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GOLDEN DEEPS

LIMITED

AND CONTROLLED ENTITIES

ACN: 054 570 777

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2020**

GOLDEN DEEPS LIMITED

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GOLDEN DEEPS LIMITED

COMPANY DIRECTORY

DIRECTORS

Michael Rodriguez
Michael Scivolo
Michael Norburn
Robert Collins
Scott Mathewson (appointed 15/04/2020)
Michael Minosora (resigned 15/04/2020)

COMPANY SECRETARY

Martin Stein

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STOCK EXCHANGE LISTING

Golden Deeps Limited is listed on the
Australian Securities Exchange.

ASX code for shares: GED

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GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Golden Deeps Limited and its controlled entities for the year ended 30 June 2020.

DIRECTORS

The Directors of the Company during and since the end of the financial year were:

Michael Rodriguez
Michael Scivolo
Michael Norburn
Robert Collins
Scott Mathewson (appointed 15/04/2020)
Michael Minosora (resigned 15/04/2020)

REVIEW OF OPERATIONS

AUSTRALIAN GOLD AND COPPER PROJECTS

In May 2020, the Company announced it had acquired 100% of Extract Minerals Pty Ltd (Extract Minerals) which holds the Tuckers Hill Project (ELA 5963) and the Havilah Project (EL 8936) in the Lachlan Fold Belt, New South Wales (Figure 11).

The East Lachlan Fold Belt is a high-profile mining and exploration region that contains several major gold, copper-gold and silver deposits. These include Newcrest Mining Ltd's Cadia-Ridgeway Mine, Evolution Mining Ltd's Lake Cowal Mine, China Molybdenum Co. Ltd's North Parkes Mine, Alkane Resources Ltd's Tomingley mine, and Silver Mines Ltd's Bowdens deposit.

Investor interest in the region has increased further with the discovery of significant gold-copper porphyry mineralisation at Alkane Resources Ltd's Boda Prospect. The USGS (US Geological Service) recently estimated that between four and ten porphyry systems remain to be found in the Lachlan Fold Belt. This has led to companies such as Newmont Mining Ltd, Freeport-McMoran Inc. and Fortescue Metals Group Ltd acquiring ground in the region. In addition to porphyry-style mineralisation, there are also orogenic gold deposits such as Tomingley and Hill End, and silver-lead skarn deposits such as Bowdens.

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REVIEW OF OPERATIONS (continued)

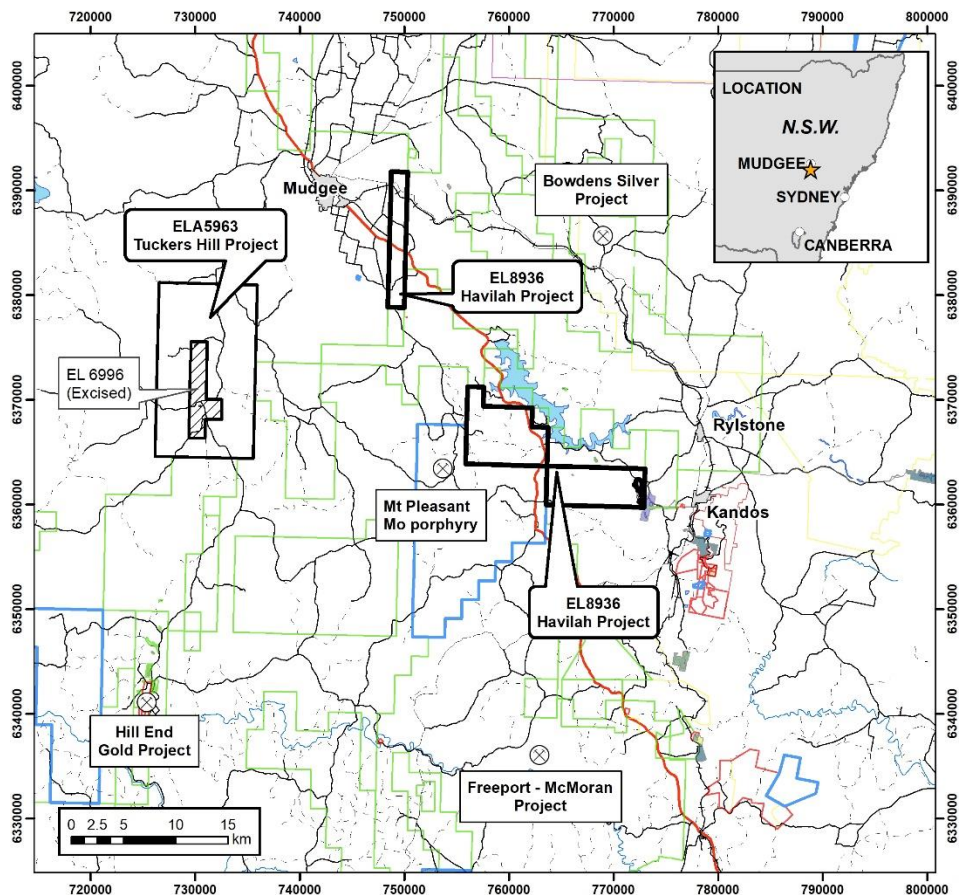


Figure 11: Location plan – Havilah and Tuckers Hill Projects, East Lachlan Fold Belt, New South Wales

Tuckers Hill Project

The Tuckers Hill Project (ELA5963) is located ~20km southwest of the town of Mudgee in New South Wales, which is 265km by road from Sydney (Figure 11). The Project is located within the Bathurst-Hill End-Mudgee belt that hosts the Hill End Gold Project with a reported Mineral Resource of 4.68Mt at 3.3g/t Au (501,552oz contained gold)¹ of which 2.32Mt at 2.38g/t Au (177,652oz contained gold) is at Hargraves adjacent to Tuckers Hill. The NSW Planning, Industry and Environment MinView website describes the workings at Tuckers Hill as an area of 1,500m by 800m that has been extensively worked with shafts and tunnels. The style of mineralisation is interpreted to be orogenic slate-belt gold style, similar to the gold deposits of Bendigo and Ballarat in Victoria.

Previous geological mapping has identified gold bearing saddle reefs and 'leg' reefs in a folded sequence of siltstone (slate) with minor sandstone, including a prominent volcanoclastic sandstone (Merrions Tuff). Tuckers Hill is an elongate north-northwest trending anticline that plunges to the north and south. Multiple saddle reefs have formed in the apex of the fold at the top of Tuckers Hill with narrow but high-grade 'leg' reefs on bedding contacts on the fold limbs (Figure 12+13). The contact between the siltstone and the medium grained volcanoclastic sandstone is an important control on the formation of the reefs.

¹ PUA ASX announcement data 29th May 2020: Hargraves Mineral Resource Estimate update.

REVIEW OF OPERATIONS (continued)

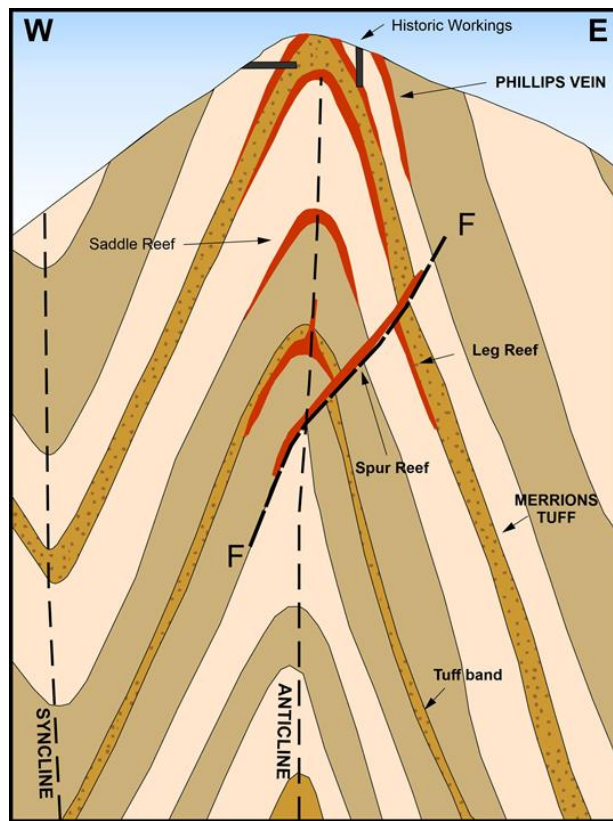


Figure 12: Diagrammatic cross section of Tuckers Hill with conceptual target reefs

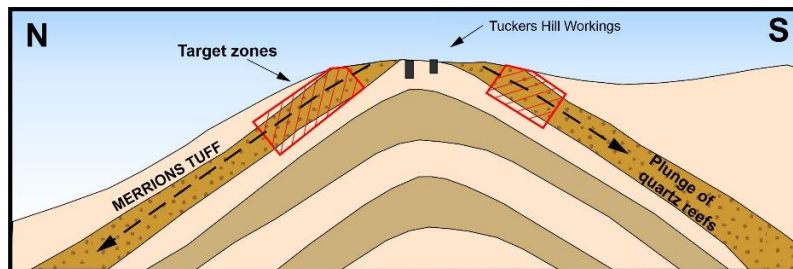


Figure 13: Diagrammatic long section of Tuckers Hill showing down plunge target zones

Twenty-four rock chip samples taken from surface trenches and shafts along Phillips Vein at Tuckers Hill by C.W.Marshall and Associates in 1963 assayed between 1.27g/t Au and 705g/t Au with an average grade of 68.45g/t Au². Phillips Vein is one of several narrow north-northeast trending veins on the eastern side of Tuckers Hill.

Three saddle reefs are exposed in the cutting for the Hargraves-Mudgee Road that traverses the top of Tuckers Hill. The reefs plunge to the north at ~20 degrees. Historic mining has focussed on exploiting the quartz reefs where they are exposed at the top of Tuckers Hill. The detailed structural setting of the reefs was probably not fully understood and as a consequence the reefs were not followed to the north where they dip below ground. A search of the open file records has found no reference to drilling at Tuckers Hill.

² GED ASX announcement data 13th May 2020

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GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Following check sampling and detailed mapping to confirm the conceptual targets, Golden Deeps plans to drill test for repetitions of the saddle reefs below Tuckers Hill. Drilling will also target the reefs down plunge to the north and south of the workings at the top of the hill. The saddle reefs will be narrow targets for drilling but could be high-grade and extend for a considerable distance along the north-northwest axial plane of the fold. There is also the possibility that the reefs are stacked vertically making them a more attractive target for mining.

Exploration Planned 2020-2021

ELA5963 (Tuckers Hill Project) is an application that was lodged on the 7th May 2020. Office based compilation of previous exploration data and target generation is in progress but no fieldwork will be conducted until the tenement is granted.

Once the tenement is granted resampling of the Phillips Vein is planned to confirm the previously reported gold values. Samples will be ~5kg and will be prepared and assayed using a method that limits the impact of 'nuggety gold' (coarse gold). Grid based soil sampling and structural geological mapping will be used to assist generation of targets for testing with diamond drilling. Drill hole be designed to test for saddle reefs within the apex of the Tuckers Hill anticline and the down plunge extensions to the north and south.

Havilah Project

The Havilah Project (EL8936) consists of three granted tenement blocks with an area 102km² (Figure 14). The project predominantly covers Silurian and Devonian sediments and volcanics of the Hill End Trough to the west of the Wiagdon Thrust/ Mudgee Fault. In the southern block of EL8936 there is a belt of Ordovician Sofala Volcanics. Ordovician to early Silurian volcanic and intrusive rocks of the Macquarie Arc host several major deposits including North Parkes, Lake Cowal and Cadia/Ridgeway.

REVIEW OF OPERATIONS (continued)

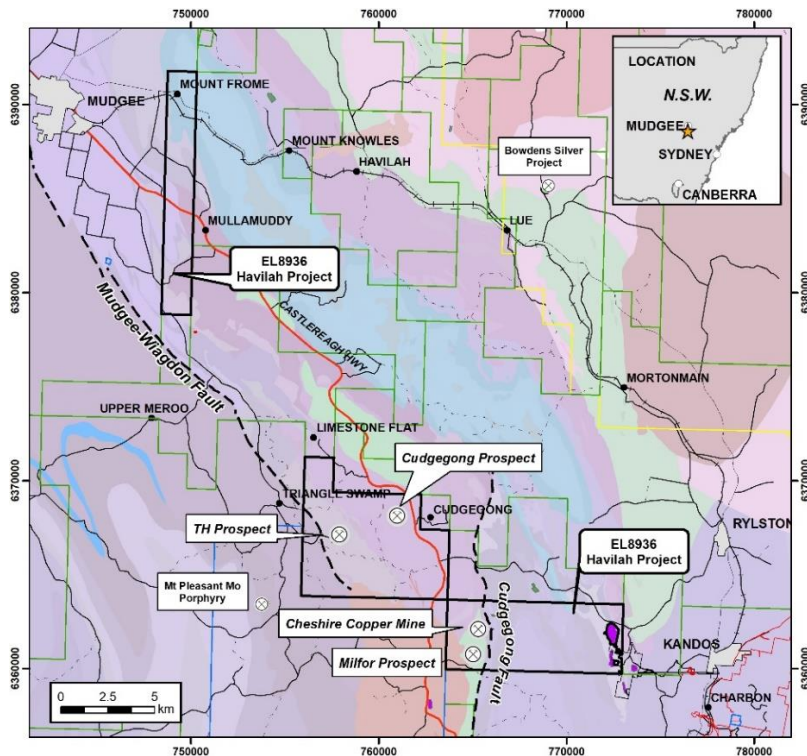


Figure 14: EL8936 Location plan – Havilah Project showing main prospect areas. Ordovician basic volcanic and basic-intermediate intrusives are shown in green

Previous exploration within EL8936 has primarily comprised stream sediment sampling, soil sampling, geological mapping, IP surveys and percussion drilling. The four main prospects identified are the Cheshire Copper Mine, the Milfor prospect, the TH Creek prospect and the Cudgong prospect (Figure 14-15).

