with the Placement the SPP offered all shareholders on the register as at 6 July 2020 an opportunity to participate in an underwritten SPP and purchase up to \$30,000 of new fully paid ordinary shares in the Company at an issue price of \$0.03 per share and free of all brokerage and commissions. CPS Capital Group Pty Ltd underwrote the SPP and act as lead manager and arranger to the Placement.

There have been no other events of a material nature or transaction, that have arisen since half-year end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

**19. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2020 has been prepared in accordance with the requirements of Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of financial performance, financial position and financing and investing activities of the consolidated entity as full year financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2019 and any public announcements made by GTI Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

*New and amended standards adopted by the group*

A number of new or amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

*Comparative*

Where necessary, comparatives have been re-classified and re-positioned for consistency with current year disclosures.

The following items have been re-classified within the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income:

	<b>Company 30 June 2019 \$</b>		
	As previously stated	Reclassification	As restated
Exploration and evaluation expenditure written off	52,913	40,467	93,380
Other expenses	167,163	(40,467)	126,696

The following items have been re-classified within the Condensed Consolidated Statement of Cash Flows:

	<b>Company 30 June 2019 \$</b>		
	As previously stated	Reclassification	As restated
<b>Cash flows from operating activities</b>			
Payment in the normal course of business	191,717	(86,108)	115,609
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation expenditure	-	86,108	86,108

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## DIRECTORS' DECLARATION

The Directors of the GTI Resource Ltd declare that:

1. The financial statements, comprising the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (b) give a true and fair view of the financial position as at 30 June 2020 and of the performance of the Group for the half-year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



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**Bruce Lane**  
Executive Director

Perth, Western Australia  
31 August 2020

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
GTI RESOURCES LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of GTI Resources Limited (the "Company") and its subsidiaries ("the Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2020, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of GTI Resources Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 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 Standards 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 Group's financial position as at 30 June 2020 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 GTI Resources 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.

*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 GTI Resources Limited on 31 August 2020.

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*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 GTI Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2020 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*.

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

*Stantons International Audit & Consulting Pty Ltd*



**Martin Michalik**  
Director

West Perth, Western Australia  
31 August 2020

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