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REVIEW OF OPERATIONS (continued)

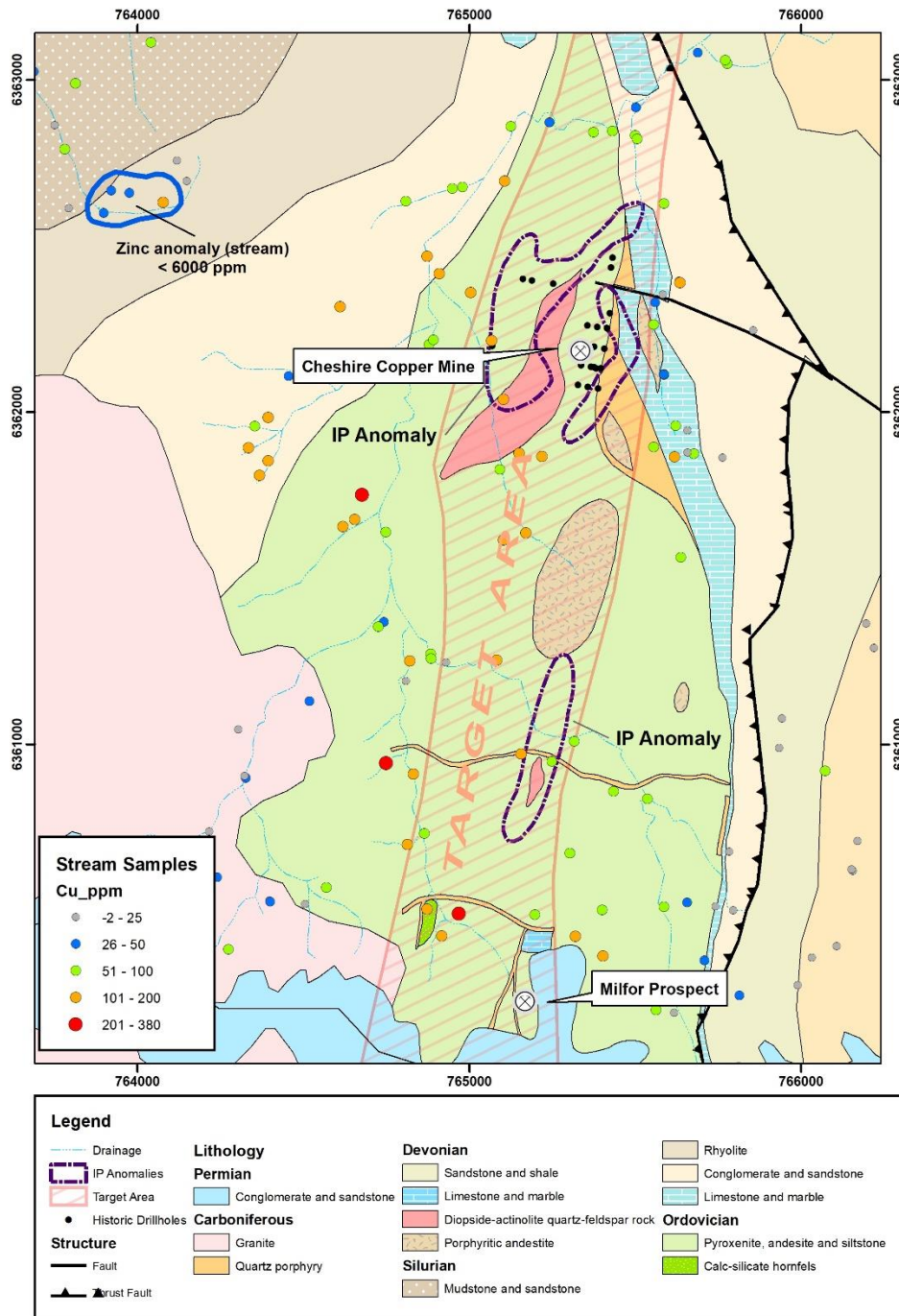


Figure 15: Geology plan Cheshire Copper Mine – Milfor prospects showing previous drilling, IP anomalies and stream sediment sample results

The Cheshire Copper Mine comprises several shafts, workings and an old brick kiln. Copper mineralisation is spatially related to a shear up to 2m wide close to the contact between andesite and rhyolitic volcanics. At the Milfor prospect 1.4km to the south there is a group of workings that have exploited disseminated and veined copper mineralisation in andesite. The prospect was discovered by regional stream sediment sampling with anomalous copper values covering an area of 2.5km by 1km. Follow up soil sampling confirmed an anomalous

REVIEW OF OPERATIONS (continued)

trend between the Cheshire Mine and Milfor prospect. A subsequent induced polarisation survey located several chargeability anomalies coincident with exposures of diopside-actinolite skarn (Figure 15). A 20 hole percussion drilling program was conducted at the Cheshire Mine by Mt. Hope Minerals NL in 1973 with holes drilled to a maximum depth of only 21.3m. PDH001 intersected a best result of 3m at 1.45% Zn, 0.1% Cu from 12.2m and PDH009 intersected 4.5m at 0.29% Zn, 0.12% Cu from 6.1m³.

There has been no additional drilling or effective exploration at the Cheshire Mine-Milfor prospect since the 1970s. Golden Deeps plans to conduct systematic exploration of the geochemical and geophysical anomalies within the Ordovician volcanics commencing with 2km x 3km grid-based soil sampling programme. Priority targets generated will be tested with RAB/RC drilling. The Milfor prospect and some of the IP anomalies overlying skarn rocks have not been drilled previously.

Work Planned 2020-2021

EL8936 (Havilah Project) was granted 4th February 2020. Compilation of previous exploration data available in the public domain and Office based studies have commenced no fieldwork has been conducted because of travel restrictions imposed because of Covid-19. When restrictions are lifted grid based soil sampling and geological mapping is planned over the Cheshire-Milfor prospect area to assist with the generation of drill targets. Drilling is likely to comprise deeper RC holes to test copper and gold mineralisation at the Cheshire Mine and shallow traverses across geochemical and geophysical targets within the north-south trending Cheshire Mine-Milfor target zone.

ABENAB VANADIUM PROJECT

The Company holds an 80% interest in the highly prospective Abenab Vanadium Project (AVP). The Project is located in the Otavi Mountain Land (OML), north east Namibia (Figure 1). The OML is a globally significant base metal province with production coming from several mines, including the now closed Tsumeb, Kombat, Abenab, and Berg Aukas.

The AVP landholding stands at 433.72 km² comprising five Exclusive Prospecting Licences (EPL's). Two EPL's are currently undergoing a statutory renewal process (EPL5496 and 3543). Refer to Figure 2.

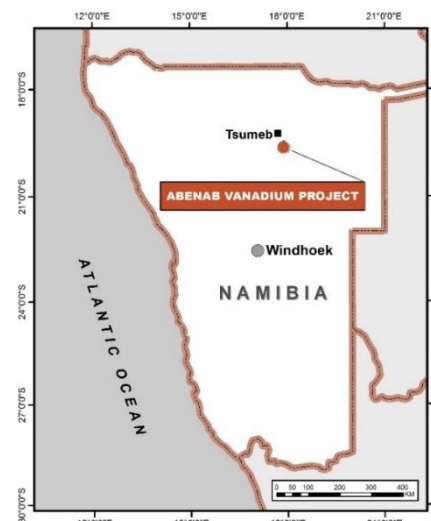


Figure 1: Location of the Grootfontein Base Metal Project

³ NSW Planning, Industry and Environment MinView website <https://minview.geoscience.nsw.gov.au> Mt.Hope Minerals NL Progress Report EL347 Cudgegong area 1973 (R00023637)

REVIEW OF OPERATIONS (continued)

On its tenements the Company holds two of the five historically important mines of the Otavi Mountain Land – Abenab and Abenab West (formerly known as Christiana). Both mines have only been tested over short strike lengths, with significant exploration upside available to the Company.

There are three recognised base metal trends with extensive strike lengths located within the tenement package, namely the Abenab, Khusib, and Pavian Trends. These trends have been the main focus of the Company's exploration efforts.

Each trend hosts at least one high priority exploration target identified by a prospectivity review completed earlier. These trends and targets in priority order are as follows:

- Abenab Trend:** The Abenab Trend is defined by a series of V-Zn-Pb-Cu occurrences and geochemical anomalies located near the contact between the Aurois Shale and Maieberg Dolomites. Approximately 20km strike extent of this highly prospective trend lies within the Company's EPL3543 and EPL5496 (Figure 3). The Company controls all the key mines along the trend, including Abenab, Abenab West, Karuchas West, Okurundu Pipe and Nosib Block.
- Khusib Trend:** Copper-silver trend over 6km strike. Contains the Khusib Springs Mine (excised) and at least six untested bedrock EM conductors.
- Pavian Trend:** A lead-zinc mineralised trend with over 6km of strike held by the Company. It is the interpreted strike extension of the Border deposit and the recent Toggenburg discovery, which are held by a subsidiary of Sabre Resources Ltd.

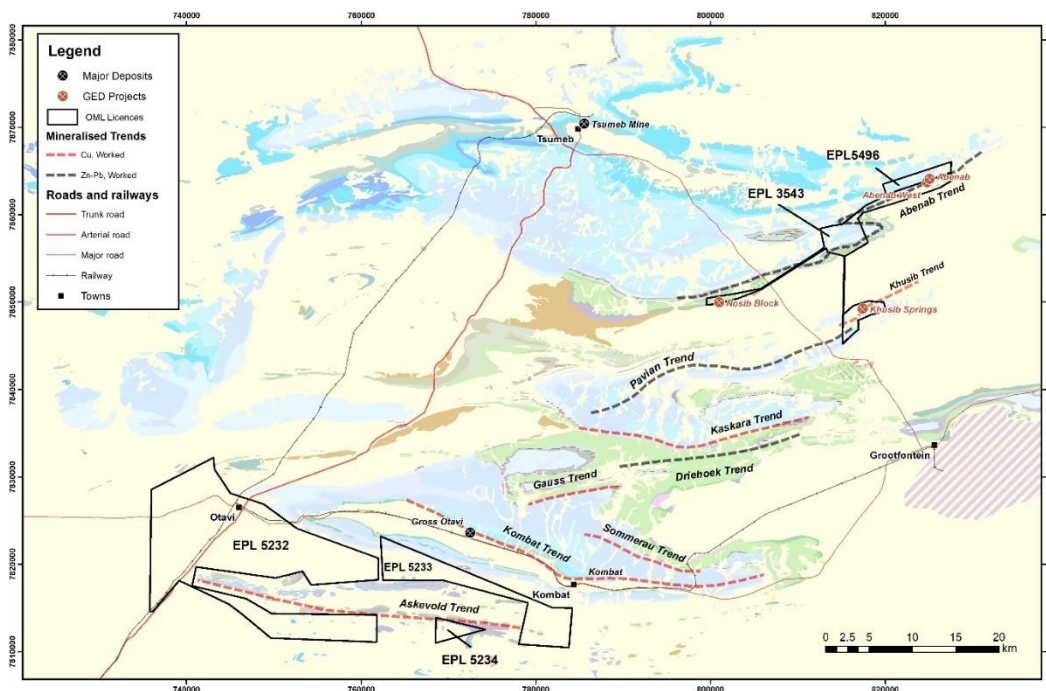


Figure 2: The location of Khusib Springs, Nosib Block, Abenab and Abenab West mines within the Golden Deeps Ltd Abenab Vanadium Project, Otavi Mountainland, Namibia

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REVIEW OF OPERATIONS (continued)

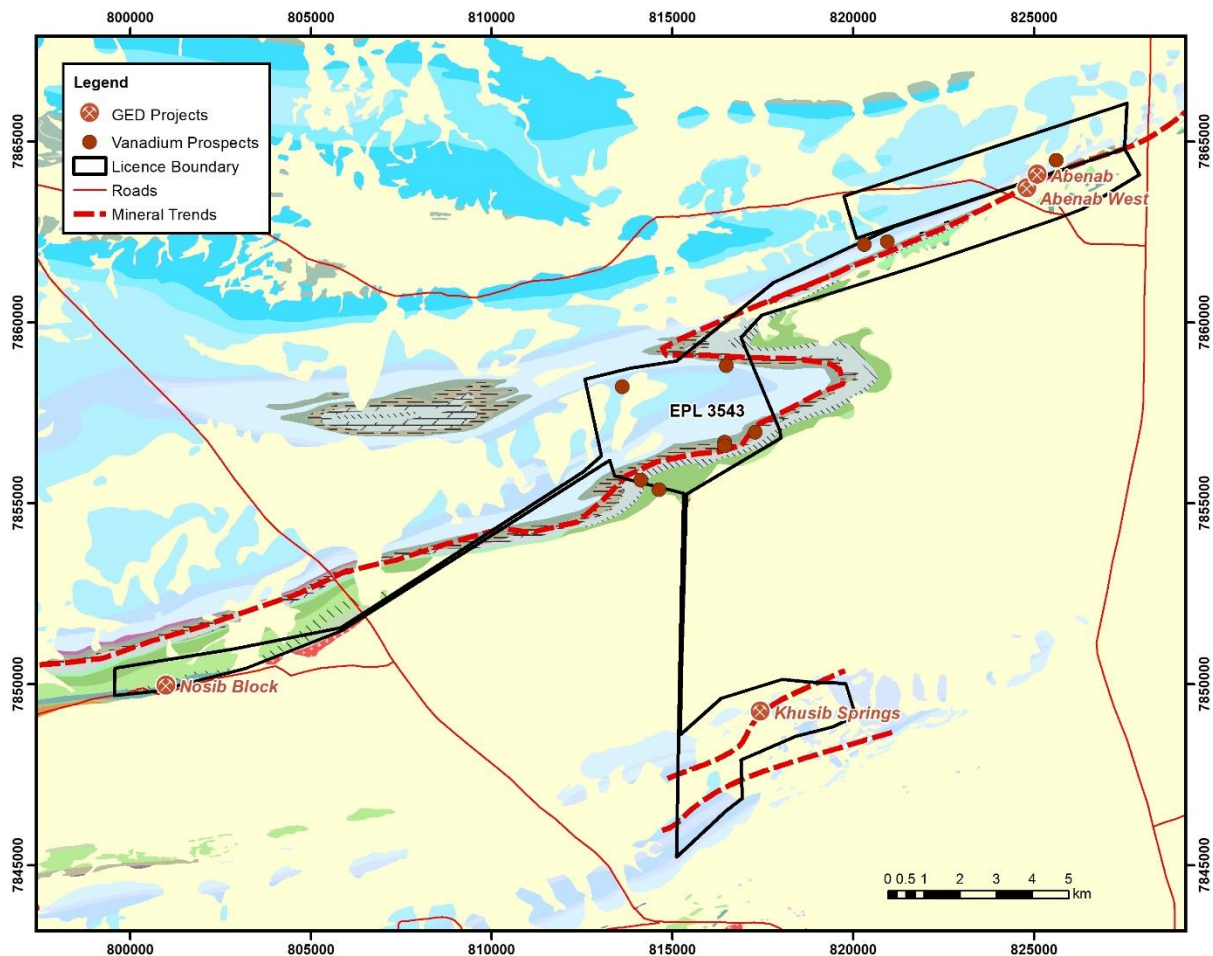


Figure 3: Schematic plan of the Abenab Trend showing the location of key V-Pb-Zn-Cu occurrences and historical mines, Otavi Mountainland, Namibia

Abenab Vanadium Mine

The Company has identified the opportunity to define near-surface vanadium-lead-zinc resources and to re-open or extend the adjacent historic Abenab and Abenab West mines. The unusual, high grade vanadate mineralogy of the deposits is unlike any operating or proposed vanadium mines and is amenable to simple, low cost gravity-based processing methods to produce an exceptionally high grade and high value multi-metal concentrate rich in vanadium pentoxide (V_2O_5), lead and zinc.

The Abenab group of deposits was discovered in the early 20th century and mined up until 1958. The Abenab and Abenab West mines were known as the “world’s richest” and largest known deposits of base metal vanadate ore, producing a substantial amount of very high-grade concentrate. The Abenab and Abenab West Mines are located only a few hundred metres apart (Figure 4). Prior exploration by GED and others indicates that the deposits have potential for the discovery of further vanadium-base metal mineralisation that can be developed and processed in a similar way to the historical operations.

REVIEW OF OPERATIONS (continued)

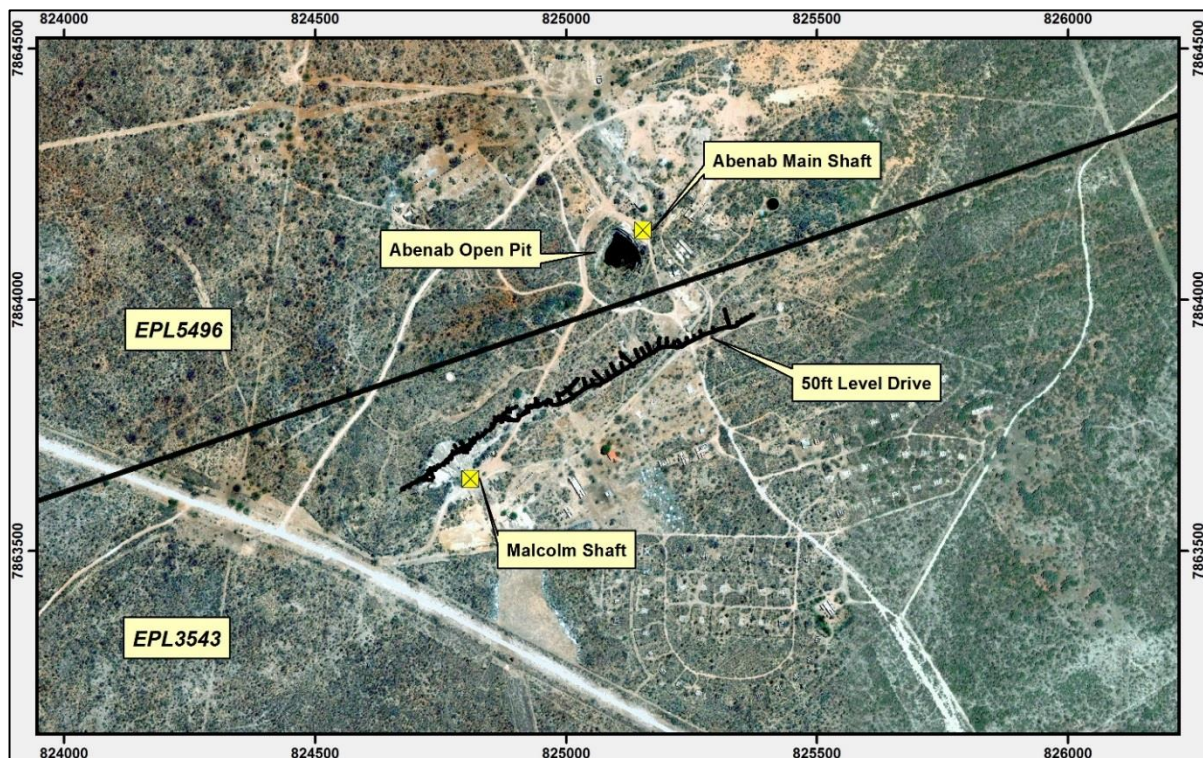


Figure 4: Image of the Abenab-Abenab West mine site showing some of the important workings and local infrastructure

The historical Abenab Mine was a major open pit and underground vanadium and base metal mining operation in the Otavi Mountain Land, with reported historical ore production of ~1.8Mt @ 1.05% V_2O_5 for approximately 102,000t of concentrate grading 18% V_2O_5 , 13% Zn and 42% Pb. Historical exploration and more recent drilling indicates that there is potential for extensions of the mineralisation at depth and laterally. Potential exists to re-open the Abenab Mine and to process the high-grade V-Zn-Pb mineralisation using simple, low-cost processing methods.

In January 2019, Golden Deeps reported an upgrade in the resource following detailed geological reviews and creation of a new geological model. The new Inferred Mineral Resource reported is 2.8Mt at 0.66% V_2O_5 , 2.35% Pb and 0.94% Zn at a cut-off grade of 0.2% V_2O_5 ⁴. In April 2019 the Company commenced a drilling program designed to in-fill and extend the resource.

Abenab West Mine

The Abenab West Mine (formerly Christiana Mine) was mined between 1947 and 1958. Several open pits were dug and a number of shafts were sunk to access the mineralisation. Extensive underground level development was carried out over at least 1,000 m of mineralised strike extent and to a depth of at least 380 m below surface.

⁴ GED ASX announcement data 31st January 2019

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Historically the mine produced vanadium, lead and zinc concentrates using simple gravity separation techniques. Production from the mine is reported to have been 540,000 t at 10% Pb and 2.6% V₂O₅ (plus Zn) producing

- 73,739 t of concentrate grading 72% Pb and 13% V₂O₅; plus
- 6,000 t of lead concentrates grading 72% Pb; and
- 8,500 t of zinc concentrates grading 55% Zn

Historical records and previous exploration by the Company shows that extensive level development was undertaken along strike to the east of the main Abenab West mining area. Strike drives were developed at 50' (15 m) levels along the east-west trending footwall shale contact and the levels were linked to surface by the centrally located Malcolm Shaft. Cross-cuts were developed to the north at regular intervals along the drives to access the interpreted ore position. Despite this development, the mineralisation is unmined in most areas and it appears that much of the underground infrastructure was constructed in preparation for extensive mining which was planned but ultimately did not occur.

Work Completed 2019-2020

Metallurgical Testwork

MINTEK of Johannesburg, a highly regarded South African specialist metallurgical testwork company in South Africa has continued to develop the metallurgical testwork program for the surface ore materials. While previous success has been achieved through utilising spiral separation, the Company examined additional technologies during the recent metallurgical test work program including shaking tables, centrifuges and Mozley tables (Figure 5).

An initial parcel of eight tonnes of ore was sourced from the existing above ground mineral material located on-site at Abenab and collected in one tonne lots. The initial composite eight tonnes was assayed at 0.30% V₂O₅, 1.29% Pb & 1.14% Zn and was jaw crushed and pulverised to a sub 1mm size prior to undergoing gravity separation through the various techniques.

The separation process identified that a three stage rougher circuit, followed by a three stage Scavenger circuit, provided the best overall return for a concentrate grade of 8.9 % V₂O₅, 30.5% Pb and 8.95% Zn, or a 30x upgrade on Vanadium units.

REVIEW OF OPERATIONS (continued)



Figure 5: Separation process in action (with noticeable dark hue to the left indicating the presence of descloizite).

Results achieved were in line with, if not slightly better than that achieved from the previously reported Avonlea test works undertaken on Abenab ore with a much higher starting grade using less stages of separation (Figure 6-7).

	V ₂ O ₅	Pb	Zn
Head Grade	0.30%	1.29%	1.14%
Concentrate Grade	8.93%	30.54%	8.95%
Upgrade Factor	30	24	8

This was a huge positive for the Project given the starting grade of the sample tested @ 0.30% V₂O₅, and the larger scale of this test work program provides confidence that simple gravity separation techniques are suitable for this application across a varied range of starting head grades.

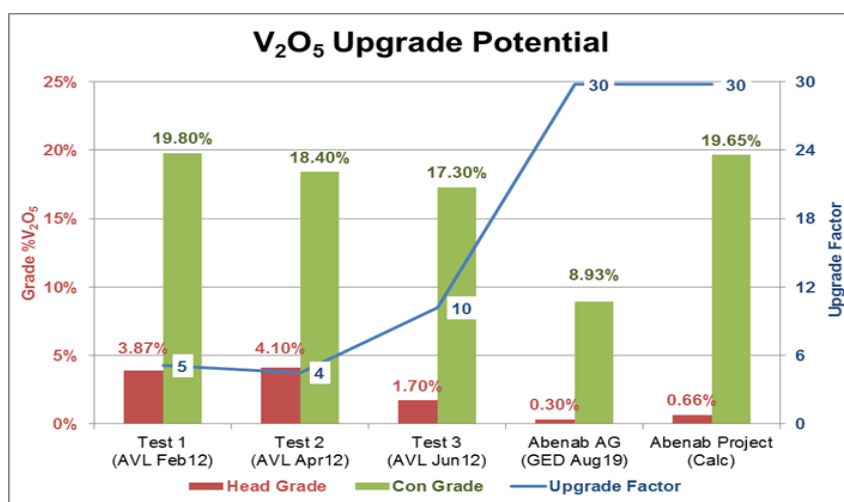


Figure 6: Comparison of Upgradability from Various Abenab Testwork

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REVIEW OF OPERATIONS (continued)

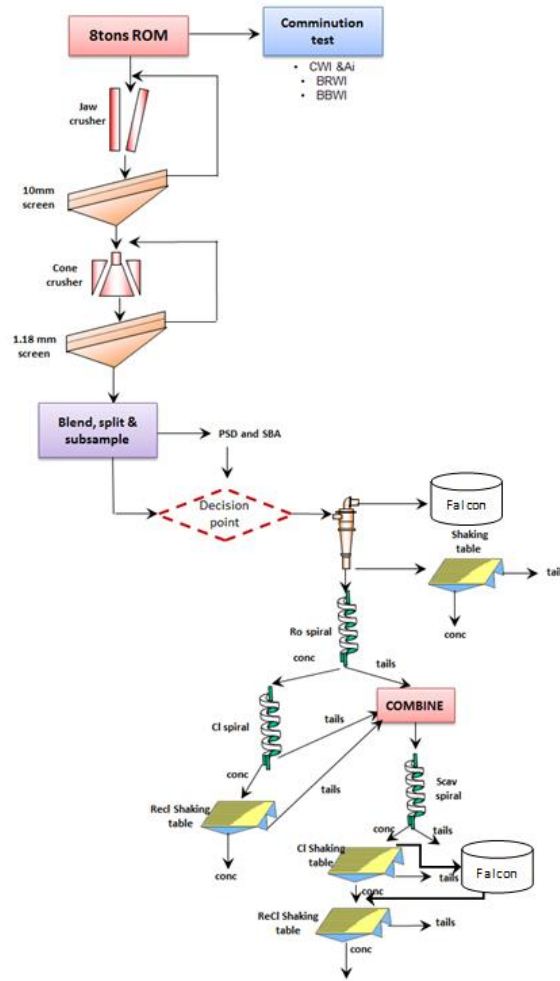


Figure 7: Test Program Flowsheet

It is also anticipated that further improvements in recovery and grade can be achieved through the introduction of recycle streams and will be developed further in the process design phase of the project. Additional testwork is ongoing to assess these tailings streams including a detailed mineralogical assessment to understand in detail the Desclozite opportunity. This test work and reports for the final tailings and mineralogical work is due for completion in H2 2020.

Comminution tests performed in line with an expected dolomite/limestone base offered typical crushing results in line with this base mineral. Of note is the low abrasion index.

Crushing Work Index (ave)	7.8 kWh/t
Bond Rod Work Index	19.4 kWh/t
Abrasion Index	0.03 g

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DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

This offers numerous off the shelf equipment crushing options to optimise the crushing circuit to achieve a sub 1mm particle.

Engineering Design - Crushing and Concentrate Plant

The optimum flowsheet design from the test work resulted in a concentrator plant containing:

- 1x stage Rougher Spirals
- 2x stage Concentrate Cleaning
- 1x stage Scavenger Spiral
- 2x stage scavenger cleaning and possibly a centrifuge

Tenders for the crushing and concentrator plant have been assessed and a short list of suitable EPCM providers made. The preferred option remains a 250ktpa (35tph) modular plant, linking in with existing infrastructure where the Abenab Project is well located with ready access to high quality road and rail through to Walvis Bay (Namibia's principal port), grid power, water and skilled labour and mining and related services in the nearby towns of Grootfontein and Tsumeb.

It was also recognised that with the substantial preliminary work being undertaken internally, the project could quickly develop to a DFS level without the need for a pre-feasibility stage. Additional support from the Namibian Government has acknowledged that the existing above ground stocks can be processed under an Accessory Works Approval process and will not require a full mining licence approval. This has the potential to significantly reduce approval and construction lead times by around 2-3 months. This will support the goal of a shorter lead time to first production whilst also enabling future upgrades to be obtained with relative ease.

Vanadium refining

The final objective of the test work was to produce a representative bulk concentrate that could be tested with downstream refiners, laboratories and customers to determine the most economical means of processing the material to liberate the individual minerals. This material has been despatched to various refiners in China to assess its suitability for V, Pb & Zn recovery.

Both GMC and Dalian Bolong have indicated that V and Pb are readily recoverable with Dalian having greater success with Zn extraction also. These results will be published when made available.

Golden Deeps – GMC Joint Venture

The JV with Hong Kong based metals trading company Generous Metals Company Limited (GMC) continued to progress with GMC bringing forward Stage 2 of their test works, receiving a bulk sample (40T) of raw material for in situ testing in China. This represented a very significant milestone in the development pathway for the Abenab project and demonstrated the confidence that our partners have in the project.

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DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Under the Joint Venture (JV), Golden Deeps will provide existing material from the surface stockpile and tailings at the Abenab project and will oversee operations in Namibia as its contribution to the JV. GMC will pay all costs of crushing, concentrating and refining the stockpile and tailings into vanadium products and will also oversee third party refining operations in China, and the marketing of vanadium products. JV profits will be shared equally by Golden Deeps and GMC.

Since then, the advent of the Covid-19 pandemic has resulted in GMC advising GED that they were to withdraw from the project due to global economic concerns. While this is unfortunate, it has opened up options across the wider resource for a new party and these discussions remain as ongoing.

Resource Definition Drilling Program

In April 2019, the Company commenced a drilling program at the Abenab Mine with the aim of in-filling and extending the existing Inferred Mineral Resource. A diamond core drill rig was mobilised first followed by a reverse circulation (RC) rig in May. Six diamond holes were completed for a total meterage of 1982m (Figure 8). The holes intersected the Abenab breccia pipe validating the results reported previously by Avonlea Minerals Limited (ASX:AVL). Drill intersections include:

ABD0015 64.18 at 0.90% V₂O₅, 2.01% Pb, 0.65% Zn from 207m

ABRCD011 23m @ 1.34% V₂O₅, 3.33% Pb, 1.25% Zn from 167m

includes 1m @ 7.84% V₂O₅ from 186m

The results from the diamond drilling program were used to re-interpret the structural and lithological setting of the vanadium mineralisation. This information was used to generate an updated geological model that will form the basis of a future Mineral Resource update.

REVIEW OF OPERATIONS (continued)

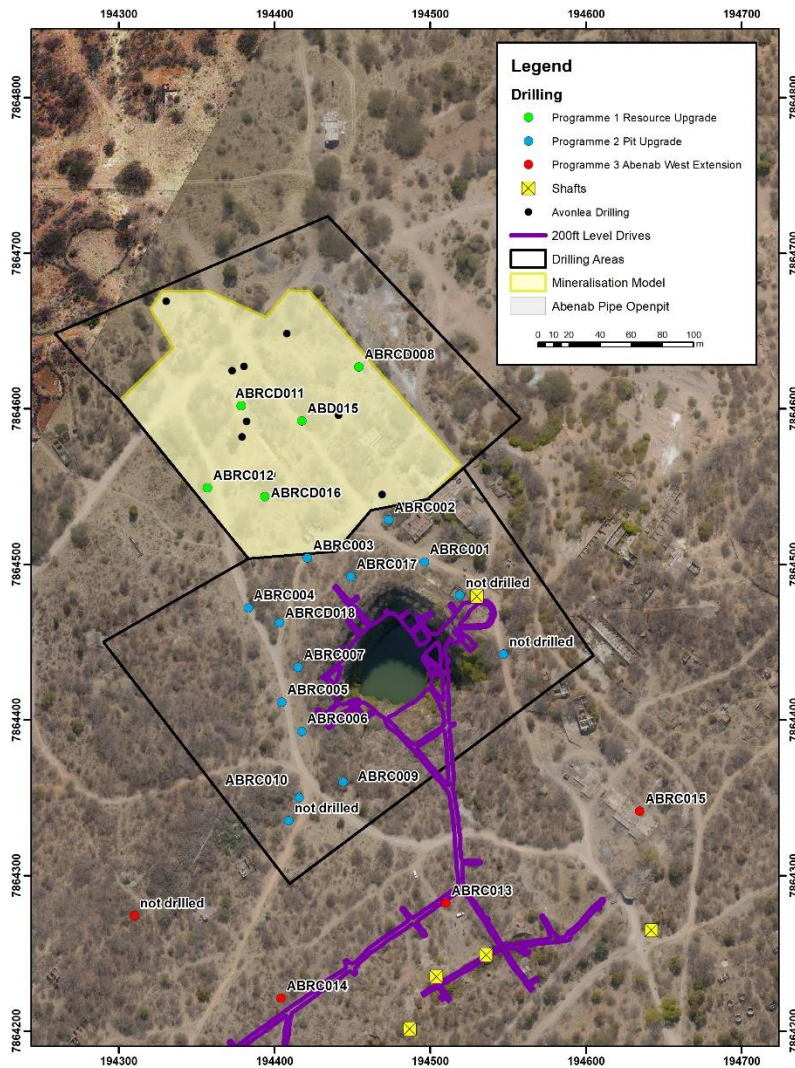


Figure 8: Drill hole location plan Abenab Mine

Development Drilling Program

Concurrently with the diamond drilling program an RC drilling program was conducted to test for shallow extensions of the Abenab resource and to delineate the extent and composition of surface mineralised material around the Abenab open pit.

The shallow RC drilling program comprised 12 RC holes for 1175m (Figure X). The drilling discovered vanadium mineralisation on the south margin of the Abenab open pit that is interpreted to be an extension of the breccia pie that was not mined as part of the historic operation. Intersection from the south wall include:

ABRC019	2m @ 1.76% V₂O₅, 4.38% Pb, 1.42% Zn from 8m
	2m @ 1.8% V₂O₅, 5.07% Pb, 2.53% Zn from 64m
ABRC020	3m @ 0.92% V₂O₅, 2.7% Pb, 3.44% Zn from 77m
includes	1m @ 1.81% V₂O₅, 4.61% Pb, 3.62% Zn from 79m (end of hole)

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REVIEW OF OPERATIONS (continued)

The intersection in hole ABRC020 was particularly encouraging because mineralisation was intersected at the end of hole suggesting that additional mineralisation may be discovered between the open pit and underground stopes.

Surface Mineralised Material

Surface mineralised material is considered to comprise of old stockpiles and waste dumps but it is not possible to establish the precise origin from incomplete historical records. The stockpiles can be up to 5m high and consist of coarse rock, often with visible brecciation, veining and vanadium mineralisation. Between the stockpiles there are broad flat areas of disturbed ground with ~2m of broken rock mixed with tailings and other mine waste (Figure 9).

To better delineate the surface mineralised material an additional 7 shallow RC holes were drilled for 36m around the open pit. These holes commonly intersected 1-3m of broken rock and tailings with elevated vanadium. Unfortunately the RC drilling gave poor recoveries in the unconsolidated material but the information about the material depth was used to calculate a volume and approximate tonnage. The surface mineralised material is a potential feed source for the planned gravity separation process plant.

Drill intersections from the shallow RC drilling include:

ABRC023 2m @ 1.42% V₂O₅, 3.33% Pb, 1.15% Zn from surface

ABRC025 3m @ 0.5% V₂O₅, 1.31% Pb, 1.06% Zn from surface



Figure 9: Shallow pit revealing coarse broken rock from historic mining operations

Where RC drilling failed to provide an adequate sample for analysis a backhoe was used to dig shallow pits on a grid. Samples of the coarse broken rock were then taken for analysis. In combination with the RC drilling the sampling provided good coverage over the areas of surface mineralised material.

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REVIEW OF OPERATIONS (continued)

Abenab Pit Channel Sampling

To follow up the encouraging RC drill results from the south wall of the Abenab open pit channel samples were taken horizontally along the pit benches. Geological mapping along the benches revealed several areas of calcite veining and brecciation with vanadium mineralisation. Mineralised intervals from the sampling include:

**ABPCS001 7m @ 2.72% V₂O₅, 7.09% Pb, 4.0% Zn from 29m
Incl. 1m @ 12.49% V₂O₅, 29.9% Pb, 10.56% Zn from 32m**

ABPCS005 5m @ 2.54% V₂O₅, 6.27%Pb, 2.08% Zn from 12m

Stockpile and Open Pit Survey

A local surveying contract was engaged to conduct a Lidar survey of the stockpiles, waste dumps and the open pit. The Lidar survey uses a drone with a laser to generate very detailed surveys of the ground surface. These can be used to constrain volume and resource estimates of the surface mineralised material and mineralisation in the pit walls.

Work Planned 2020-2021

Abenab Exploration

Planning for drilling of the Abenab south wall mineralisation will continue with the objective of making the drill program cost effective and compliant with all safety requirements.

In late 2019 a safety audit was conducted of the historic workings at the Abenab Mine to determine if they could be used for underground drilling. Drilling from underground is a more effective option than drilling from surface because of the orientation of the holes relative to the dipping ore zone and the length of the holes. However, some remedial work would need to be conducted to make the underground workings safe. Several drill contractors visited site to assess the logistics of drilling from underground and from the narrow benches in the open pit with small diamond core rigs.

Nosib Block Copper-Vanadium Mine Exploration

The historic Nosib copper-vanadium mine is located on the western end of the Abenab-Nosib Trend. High grade copper, lead, vanadium and silver are hosted in a sequence of sediments in contact with massive dolomites to the north (hanging wall) and basement granites to the south (footwall). The mine sequence is dipping moderately to the north and the mineralisation appears to be plunging to the north east.

The Company's previous sampling and mapping activities indicate that most of the copper-vanadium mineralisation remains in-situ. Level 1, 20m below surface, Level 2, 40m below surface and Level 3, 60m below surface have been accessed, mapped and sampled. Broad zones of strong vanadium, copper, lead, and silver have been encountered on all levels. On Level 1 channel sample results include 5m @ 6.5% V₂O₅ in channel sample NOUG005 (Figure 10).

REVIEW OF OPERATIONS (continued)

RC drill testing of the high-grade copper-vanadium mineralisation at Nosib Block is planned. Drilling will be conducted in 2-3 traverses across the strike of the mineralisation testing the upper two levels where channel sampling returned the best results.

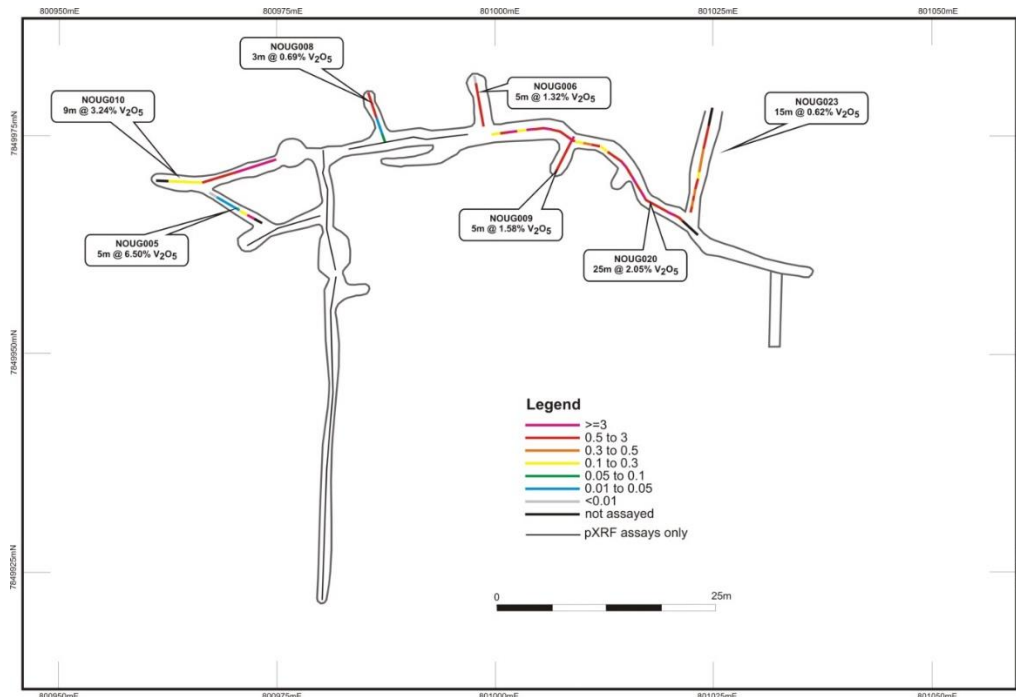


Figure 10: Nosib Block prospect Level 1. Vanadium pentoxide channel sample results.

ONTARIO COBALT PROJECTS

The **Professor Co-Ag Project** is located in the north-eastern portion of Gillies Limit Township, approximately 5 km southeast of the town of Cobalt (Figure 16). The Professor Project consists of a contiguous landholding of 15 patent and leasehold claims for a total of 123 hectares and includes historical working known as the Professor Adit, 3 Oxford Shafts and the Cummins Pits.

The historic 280 metre-long Professor Adit, with approximately 590 metres of lateral workings, was mined on the property in the early 1960's. The adit, which is still accessible, exposed four vein systems containing disseminated to semi-massive cobalt-silver mineralisation.

Very little work and limited drilling has been completed on the project area since the mid-1960's and it is considered to be under explored.

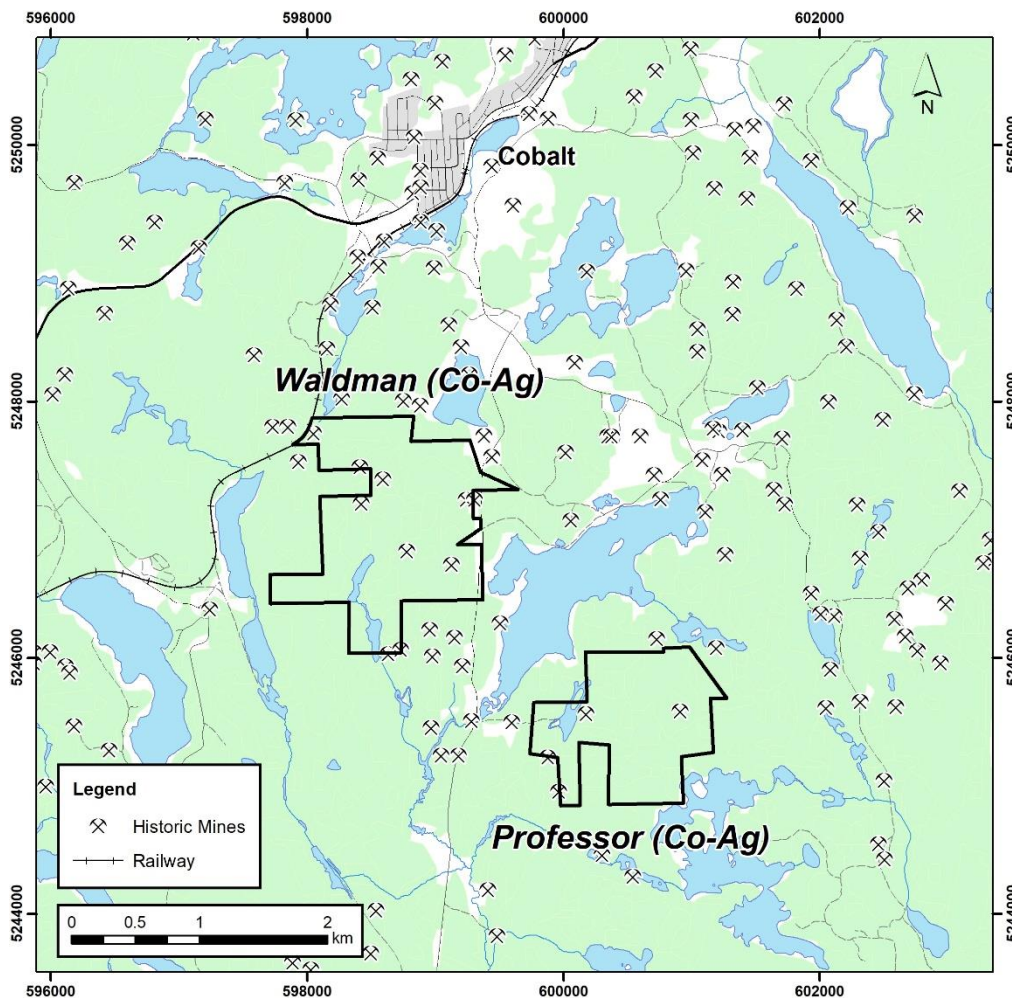
The **Waldman Ag-Co project** is located about 3 km south of Cobalt (Figure 16) and consists of a contiguous landholding of 19 Crown Claims, for a total of 188.0 hectares. The claim block includes the past producing Waldman Mine located on the eastern side of the claim block that was operated periodically from 1910 to 1930. A total of 58 tons (52.6 metric tonnes) of ore was taken from Waldman Mine, from which a total of 33,525 ounces of silver and 2,066 pounds of cobalt was produced.

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REVIEW OF OPERATIONS (continued)

Grab samples assayed in the vicinity of the Waldman Mine in 2004 returned values as high as 1.9% Co, 2.2% Ni, 1.4% Pb and 3.1% Zn (S. Sears, July 2004 Report on a Stripping Program In Gillies Limit North Area, Waldman, Cummins Pit and Oxford Areas).

Exploration targets are narrow, high-grade mineralised veins (such as those historically exploited underground) and for broader zones of vein or disseminated mineralisation that may be potentially amenable to open-pit or larger-scale underground mining operations.



PRINCIPAL ACTIVITIES

The principal continuing activity of the Company and its controlled entity is the exploration for mineral deposits.

RESULTS

The consolidated loss for the financial year after providing for income tax amounted to \$867,934 (2019: \$1,799,033).

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GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

DIVIDENDS

No amounts have been paid or declared as payable during the course of the financial year.

FINANCIAL POSITION

The net assets of the Group have increased by \$845,371 from \$1,502,806 at 30 June 2019 to \$2,348,177 at 30 June 2020.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company will continue to explore its tenements in Australia, Namibia and Canada. Refer to Review of Operations for more details.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Qualifications, experience and special responsibilities of Directors:

DIRECTORS

- (i) Michael Rodriguez (Non-Executive Director)

Mr Rodriguez has over 30 years' experience in the design, construction, commissioning, operation and management of hydrometallurgical and pyro-metallurgical plants across Australia, Turkey, Europe and the Americas. He is a qualified metallurgist with a strong background in project construction mechanical completion and site handover to operations.

Mr Rodriguez brings to the Company a wealth of metallurgical process and construction experience. The appointment brings closer, and supports Golden Deeps' goal, of bringing the Abenab vanadium project into production as a low capital cost, low operating cost, vanadium producer.

- (ii) Michael Scivolo B, Com, FCPA (Non-Executive Director)

Mr Scivolo has extensive experience in the fields of accounting and taxation in both corporate and non-corporate entities. He was a Director of Blaze International Limited until 4 December 2015, K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014. He is currently a Director of Metals Australia Ltd, Sabre Resources Ltd and Blina Minerals NL.

- (iii) Michael Norburn, BSc (Hons) (Non-Executive Director)

Mr Norburn graduated from the University of Birmingham with an honours degree in engineering and has worked for over twenty five years in the resource industry in Australia, the Middle East and Africa.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

INFORMATION ON DIRECTORS AND COMPANY SECRETARY (continued)

- (iv) Robert Collins (Non-Executive Director)

Mr Collins has served on a number of ASX listed industrial and mining company boards, and owned a large accounting practice serving the corporate sector. He is currently a Non-Executive Director of Metals Australia Ltd and Sabre Resources Ltd. He was formerly a Director of K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016, Blaze International Limited until 8 April 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014.

- (v) Scott Mathewson (Non-Executive Director) - (appointed 15/04/2020)

Mr Mathewson has over 25 years of experience in senior operational, technical and leadership roles in the metals, mining and mineral processing sectors with a focus on operations, mining, process engineering and business improvement. He has a passion for safety and fostering a caring culture across the business.

Prior to joining Golden Deeps, Scott was the EGM of Global Mining and Production for an international mineral sands producer where he was responsible for all mining & production operations and the development of future growth and expansion opportunities. Prior to this, he was Technical Director within the Corporate Finance sector responsible for raising capital for new mining operations in Australia and Internationally. Across his career, Scott has also held senior positions with Rio Tinto, Alcoa World Alumina and Atlantic Vanadium.

Scott holds a Bachelor of Chemical Engineering from Curtin University and an MBA from the University of Southern Queensland where he majored in OHS and Corporate Finance. He also holds an Unrestricted WA Quarry Manager Certification.

- (vi) Michael Minosora B. Bus., MBA (Executive Chairman) - (resigned 15/04/2020)

Mr Minosora has many years of experience in the corporate and resource sectors. He has been Managing Partner of Ernst & Young, Managing Director of Advisory Firm Azure Capital Limited and Chief Financial Officer of Fortescue Metals Group. From 2009 to 2014 he was the Executive Chairman and Managing Director of Atlantic Limited, the owner and operator of the Windimurra Vanadium Project. Mr Minosora brings to the Company a wealth of experience in the vanadium industry.

COMPANY SECRETARY

The following persons acted as Company Secretary during the financial year:

- (i) Martin Stein B. Bus., CA, FCG, FGIA

Mr Stein is a finance and governance professional and has previously held executive positions with PwC and Anvil Mining Ltd. He is a Chartered Accountant, Fellow of The Chartered Governance Institute and Fellow of Governance Institute of Australia.

Mr Stein brings to the Company a wealth of experience in the corporate and resource sectors, both in Australia and overseas.

Mr Stein is also the Chief Financial Officer of the Company.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

DIRECTORS' INTEREST IN CONTRACTS

No Director has an interest, whether directly or indirectly, in a contract or proposed contract with the Company, other than by way of contracts for engagement of services in their capacity as a director.

REMUNERATION REPORT (AUDITED)

Details of Key Management Personnel (KMP) as at 30 June 2020 were:

Key Management Personnel	Position
M Rodriguez	Non-executive Director
M Scivolo	Non-executive Director
M Norburn	Non-executive Director
R Collins	Non-executive Director
S. Mathewson	Non-executive Director – appointed 15/04/2020
M. Minosora	Executive Chairman – resigned 15/04/2020

The directors were all in office for the full year unless otherwise stated. There are no committees of directors.

Remuneration of KMP

2020

Key Management Personnel	Short-term Benefits		Salary	Super-annuation	Share-based Payments	Total	Percentage of remuneration paid in Equity	
	Directors Fees	Consulting Fees						Options
	£	£						£
M Rodriguez	24,000	-	-	-	-	24,000	-	
M Norburn	14,000	-	-	-	-	14,000	-	
M Scivolo	15,215	-	-	1,445	-	16,660	-	
R Collins	14,000	-	-	-	-	14,000	-	
S. Mathewson ¹	-	-	-	-	-	-	-	
M Minosora	119,000	-	-	-	-	119,000	-	
	186,215	-	-	1,445	-	187,660	-	

¹Mr. Mathewson received remuneration as an employee of the Company prior to terminating his employment contract and becoming a Non-Executive Director.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

2019

Key Management Personnel	Short-term Benefits		Salary	Super-annuation	Share-based Payments		Percentage of remuneration paid in Equity
	Directors Fees	Consulting Fees			Options	Total	
	\$	\$			\$	\$	
M Minosora	180,000	-	-	-	69,842	249,842	27.95
M Rodriguez	14,000	-	-	-	-	14,000	-
M Norburn	14,000	-	-	-	-	14,000	-
M Scivolo	12,785	-	-	1,215	-	14,000	-
R Collins	14,000	-	-	-	-	14,000	-
	234,785	-	-	1,215	69,842	305,842	22.84

Key Management Personnel Options and Rights Holdings

There were no options over ordinary shares held by any KMP as at 30 June 2020. At 30 June 2019, the following options over ordinary shares held by any KMP were as follows

Key Management Personnel	Unlisted exercisable at \$0.15	Unlisted exercisable at \$0.20	Total
	each on or before 1 September 2020	each on or before 1 September 2020	
M Minosora	4,250,000	4,250,000	8,500,000

Key Management Personnel Share Holdings

The following table shows the movements in the relevant interests of key management personnel in the share capital of the Company:

Key Management Personnel	2020			Closing balance 30 June 2020
	Opening balance 1 July 2019	Additions	Disposals	
M Rodriguez	-	-	-	-
M Norburn	-	-	-	-
M Scivolo	-	-	-	-
R Collins	620,000	-	-	620,000
S. Mathewson	-	-	-	-
M Minosora	500,000	2,884,615	(3,384,615) ¹	-
	1,120,000	2,884,615	(3,384,615)	620,000

¹ At date of resignation.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

2019	Opening balance 1 July 2018	Additions	Disposals	Closing balance 30 June 2019
Key Management Personnel				
M Minosora	-	500,000	-	500,000
M Rodriguez	-	-	-	-
M Norburn	-	-	-	-
M Scivolo	-	-	-	-
R Collins	620,000	-	-	620,000
	<u>620,000</u>	<u>500,000</u>	<u>-</u>	<u>1,120,000</u>

Directors' Fees

Directors receive a fixed fee as remuneration.

Board policy on the remuneration for this exploration company is influenced by comparing fees paid to directors in other companies within the exploration industry, and then set at a level to attract qualified people, to accept the responsibilities of directorship.

No Director has an employment contract.

Terms of employment for Key Management Personnel require that thirty days' notice of termination of contract is required from either employer or employee. There is no agreement to pay any termination payment other than accrued salary and annual leave.

Being an exploration company with no earnings, a relationship is yet to be established between an emolument policy and the company's performance. During the year the Company did not engage remuneration consultants to review its existing remuneration policies.

At the last AGM shareholders voted to adopt the remuneration report for the year ended 30 June 2019. The Company did not receive specific feedback at the AGM regarding its remuneration practices.

END OF REMUNERATION REPORT

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

ANALYSIS OF MOVEMENT IN SHARES

During the year the Company had movement in its fully paid ordinary shares as follows:

	Number	\$
Opening balance 1 July 2019	212,080,789	16,772,574
Shares issued 19 August 2019 at \$0.015 per share	1,300,000	19,500
Shares issued 27 August 2019 at \$0.015 per share	1,610,000	24,150
Shares issued 29 August 2019 at \$0.015 per share	21,387,000	320,805
Shares issued 2 October 2019 at \$0.026 per share	41,346,155	1,075,000
Shares issued 29 November 2019 at \$0.026 per share	2,884,615	75,000
Shares issued 13 May 2020 at \$0.008 per share	70,152,140	561,217
Capital raising costs	-	(119,445)
Closing balance 30 June 2020	350,760,699	18,728,801

ANALYSIS OF MOVEMENT IN SHARE OPTIONS

During the year a number of options were granted as follows:

Class	Balance 1 July 2019	Issued During Year	Exercised or expired during year	Balance 30 June 2020
Exercisable at 1.5 cents each on or before 31/08/2019	39,300,000	-	(39,300,000)	-
Exercisable at 15.0 cents each on or before 01/09/2020	4,250,000	-	-	4,250,000
Exercisable at 20.0 cents each on or before 01/09/2020	4,250,000	-	-	4,250,000

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors during the year ended 30 June 2020 and the number of meetings attended were:

Name	Eligible to Attend	Attended
M Rodriguez	4	4
M Scivolo	4	4
M Norburn	4	4
R Collins	4	4
S Mathewson	-	-
M Minosora	4	4

The Company also conducted business via Circular Resolutions.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

RETIREMENT, ELECTION AND CONTINUATION IN OFFICE OF DIRECTORS

Robert Collins retired by rotation as a Director at the Annual General Meeting held on 29 November 2019 and was re-elected.

Michael Rodriguez, having been appointed a director by the directors, offered himself for re-election at the Annual General Meeting held on 29 November 2019 and was re-elected.

At the forthcoming Annual General Meeting, Michael Scivolo, retires by rotation as a Director and will offer himself for re-election. At the forthcoming Annual General Meeting, Scott Mathewson, having been appointed a director by the directors, will offer himself for re-election.

RELEVANT INTEREST IN SHARES OF THE COMPANY

Mr Collins held a relevant interest in 620,000 ordinary fully paid shares in the Company as at 30 June 2020.

ENVIRONMENTAL ISSUES

The Company's objective is to ensure that a high standard of environmental care is achieved and maintained on all properties. There are no known environmental issues outstanding.

EVENTS SUBSEQUENT TO REPORTING DATE

On 9 August 2020, the Company issued 100,152,140 options exercisable at \$0.015 per share and expiring 30 June 2021. 67,152,140 options were issued free-attaching to a placement of shares on 12 May 2020, 30,000,000 options were issued free to facilitate the placement of these shares, and 2,500,000 options were issued as part consideration for the acquisition of Extract Minerals Pty Ltd. The options were issued pursuant to the Prospectus lodged with the ASX on 24 July 2020 and the issue had received shareholder approval at the General Meeting held on 16 July 2020.

On 17 August 2020, the Company issued 187,680,000 fully paid ordinary shares at \$0.0125 per share, raising \$2,346,000 (before costs). Each share had a free-attaching option exercisable at \$0.015 per share and expiring 30 June 2021. 93,840,000 options were issued on 17 August 2020, with the remaining 93,840,000 to be issued subject to receiving shareholder approval at the next General Meeting or Annual General Meeting of the Company. Pursuant to the placement, the broker to the placement will receive 26,000,000 on the same terms, subject to receiving shareholder approval.

On 1 September 2020, 4,250,000 options over shares exercisable at \$0.15 and 4,250,000 options over shares exercisable at \$0.20 expired.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

INDEMNIFYING OFFICER OR AUDITORS

No indemnities have been given, or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

SHARE OPTIONS

As at the date of this report, there are 193,992,140 options over shares exercisable at \$0.015 each with an expiry date of 30 June 2021.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the independent auditor's declaration as required by section 307c of the *Corporations Act 2001* is set out on page 64.

AUDIT COMMITTEE

No Audit Committee has been formed as the Directors believe that the Company is not of a size to justify having a separate Audit Committee. Given the small size of the Board, the Directors believe an Audit Committee structure to be inefficient.

NON AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons;

- All non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year under review, the Company's auditor, Crowe Perth, also provided services in relation to taxation matters. Details of the amounts paid and payable to the auditor of the company, Crowe Perth and its related entities for audit and non-audit services provided during the year are set out in Note 5 to the Financial Statements.

CORPORATE GOVERNANCE STATEMENT

The Company is committed to achieving and demonstrating the highest standards of corporate governance information about the Company's Corporate Governance policies are set out later in this report.

GOLDEN DEEPS LIMITED

DIRECTORS' REPORT

This report is made in accordance with a resolution of the Directors and Section 298(2) of the *Corporations Act 2001*.



Michael Rodriguez
DIRECTOR

Dated this 17th day of September 2020
Perth, Western Australia

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Golden Deeps Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Golden Deeps Limited as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person Statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Martin Bennett. Mr Bennett is a consultant to Golden Deeps Limited and is a member of the Australasian Institute of Geoscientists. Mr Bennett has sufficient experience that 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 Bennett consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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GOLDEN DEEPS LIMITED

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

	Notes	Consolidated	
		2020	2019
		\$	\$
Income			
Interest earned		345	11,301
Proceeds received from joint venture partner		5,117	37,178
Other income		34,158	-
		<u>39,620</u>	<u>48,479</u>
Expenses			
Employee benefits expense		(37,715)	(20,143)
Management fees		(200,484)	(252,437)
Impairment of exploration and evaluation assets	9	-	(801,056)
Directors' fees and services	6	(187,660)	(236,000)
Impairment of receivables		(50,045)	(32,712)
Professional services		(273,774)	(293,266)
Securities Exchange fees		(27,766)	(42,861)
Share based payments expense		-	(60,275)
Depreciation		(290)	-
Other operating costs		(129,820)	(108,762)
		<u>(907,554)</u>	<u>(1,847,512)</u>
(Loss) before income tax		(867,934)	(1,799,033)
Income tax	4	-	-
(Loss) after income tax		<u>(867,934)</u>	<u>(1,799,033)</u>
Other Comprehensive Income, net of tax			
<i>Items that may be subsequently transferred to profit or loss:</i>			
Exchange differences on translating foreign controlled entities		(242,922)	(35,101)
Total Comprehensive (Loss), net of tax		<u>(1,110,856)</u>	<u>(1,834,134)</u>
Loss for the year attributable to:			
Owners of the parent	13	(834,756)	(1,778,446)
Non-controlling interest		(33,178)	(20,587)
Total (Loss) for the year, net of tax		<u>(867,934)</u>	<u>(1,799,033)</u>
Total Comprehensive (Loss) for the year attributable to:			
Owners of the parent		(994,582)	(1,806,526)
Non-controlling interest		(116,274)	(27,608)
Total Comprehensive (Loss), for the year		<u>(1,110,856)</u>	<u>(1,834,134)</u>
Earnings per share		Cents	Cents
Basic / Diluted earnings/(loss) per share	15	<u>(0.32)</u>	<u>(1.05)</u>

Diluted earnings/(loss) per share have no effect as compared to the Basic earnings (loss) per share.

The statement above should be read in conjunction with the accompanying notes

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GOLDEN DEEPS LIMITED

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

	Notes	Consolidated	
		2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	7	668,598	492,601
Trade and other receivables	8	37,437	66,979
Total Current Assets		706,035	559,580
Non-Current Assets			
Exploration and evaluation expenditure	9	3,738,660	3,262,304
Trade and other receivables	8	49,257	49,257
Plant and equipment		1,053	-
Total Non-Current Assets		3,788,970	3,311,561
Total Assets		4,495,005	3,871,141
Current Liabilities			
Trade and other payables	10(a)	519,224	379,732
Provisions		-	11,994
Borrowings	10(b)	-	62,000
Total Current Liabilities		519,224	453,726
Non-Current Liabilities			
Trade and other payables	10(a)	1,627,604	1,914,609
Total Non-Current Liabilities		1,627,604	1,914,609
Total Liabilities		2,146,828	2,368,335
Net Assets		2,348,177	1,502,806
Equity			
Issued capital	11	18,728,801	16,772,574
Foreign currency translation reserve		(246,104)	(86,278)
Share Option Reserve	12	60,274	64,205
Accumulated losses	13	(15,858,632)	(15,027,807)
Parent interests		2,684,339	1,722,694
Non-controlling interest		(336,162)	(219,888)
Total Equity		2,348,177	1,502,806

The statement above should be read in conjunction with the accompanying notes

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GOLDEN DEEPS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

CONSOLIDATED ENTITY

	Issued Capital	Option Reserve	Foreign Currency Translation	Accumulated Losses	Total Attributable to Owners of Parent	Non- controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2018 – as previously stated	16,162,383	481,101	(72,748)	(13,900,194)	2,670,542	-	2,670,542
Prior period adjustment (refer to Note 24)	-	-	14,550	177,730	192,280	(192,280)	-
Balance as at 1 July 2018 – restated	16,162,383	481,101	(58,198)	(13,722,464)	2,862,822	(192,280)	2,670,542
Loss for the year	-	-	-	(1,778,446)	(1,778,446)	(20,587)	(1,799,033)
Other comprehensive gain (loss) for the period, net of tax	-	-	(28,080)	-	(28,080)	(7,021)	(35,101)
Total comprehensive (loss) for the year	-	-	(28,080)	(1,778,446)	(1,806,526)	(27,608)	(1,834,134)
Transactions with owners:							
Issues of capital	614,570	(4,070)	-	-	610,500	-	610,500
Capital raising costs	(4,379)	-	-	-	(4,379)	-	(4,379)
Expiration of options	-	(504,668)	-	473,103	(31,565)	-	(31,565)
Issue of options	-	91,842	-	-	91,842	-	91,842
Balance as at 30 June 2019	16,772,574	64,205	(86,278)	(15,027,807)	1,722,694	(219,888)	1,502,806

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

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

CONSOLIDATED ENTITY

	Issued Capital	Option Reserve	Foreign Currency Translation	Accumulated Losses	Total Attributable to Owners of Parent	Non- controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2019	16,772,574	64,205	(86,278)	(15,027,807)	1,722,694	(219,888)	1,502,806
Loss for the year	-	-	-	(834,756)	(834,756)	(33,178)	(867,934)
Other comprehensive gain (loss) for the period, net of tax	-	-	(159,826)	-	(159,826)	(83,096)	(242,922)
Total comprehensive (loss) for the year	-	-	(159,826)	(834,756)	(994,582)	(116,274)	(1,110,856)
Transactions with owners:							
Issues of capital	2,075,672	-	-	-	2,075,672	-	2,075,672
Capital raising costs	(119,445)	-	-	-	(119,445)	-	(119,445)
Expiration of options	-	(3,931)	-	3,931	-	-	-
Issue of options	-	-	-	-	-	-	-
Balance as at 30 June 2020	18,728,801	60,274	(246,104)	(15,858,632)	2,684,339	(336,162)	2,348,177

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

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

	Notes	Consolidated 2020 \$	2019 \$
Cash flow from operating activities			
Payments to suppliers and employees		(1,076,423)	(873,289)
Receipts from customers		22,790	15,843
Interest received		345	16,475
Receipts from joint venture		5,117	5,256
Government grant received		25,376	-
Net cash (outflow) from operating activities	14	<u>(1,022,795)</u>	<u>(835,715)</u>
Cash flow from investing activities			
Payments for plant and equipment		(1,307)	-
Exploration and Evaluation expenditure		(674,128)	(1,035,133)
Net cash (outflow) from investing activities		<u>(675,435)</u>	<u>(1,035,133)</u>
Cash flow from financing activities			
Proceeds from capital raising		2,055,672	610,500
Payments for cost of capital raising		(119,445)	-
Repayment of borrowings	10 (b)	(62,000)	(420,000)
Proceeds from borrowings	10 (b)	-	62,000
Net cash inflow from financing activities		<u>1,874,227</u>	<u>252,500</u>
Net increase / (decrease) in cash and cash equivalents held		175,997	(1,618,348)
Cash and cash equivalents at the beginning of the financial year		492,601	2,110,949
Effect of exchange rates on cash holdings in foreign currencies		-	-
Cash and cash equivalents at the end of the financial year	7	<u>668,598</u>	<u>492,601</u>

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. CORPORATE INFORMATION

The financial report of Golden Deeps Limited (the Company) and its subsidiaries (the Group) for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the Directors on 17 September 2020.

Golden Deeps Limited is a company incorporated and domiciled in Australia, limited by shares which are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are mineral exploration and investment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and complies with other requirements of the law, as appropriate for for-profit oriented entities. The financial report has also been prepared on an accruals basis and on a historical cost basis, except for financial assets and liabilities, which have been measured at fair value.

The financial report also complies with International Financial Reporting Standards (IFRS).

The financial report is presented in Australian dollars.

(b) New or Amended Accounting Standards and interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

AASB 16 Leases

The Group has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) New or amended Accounting Standards and Interpretations adopted(continued)

Impact of adoption

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

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

(d) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2020. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

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

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

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of consolidation (continued)

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

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

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

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

(e) Foreign currency translation

Both the functional and presentation currency of Golden Deeps Limited, Cerep Pty Ltd, Glendale Asset Pty Ltd, Jewell Corporation Pty Ltd, Extract Minerals Pty Ltd and Tuckers Gold Pty Ltd is the Australian dollar (A\$), and the functional and presentation currency for Huab Energy (Pty) Ltd and Oshivela Mining (Pty) Ltd is the Namibian Dollar (N\$).

Cash remittances from the parent entity to the Namibian subsidiaries are sent in Australian Dollars. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As at the reporting date the assets and liabilities of any overseas subsidiaries were translated into the presentation currency of Golden Deeps Limited at the rate of exchange ruling at the reporting date and the statement of Profit or Loss and Other Comprehensive Incomes are translated at the average exchange rates for the period.

The exchange differences arising on the translation are taken directly to Other Comprehensive Income.

On disposal of a foreign entity, the deferred cumulative amount recognised in Other Comprehensive Income relating to that particular foreign operation is recognised in the statement of Profit or Loss.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Recoverable amount of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(g) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

(h) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(i) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Share-based payment transactions

(i) Equity settled transactions:

The Group provides benefits to Directors, management personnel and consultants in the form of share-based payments whereby personnel render services in exchange for options to purchase shares.

The cost of these equity-settled transactions was measured by reference to the fair value of the equity instruments at the date on which they were granted. The fair value was determined using the Black Scholes formula.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Golden Deeps Limited (market conditions). The cost of equity-settled transactions was recognised, together with the corresponding increase in equity, on the date of grant of the options. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Golden Deeps Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(o) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to members of the parent, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/(loss) attributable to members of the parent, adjusted for:

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(r) Comparatives

Certain comparatives have been reclassified where necessary to be consistent with the current year's disclosures.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(t) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(u) Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

(v) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(y) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(z) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(aa) Going concern

The financial statements have been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. During the period, the Group has reported a net loss of \$867,934 (2019: \$1,799,033) and a net cash outflow from operating activities of \$1,022,795 (2019: \$835,715).

While the directors continue to institute measures to preserve cash, the Group's forecasts and projections show that the Group will require the continued support of its major creditor (and shareholder) and/or additional funding through a planned capital raising.

In addition:

- On 17 August 2020, the Company issued 187,680,000 fully paid ordinary shares at \$0.0125 per share, raising \$2,346,000 (before costs).
- The Company's largest creditor has confirmed that the Company has the unconditional right to defer settlement of amounts accrued at 30 June 2020 of \$1,627,604 for at least fifteen months from 1 July 2020, unless and until the Company becomes in a position to repay the whole or part of the amounts accrued and still remain solvent and a going concern. There is no interest payable on the amounts accrued.

After making enquiries and considering the uncertainties described above the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the financial report.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

- (i) *Significant accounting judgments include:*
- (a) Exploration and evaluation expenditure
The Group determines whether exploration and evaluation expenditure is impaired on at least an annual basis based on historical information and best available current information. This requires an estimation of the various technical factors of future costs which may be incurred in rehabilitating exploration sites.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

3. Significant Accounting Judgments, Estimates and Assumptions (continued)

(b) Share Based Payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(c) Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

(d) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

GOLDEN DEEPS LIMITED

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

4. Income Tax

	Consolidated	
	2020	2019
	₹	₹
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable/(credit) on profit from original activities before income tax at 30% (2019: 27.5%)	(260,380)	(539,710)
Add:		
<i>Tax effect of:</i>		
Other non-allowable items	49,767	513,536
Other assessable items	83	1,552
Other allowable deductions	-	(90,338)
Deferred tax asset not brought to account	222,971	122,680
	12,441	7,720
Less:		
<i>Tax effect of:</i>		
Effective overseas tax rate	(12,441)	(7,720)
	(12,441)	(7,720)
Income tax attributable to entity	-	-
Unrecognised deferred tax assets:		
- Tax losses: revenue	2,242,375	1,947,160
- Tax losses: capital	48,778	48,778
- Temporary differences	467,010	3,482
- Foreign tax losses	85,104	85,104
	2,843,267	2,084,524
Unrecognised deferred tax liabilities	81,809	197,227

The benefits from unrecognised deferred tax assets will only be obtained if:

- (i) The companies derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;
- (ii) The companies continue to comply with the conditions for deductibility imposed by the Law; and
- (iii) No changes in tax legislation adversely affect the companies in realising the benefits from the deductions for the losses.

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GOLDEN DEEPS LIMITED

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

5. Auditors' Remuneration

	Consolidated	
	2020	2019
	₹	₹
Remuneration of the auditor of the parent entity, Crowe Perth		
- auditing or reviewing the financial report	12,000	11,700
- taxation services provided by a related practice of the auditor	3,625	3,625
Remuneration of the previous auditor of the parent entity, Grant Thornton Audit Pty Ltd		
- auditing or reviewing of the financial report	-	14,338
- taxation services provided by related entity of the auditor	-	4,500
Remuneration of other auditors of subsidiaries for:		
- auditing or reviewing the financial reports of subsidiaries	16,237	10,250
	31,862	44,413

6. Remuneration of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for Details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2020.

The totals of remuneration paid to KMP during the year are as follows:

Short-term employee benefits	186,215	234,785
Superannuation	1,445	1,215
Share based payments	-	69,842
	187,660	305,842

7. Cash and Cash Equivalents

Represented by:		
Cash at bank	668,598	492,601
Deposits	-	-
	668,598	492,601

8. Trade and Other Receivables

Current Assets		
Trade debtors	27,849	33,498
Less allowance for expected credit losses	(27,849)	(33,498)
Other receivables	37,437	66,979
	37,437	66,979
Non-Current Assets		
Other receivables	49,257	49,257

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GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

9. Exploration and Evaluation Expenditure

	Consolidated	
	2020	2019
	\$	\$
Opening balance		
Exploration and evaluation expenditure (including foreign currency exchange differences)	456,356	1,092,834
Value of securities issued to acquire tenements	20,000	-
Write off exploration and evaluation expenditure	-	(801,056)
	<u>3,738,660</u>	<u>3,262,304</u>
 Exploration and evaluation expenditure projects		
Exploration and evaluation expenditure – Namibia	3,738,660	3,262,304
Exploration and evaluation expenditure – Canada	-	-
	<u>3,738,660</u>	<u>3,262,304</u>

Included in the above is \$3,660,566 relating to Exploration and Evaluation Expenditure on tenements held in Namibia. The Namibian government has adopted The New Equitable Economic Empowerment Framework (NEEEF), a set of policies designed to encourage the private business sector to become more equitable and to make a greater contribution towards national economic empowerment and transformation.

At this stage, the enactment of NEEF does not appear to have any significant implications for our future activities in Namibia.

GOLDEN DEEPS LIMITED

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

10. Trade and Other Payables

(a) Trade Payables

	Consolidated	
	2020	2019
	\$	\$
Current		
Trade payables	517,489	347,933
Other payables	1,735	31,799
	519,224	379,732
Non-Current Liabilities		
Deferred trade payables (1)	1,627,604	1,914,609

(1) This creditor has confirmed that the Company has the unconditional right to defer settlement of amounts accrued at 30 June 2020 of \$1,627,604 for at least fifteen months from 1 July 2020, unless and until the Company becomes in a position to repay the whole or part of the amounts accrued and still remain solvent and a going concern. The creditor has also confirmed that no interest is payable on the amounts accrued.

(b) Borrowings

Current		
Unsecured loan	-	62,000

The loan is unsecured and non-interest bearing, and has been repaid subsequent to year end,

11. Issued Capital

Date	Details	Number of Shares	Amount \$
30 June 2018	Balance	171,380,789	16,162,383
25/06/2019	Conversion of options	40,700,000	610,500
25/06/2019	Transfer fair value of converted options from Share Option Reserve	-	4,070
	Capital raising costs	-	(4,379)
30 June 2019		212,080,789	16,772,574
19/08/2019	Conversion of options	1,300,000	19,500
27/08/2019	Conversion of options	1,610,000	24,150
29/08/2019	Conversion of options	21,387,000	320,805
02/10/2019	Issue of shares at \$0.026	41,346,155	1,075,000
29/11/2019	Issue of shares at \$0.026	2,884,615	75,000
13/05/2020	Issue of shares at \$0.008	70,152,140	561,217
	Capital raising costs	-	(119,445)
30 June 2020		350,760,699	18,728,801

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

11. Issued Capital (continued)

The Company's capital consists of Ordinary Shares. The Company does not have a limited amount of authorised capital. The shares have no par value and are entitled to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of Shares held.

At shareholders' meetings each fully paid Ordinary Share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

12. Share Option Reserve

Date		Number of Options	Amount \$
30 June 2018	Balance	100,000,000	481,102
20 August 2018	Options granted	22,000,000	22,000
30 November 2018	Options granted	17,000,000	69,841
30 November 2018	Options expired	(20,000,000)	(473,101)
1 February 2019	Options expired	(4,250,000)	(3,072)
30 April 2019	Options expired	(22,000,000)	(22,000)
1 May 2019	Options expired	(4,250,000)	(6,495)
25 June 2019	Options converted	(40,700,000)	(4,070)
30 June 2019	Balance	47,800,000	64,205
19 August 2019	Options converted	(1,300,000)	-
27 August 2019	Options converted	(1,610,000)	-
29 August 2019	Options converted	(21,387,000)	-
31 August 2019	Options expired	(15,003,000)	(3,931)
30 June 2020	Balance	8,500,000	60,274

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

12. Share Option Reserve (continued)

ANALYSIS OF MOVEMENT IN OPTIONS

During the year, options were exercised, expired and were granted as follows:

Class	Balance 1 July 2019	Issued During Year	Exercised or expired during year	Balance 30 June 2020
Exercisable at 15.0 cents each on or before 01/09/2020	4,250,000	-	-	4,250,000
Exercisable at 20.0 cents each on or before 01/09/2020	4,250,000	-	-	4,250,000
Exercisable at 1.5 cents each on or before 31/08/2020	39,300,000	-	(39,300,000)	-
Total	47,800,000	-	(39,300,000)	8,500,000

The weighted average exercise price of the options on hand at year end is 17.5 cents (2019: 4.8 cents).

The remaining contractual life of the options outstanding at the end of the year is a weighted average of 0.17 years (2019: 0.39 years).

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Summary of Options Granted

The following table sets out the number and weighted average exercise price (WAEP) of, and movements in, share options granted during the year or prior years:

	2020 Number	2020 WAEP (cents)	2019 Number	2019 WAEP (cents)
Outstanding at beginning of year	47,800,000	4.8	100,000,000	2.8
Granted during the year	-	-	75,666,667	10.7
Expired during year	(15,003,000)	(1.5)	(87,166,667)	(9.4)
Exercised during the year	(24,297,000)	(1.5)	(40,700,000)	(1.5)
Outstanding at the end of the year	8,500,000	17.5	47,800,000	4.8

As at year-end there were two classes of options. There were 4,250,000 options over shares exercisable at 15.0 cents with an expiry date of 1 September 2020. This class of options had a remaining contractual life of the options outstanding at year end of 0.17 years. There were also 4,250,000 options over shares exercisable at 20.0 cents with an expiry date of 1 September 2020. This class of options had a remaining contractual life of the options outstanding at year end of 0.17 years.

Black Scholes Valuation Parameters

During the year ended 30 June 2019, a number of options were issued at no cost as a share-based payment to a director. The options were valued using the Black Scholes method and the parameters for the valuations were as follows:

GOLDEN DEEPS LIMITED

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

12. Share Option Reserve (continued)

Class	Number	Underlying share price (cents)	Exercise price (cents)	Risk free rate	Volatility Factor	Total Value
Unlisted options exercisable at 7.5 cents expiring 1 February 2020	4,250,000	4.1	7.5	1.5%	100%	3,072
Unlisted options exercisable at 10.0 cents expiring 1 May 2020	4,250,000	4.1	10.0	1.5%	100%	6,495
Unlisted options exercisable at 15.0 cents expiring 1 September 2020	4,250,000	4.1	15.0	2.0%	100%	34,467
Unlisted options exercisable at 20.0 cents expiring 1 September 2020	4,250,000	4.1	20.0	2.0%	100%	25,807
Total	17,000,000					69,841

13. Accumulated Losses

	2020 \$	2019 \$
Accumulated losses at the beginning of the year	(15,027,807)	(13,722,464)
Loss for year	(834,756)	(1,778,446)
Expiration of options	3,931	-
Transfer from Share Option Reserve upon conversion of options	-	473,103
Accumulated losses at the end of the financial year	(15,858,632)	(15,027,807)

14. Cash Flow Information

	2020 \$	2019 \$
Reconciliation of Cash Flow from operations with Loss after tax		
Operating (loss) after income tax:	(834,756)	(1,799,033)
Non-cash flows in operating loss:		
Depreciation	290	-
Share based payments expense	-	60,275
Unrealised (gains) / losses on foreign exchange movements	(133,177)	(30,065)
Expected credit loss provision	50,045	32,712
Exploration impairment	-	801,056
Non-controlling interest in loss	(33,178)	(14,045)
Changes in assets and liabilities:		
Decrease/(increase) in receivables	29,542	4,825
(Decrease)/increase in trade & other payables	(89,567)	96,566
(Decrease)/increase in provisions	(11,994)	11,994
Net cash flows (used in) operating activities	(1,022,795)	(835,715)

GOLDEN DEEPS LIMITED

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

15. Earnings per share

	2020 Number	2019 Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	274,053,102	171,939,855
	2020	2019
Profit/(loss) per share – cents- Basic and Diluted	(0.32)	(1.05)

16. Financial Instruments

(a) Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Consolidated Group	Floating Interest Rate		Non-Interest Bearing		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	668,598	492,601	-	-	668,598	492,601
Trade and other receivables	-	-	82,694	116,236	82,694	116,236
Total Financial Assets	668,598	492,601	82,694	116,236	751,292	608,837
Financial Liabilities (at amortised cost):						
Trade and other payables	-	-	(2,146,828)	(2,294,341)	(2,146,828)	(2,294,341)
Provisions	-	-	-	(11,994)	-	(11,994)
Borrowings	-	-	-	(62,000)	-	(62,000)
Total Financial Liabilities	-	-	(2,146,828)	(2,368,335)	(2,146,828)	(2,368,335)
Net Financial Assets	668,598	492,601	(2,064,134)	(2,252,099)	(1,395,536)	(1,759,498)

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed in the Consolidated Statement of Financial Position and notes to the financial report.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

16. Financial Instruments (continued)

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

(d) Financial Risk Management

The Group's financial instruments consist mainly of deposits with recognised banks, investments in bank bills up to 90 days, accounts receivable and accounts payable, investments in listed and unlisted securities, and loans to subsidiaries. Liquidity is managed, when sufficient funds are available, by holding sufficient funds in a current account to service current obligations and surplus funds invested in bank bills. The Directors analyse interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The main risks the Group is exposed to

through its financial instruments are the depository banking institution itself, holding the funds, and interest rates. The Group has no exposure to foreign currency risks. The Group's credit risk is minimal, as being an exploration company, no goods are sold, or services provided, for which consideration is claimed. Risk management on the Group's investments is achieved by maintaining a close watch on market conditions as they apply to the investee companies.

(e) Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages the risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

16. Financial Instruments (continued)

Consolidated Group	Within 1 year		1 to 5 years		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Financial Liabilities – Due for Payment						
Trade and other payables	(519,224)	(379,732)	(1,627,604)	(1,914,609)	(2,146,828)	(2,294,341)
Provisions	-	(11,994)	-	-	-	(11,994)
Borrowings	-	(62,000)	-	-	-	(62,000)
Total Expected Outflows	(519,224)	(453,726)	(1,627,604)	(1,914,609)	(2,146,828)	(2,368,335)
Financial Assets:						
Cash and cash equivalents	668,598	492,601	-	-	668,598	492,601
Trade and other receivables	33,437	66,979	49,257	49,257	82,694	116,236
Total anticipated inflows	702,035	559,580	49,257	49,257	751,292	608,837
Net (outflow) / inflow on financial instruments	182,811	105,854	(1,578,347)	(1,865,352)	(1,395,536)	(1,759,498)

(f) Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2020, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be minimal:

	Consolidated	
	2020 \$000	2019 \$000
<i>Change in profit</i>		
.Increase in interest rate by 2%	11	26
.Decrease in interest rate by 2%	(11)	(26)
<i>Change in Equity</i>		
.Increase in interest rate by 2%	11	26
.Decrease in interest rate by 2%	(11)	(26)

Foreign Currency Risk Sensitivity Analysis

There is minimal foreign currency risk as insignificant balances of foreign currency are held.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

16. Financial Instruments (continued)

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

17. Investment in controlled entities

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding (%)		Book Value of Investment		Contribution to Consolidated Result	
			2020	2019	2020	2019	2020	2019
			%	%	%	%	%	%
Cerep Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Glendale Asset Pty Ltd	Australia	Ordinary	100	100	1,474,158	1,674,286	-	-
Jewell Corporation Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Huab Energy Pty Ltd	Namibia	Ordinary	80	80	-	-	(59,463)	(59,463)
Oshivela Mining Pty Ltd	Namibia	Ordinary	80	80	-	-	(43,473)	(43,473)
Cobalt Resources Inc	Canada	Ordinary	100	100	1	1	-	-
Extract Minerals Pty Ltd	Australia	Ordinary	100	-	50,000	-	-	-
Tuckers Gold Pty Ltd	Australia	Ordinary	100	-	100	-	-	-

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

18. Related Parties

The Group's related parties include its subsidiaries, key management and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were received or given.

Related Party	Relationship	Nature Of Transaction	Year ended 30 June 2020		Year ended 30 June 2019	
			Transaction	Balance	Transaction	Balance
Huab Energy (Pty) Ltd	Subsidiary	Loan advances	(468,053)	1,914,708	(754,655)	1,446,655
Oshivela Mining (Pty) Ltd	Subsidiary	Loan advances	(29,982)	793,460	(45,978)	763,478
Sabre Resources Ltd	Common directorship	Geological expenses received	(164,014)	(10,478)	(98,587)	-
Sabre Resources Ltd	Common directorship	Geological income received	-	-	19,504	-
Metals Australia Ltd	Common directorship	Geological income received	8,181	-	3,816	-

An amount of \$20,461 (including GST) was paid to Seabourn Capital Pty Ltd, a company of which Michael Minosora is a director and shareholder, in relation to reimbursement for travel, accommodation and sundry expenses incurred on behalf of the Company whilst conducting Company business.

Particulars of key management personnel compensation and share option holdings are disclosed in Note 6.

19. Segment Reporting

Identification of Reportable Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company is managed on the basis of its development and exploration of the group's mineral interests in the geographical regions of Namibia and Canada, and its corporate activities in Australia.

GOLDEN DEEPS LIMITED

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

19. Segment Reporting (continued)

Segment Performance – June 2020	Australia	Namibia	Canada	Total
Revenue	\$	\$	\$	\$
Joint venture income	-	5,117	-	5,117
Interest revenue	345	-	-	345
Other income	34,158	-	-	34,158
Total Group revenue	34,503	5,117	-	39,620
Segment profit/(loss)				
Management Fees – unrelated parties	(200,484)	-	-	(200,484)
Corporate overheads - unrelated parties	(540,889)	(165,891)	-	(706,780)
Depreciation	-	(290)	-	(290)
Impairment of exploration and evaluation assets	-	-	-	-
Share based payments	-	-	-	-
Total Group profit/(loss)	(706,870)	(161,064)	-	(867,934)
Segment assets				
Cash and cash equivalents	658,986	9,612	-	668,598
Exploration and evaluation expenditure	998,636	2,740,024	-	3,738,660
Trade and other receivables	86,694	-	-	86,694
Plant and equipment	-	1,053	-	1,053
Total Group assets	1,744,316	2,750,689	-	4,495,005
Segment liabilities				
Trade and other payables	(2,136,086)	(10,742)	-	(2,146,828)
Total Group liabilities	(2,136,086)	(10,742)	-	(2,146,828)
Segment Performance – June 2019	Australia	Namibia	Canada	Total
Revenue	\$	\$	\$	\$
Joint venture income	-	37,178	-	37,178
Interest revenue	11,301	-	-	11,301
Total Group revenue	11,301	37,178	-	48,479
Segment profit/(loss)				
Management Fees – unrelated parties	(252,437)	-	-	(252,437)
Corporate overheads - unrelated parties	(630,809)	(102,935)	-	(733,744)
Impairment of exploration and evaluation assets	-	(16,058)	(784,998)	(801,056)
Share based payments	(60,275)	-	-	(60,275)
Total Group profit/(loss)	(932,220)	(81,815)	(784,998)	(1,799,033)
Segment assets				
Cash and cash equivalents	472,569	20,032	-	492,601
Exploration and evaluation expenditure	-	3,262,304	-	3,262,304
Trade and other receivables	88,878	27,358	-	116,236
Total Group assets	561,447	3,309,694	-	3,871,141
Segment liabilities				
Trade and other payables	(2,208,253)	(86,088)	-	(2,294,341)
Provisions	(11,994)	-	-	(11,994)
Borrowings	(62,000)	-	-	(62,000)
Total Group liabilities	(2,282,247)	(86,088)	-	(2,368,335)

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

20. Commitments

(i) Mining Tenements

There are no formal exploration commitments specified by the Namibian Ministry of Mines and Energy or in respect Ontario Ministry of Northern Development and Mines.

(ii) Management Agreement

The Company has an agreement with a management service company for the provision of services at \$267,312 per annum plus CPI. Charges are at commercial terms in accordance with the Deed of Variation to the Facilitation and Management Agreement entered into on 19 March 2014 for renewable one-year terms. The next renewable date is 12 November 2020.

21. Contingent Liabilities

On 29 June 2012, the Company acquired all the issued share capital of Glendale Asset Pty Ltd (Glendale) and Jewell Corporation Pty Ltd (Jewell), and these companies hold an 80% interest in Namibian companies that hold various mining rights. Terms of the transaction include the issue of a further 25 million shares on achieving inferred JORC resource from either the Huab or Oshivela Projects.

22. Events Subsequent to Reporting Date

On 9 August 2020, the Company issued 100,152,140 options exercisable at \$0.015 per share and expiring 30 June 2021. 67,152,140 options were issued free-attaching to a placement of shares on 12 May 2020, 30,000,000 options were issued free to facilitate the placement of these shares, and 2,500,000 options were issued as part consideration for the acquisition of Extract Minerals Pty Ltd. The options were issued pursuant to the Prospectus lodged with the ASX on 24 July 2020 and the issue had received shareholder approval at the General Meeting held on 16 July 2020.

On 17 August 2020, the Company issued 187,680,000 fully paid ordinary shares at \$0.0125 per share, raising \$2,346,000 (before costs). Each share had a free-attaching option exercisable at \$0.015 per share and expiring 30 June 2021. 93,840,000 options were issued on 17 August 2020, with the remaining 93,840,000 to be issued subject to receiving shareholder approval at the next General Meeting or Annual General Meeting of the Company. Pursuant to the placement, the broker to the placement will receive 26,000,000 on the same terms, subject to receiving shareholder approval.

On 1 September 2020, 4,250,000 options over shares exercisable at \$0.15 and 4,250,000 options over shares exercisable at \$0.20 expired.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

GOLDEN DEEPS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

23. Parent Entity Information

The following details information related to the parent entity, Golden Deeps Limited, at 30 June 2020. The information presented here has been prepared using consistent accounting policies as shown in Note 2.

	Parent Entity	
	2020	2019
	\$	\$
Assets		
Current assets	696,423	512,191
Non-current assets	3,787,840	3,102,402
Total Assets	4,484,263	3,614,593
Liabilities		
Current liabilities	508,482	367,637
Non-current liabilities	1,627,604	1,914,609
Total Liabilities	2,136,086	2,282,246
Equity		
Issued capital	18,728,801	16,772,574
Share Option reserve	60,274	64,205
Accumulated losses	(16,440,898)	(15,504,432)
Total Equity	2,348,177	1,332,347
Financial Performance		
Profit/(loss) for the year	(940,396)	(1,531,490)
	(940,396)	(1,531,490)

No guarantees have been entered into by the parent entity on behalf of its subsidiary.

24. Prior Period Adjustment

The restatement of the 30 June 2019 financial statements is as a result of the non-controlling interest not being accounted for in the prior period. This has been rectified by restating each of the affected financial statement line items for prior period.

	Previous amount	Adjustment	Restated amount
	\$	\$	\$
30 June 2019			
Foreign currency translation reserve	(72,748)	14,550	(58,198)
Accumulated losses	(13,900,194)	177,730	(13,722,464)
Non-controlling interest	-	(192,280)	(192,280)

GOLDEN DEEPS LIMITED

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Golden Deeps Limited (the "Company"):
- (a) the financial statements and notes set out on pages 31 to 62 and the Remuneration Report disclosures that are contained in pages 24 to 26 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with International Financial Reporting Standards as disclosed in Note 1.
 - (b) the remuneration disclosures that are contained in pages 24 to 26 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2020.

Signed in accordance with a resolution of the Directors:



Michael Rodriguez
DIRECTOR

Dated this 17th day of September 2020
Perth,
Western Australia

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DECLARATION OF INDEPENDENCE BY SEAN MCGURK TO THE DIRECTORS OF GOLDEN DEEPS LIMITED

As lead auditor for the audit of Golden Deeps Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Golden Deeps Limited and the entities it controlled during the year.



Crowe Perth



Sean McGurk
Partner

Signed at Perth, Western Australia

17 September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDEN DEEPS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Golden Deeps Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, and notes to the financial statements comprising a summary of significant accounting policies and the Director's Declaration.

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

- (a) Giving a true and fair view of the Group's financial position at 30 June 2020 and of its financial performance for the period then ended; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Key Audit Matters

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

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Key Audit Matter	How we addressed the Key Audit Matter
Consideration of impairment of capitalised mineral exploration and evaluation expenditure	
<p>The carrying amount of capitalised mineral exploration and evaluation expenditure was a significant component of the Group's total assets at \$3,738,660 at 30 June 2020.</p> <p>Exploration assets are required to be assessed for impairment when facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.</p> <p>This matter is considered a key audit matter due to the high degree of judgement required by the directors to assess whether impairment indicators are present for specified tenements held and due to the significance of the capitalised amount at 30 June 2020.</p> <p>The conditions and assessment undertaken in relation to impairment are disclosed in the Group's accounting policy Notes 2(g), Note 3 and Note 9 in the financial report.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Conducting discussions with management regarding the criteria used in their impairment assessment and ensuring that this was in line with <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>. • Reviewing evidence of activities carried out and management intentions for the area of interest the Group holds and to corroborate the representations made by management during our discussions. • Assessed the Group's right to tenure by obtaining and assessing supporting documentation such as license agreements or renewals and any correspondence with relevant government agencies in connection with the renewal process. • Evaluating key assumptions adopted by management that support the position formed on whether the exploration and evaluation expenditure was impaired.

Information Other than the Financial Report and the Audit's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2020 Annual Report for the period ended 30 June 2020 but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors' for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events and conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Golden Deeps Limited for the period ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



Crowe Perth



Sean McGurk
Partner

Signed at Perth, Western Australia

17 September 2020

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

INTRODUCTION

Golden Deeps Ltd ACN 054 570 777 (**Golden Deeps** and **Company**) has adopted systems of control and accountability as the basis for the administration of corporate governance. These policies and procedures and additional information about the Company's corporate governance practices is set out on the Company's website at www.goldendeeps.com

The Board of Directors of Golden Deeps is responsible for the corporate governance of the Company. In developing its corporate governance policies Golden Deeps has referred to recommendations within the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd edition (**CGPR**).

The Company's corporate governance practices during the financial year ended 30 June 2020 (**Reporting Period**) are reported below. Where the Company's corporate governance practices follow the CPGR the Board has provided appropriate statements reporting on the adoption of the CPGR. In compliance with the "if not, why not" reporting framework, where the Company's corporate governance practices differ from the relevant CPGR, the Board has explained its reasons for doing so and any alternative practice the Company may have adopted.

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 1: Lay solid foundations for management and oversight.	
1.1 Listed entities should disclose the roles and responsibilities of its Board and management, those expressly reserved to the Board and those delegated to management.	A The Company has formalised and disclosed on its website at www.goldendeeps.com the functions reserved to the Board and those delegated to management within its <i>Corporate Governance Policy</i> .
1.2 Listed entities should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a Director; and provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.	A The Company undertakes appropriate checks before appointing a person or putting forward to shareholders a candidate for election or re-election as a Director and provides shareholders with all material information in its possession relevant to a decision on whether to elect or re-elect a Director.
1.3 Listed entities should have written agreements with each Director and senior executive setting out the terms of their appointment.	A The Company has set out the terms of appointment in writing with each Director and senior executive.
1.4 The company secretary of a listed entity should be accountable directly to the Board, through the chair, on all matters to do with proper functioning of the Board.	A The Company Secretary is accountable directly to the Board, through the Chair, as to the proper functioning of the Board.

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 1: Lay solid foundations for management and oversight (Ctd)	
<p>1.5 Listed entities should:</p> <p>(a) Have a diversity policy which includes requirements for the Board or relevant Board committee to set measurable objectives for achieving gender diversity and to annually assess and disclose the objectives and progress towards their achievement;</p> <p>(b) Disclose that policy or a summary of it; and</p> <p>(c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the Board (or relevant Board committee) in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>[1] the respective proportions of men and women on the Board, in senior management positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) or</p> <p>[2] if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators" as defined under that Act.</p>	<p>NA The Company has disclosed its <i>Diversity Policy</i> on its website at www.goldendeeps.com. The Company's <i>Diversity Policy</i> does not mandate setting measurable objectives for achieving gender diversity as it is impractical to do so at this time. The proportion of women across the whole organisation, in senior executive positions, and on the Board, as at the date of this statement, is as follows:</p> <ul style="list-style-type: none"> • Whole organisation – 0% • Senior Executive Positions – 0% • Board – 0% <p>For the purposes of this statement and the Company's gender diversity, "senior executive" means a person who reports directly to the Board or Managing Director and/or who makes or participates in making decisions that could significantly affect the Company's operations.</p>
<p>1.6 Listed entities should have and disclose a process for periodically evaluating the performance of the Board, its committees and individual directors; and disclose whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>A The Company's processes for evaluating the performance of the Board and its Directors are disclosed on the Company's website at www.goldendeeps.com in the Company's <i>Corporate Governance Policy</i>.</p>
<p>1.7 Listed entities should have and disclose a process for periodically evaluating the performance of its senior executives; and disclose whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>A The Company's processes for evaluating its Managing Director and key executives are disclosed on the Company's website at www.goldendeeps.com in the Company's <i>Corporate Governance Policy</i>.</p>

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 2: Structure the Board to add value	
<p>2.1 (a) The Board of a listed entity should have a nomination committee of at least three members (a majority of whom are independent directors) chaired by an independent director and disclose:</p> <ul style="list-style-type: none"> • The committee charter • The committee members; and • As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) If a nomination committee is not established then disclose that fact and the processes employed to address board succession issues, and to ensure the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>NA The Company has a small Board consisting of five Directors. The Board considers it desirable to use the full complement of knowledge, expertise and experience of all its Directors in making decisions and performing the functions usually associated with a Nomination Committee. The Company's <i>Corporate Governance Policy</i> and <i>Diversity Policy</i> disclosed at www.goldendeeps.com outlines processes pertaining to board succession, skills, knowledge, experience, independence and diversity.</p>
<p>2.2 Listed entities should have and disclose a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p>	<p>A The Company has disclosed in its <i>Corporate Governance Policy</i> and <i>Diversity Policy</i> at www.goldendeeps.com the mix of skills and diversity the Board currently has and considers desirable in its membership given the Company's stage of development.</p>
<p>2.3 Listed entities should disclose the names of directors considered by the Board to be independent directors, the length of each director's service and, if a director has an interest, position, association or relationship that might cause doubt about the independence of that director, but the Board is of the opinion that it does not compromise the independence of the director, disclose the nature of the interest, position, association or relationship in question and disclose why the Board is of that opinion.</p>	<p>A Five of the current Directors are considered independent. The Company has disclosed the names of its Directors, their position, relevant interests or associations and their length of service in the Company's 2020 Annual Financial Report.</p>
<p>2.4 A majority of a listed entity's Board should be independent directors.</p>	<p>A Five of the current Directors are considered independent</p>

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 2: Structure the Board to add value (Ctd)	
2.5 The Chairperson of a listed entity should be an Independent Director and, in particular, should not be the same person as the CEO of the entity.	A The Chairperson is independent and is not the same person as the CEO.
2.6 Listed entities should have an induction program for new directors and provide professional development opportunities for directors to develop and maintain the skills and knowledge to perform their role as directors effectively.	A An induction program will be provided to any new directors if and when a new director is appointed. Professional development opportunities are provided to the Directors as and when needed.
Principle 3: Act ethically and responsibly	
3.1 Listed entities should have a code of conduct for its directors, senior executives and employees and disclose that code or a summary of it.	A The Company has disclosed its <i>Code of Conduct and Policy for Trading in Company Securities</i> on the Company's website at www.goldendeeps.com .
Principle 4: Safeguard integrity in corporate reporting	
4.1 Listed entities should: <ul style="list-style-type: none"> (a) Have an audit committee which: <ul style="list-style-type: none"> (1) Has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) Is chaired by an independent director, who is not the chair of the Board, and disclose: (3) The charter of the committee; (4) The relevant qualifications and experience of the members of the committee; and (5) In relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) If it does not have an audit committee, disclose that fact and the processes employed to independently verify and safeguard the integrity of its corporate reporting, including the processes. 	<p>NA At this stage, the Company has not established an Audit Committee and the Board prefers to use the full complement of knowledge, expertise and experience of all Directors in making decisions regarding the Company's audit and the Company's external auditors. All five Directors are financially literate.</p> <p>The Company's external auditors were appointed in 2019. Prior to their appointment, the Board obtained proposals from reputable audit firms and appointed the Company's current auditor after considering their experience with listed exploration companies operating in foreign and domestic jurisdictions, the experience and quality of personnel involved with the Company's audit, their internal quality control measures, their approach and methodology in conducting the audit, references, and awareness of professional requirements within accounting and for the appointment and removal of the external auditor and the rotation of the audit engagement partner, auditing standards including those pertaining to independence, confidentiality and conflicts of interest.</p>

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 4: Safeguard integrity in corporate reporting (Ctd)	
4.2 The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	A Prior to approving the financial statements for the full year ended 30 June 2020, Golden Deeps's Board received from the Chief Executive Officer and Chief Financial Officer declarations that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
4.3 Listed entities should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	A In accordance with section 250S of the Corporations Act the external auditor attended the 2019 AGM and the Chair expressly provided the opportunity for shareholders attending the meeting to ask questions relevant to the audit. Had there been any written questions submitted to the auditor (there were none) the Chair would also have ensured the opportunity for the external auditor to answer questions as required under section 250PA of the Corporations Act.
Principle 5: Make timely and balanced disclosure	
5.1 Listed entities should have a written policy for complying with its continuous disclosure obligations under the Listing Rules and disclose that policy or a summary of it.	A The Company has established written policies for complying with continuous disclosure obligations under the ASX Listing Rules which are disclosed within the Company's <i>Disclosure Policy</i> on the Company's website at www.goldendeeps.com .
Principle 6: Respect the rights of security holders	
6.1 A listed entity should provide information about itself and its governance via its website.	A The Company provides information about itself and its governance to investors via its website at www.goldendeeps.com .

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 6: Respect the rights of security holders (Ctd)	
6.2 Listed entities should design and implement an investor relations program to facilitate effective two-way communication with investors.	A The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's <i>Disclosure Policy</i> and <i>Corporate Governance Policy</i> disclosed on its website at www.goldendeeps.com .
6.3 Listed entities should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	A Refer above – the Company's <i>Corporate Governance Policy</i> and the Company's <i>Disclosure Policy</i> are both published on the Company's website at www.goldendeeps.com .
6.4 Listed entities should provide security holders with the option to receive communications from, and send communications to the entity and its share registry electronically.	A Shareholders are given the option to receive communications from, and send communications to the Company and its share registry electronically.
Principle 7: Recognise and manage risk	
7.1 The listed entity's Board should: <ul style="list-style-type: none"> (a) Have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> (1) Has at least three members, a majority of whom are independent directors; and (2) Is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (3) The charter of the committee; (4) The members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework 	A Given the size and composition of the current Board it believes that no efficiencies are to be gained by establishing a separate Risk Committee. During the Reporting Period, responsibility for overseeing the Company's risk management rested with the Board. The Company's Risk Management Policy is disclosed within its <i>Corporate Governance Policy</i> on the Company's website at www.goldendeeps.com . During the Reporting Period the full Board reviewed and where necessary amended its risk management and in so doing identified or confirmed business risks, assessed the likelihood and materiality of these risks and developed and implemented measures to mitigate these risks.

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 7: Recognise and manage risk (Ctd)	
7.2 The listed entity's Board or a committee of the Board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and disclose, in relation to each reporting period, whether such a review has taken place.	A Refer above.
7.3 Listed entities should disclose if they have an internal audit function, how the function is structured and what role it performs or, if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	NA The Company does not have an internal audit function. Refer above (7.1) for further discussion.
7.4 Listed entities should disclose whether they have any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks	<p>A The Company faces economic, social and environmental risks that are largely inherent to the global and domestic economies, the industry, capital markets and the jurisdictions in which it operates.</p> <p>The Board has considered these risks in relation to a "material exposure threshold", as required under the CPGR, and put in place measures to reduce these risks to tolerable levels and, as defined in CPGR, there does not appear to be "a real possibility that the risk could substantively impact the Company's ability to create or preserve value for security holders ..." in the foreseeable future.</p>
Principle 8: Remunerate fairly and responsibly	
<p>8.1 Listed entities should:</p> <p>(a) Have a remuneration committee which:</p> <p>(1) Has at least three members, a majority of whom are independent directors; and</p> <p>(2) Is chaired by an independent director, and disclose:</p> <p>(3) The charter of the committee;</p> <p>(4) The members of the committee; and</p>	<p>A Given the size and composition of the current Board, it believes that no efficiencies are to be gained by establishing a separate Remuneration Committee. During the Reporting Period the Board followed the Company's Remuneration Policy as disclosed in the Director's Report of the Company's Annual Financial Report for the year ended 30 June 2020. In doing so the Board employed policies and processes designed to ensure equitable and responsible levels and composition of remuneration to Directors and senior executives.</p>

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRINCIPLES & RECOMMENDATIONS	ADOPTED / NOT ADOPTED AND COMMENT
Principle 8: Remunerate fairly and responsibly(Ctd)	
<p>(5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) If it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives ensuring that such remuneration is appropriate and not excessive.</p>	
<p>8.2 Listed entities should separately disclose their policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives</p>	<p>A During the Reporting Period the Board followed the Company's Remuneration Policy which is separately disclosed in the Director's Report of the Company's Annual Financial Report for the year ended 30 June 2020.</p>
<p>8.3 Listed entities which have an equity-based remuneration scheme should have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme and disclose that policy or a summary of it.</p>	<p>A The Company does not have an equity-based remuneration scheme.</p>

Legend: A = Adopted NA = Not Adopted

GOLDEN DEEPS LTD

SHAREHOLDER INFORMATION

Additional information included in accordance with the listing requirements of the Australian Securities Exchange Limited. The information set out below is applicable as at 16 September 2020 unless otherwise stated.

Capital Structure

The Company currently has issued capital of 538,440,699 fully paid ordinary shares held by 1,685 holders.

The Company has also issued 193,992,135 listed options exercisable at \$0.015 up to their maturity on 30 June 2021 held by 283 holders.

Voting Rights

The Company's Constitution provides that at a meeting of shareholders, and on a show of hands, each shareholder present in person and each other person present as a proxy, attorney or representative, has one vote. On a poll, each shareholder present in person has one vote for each fully paid ordinary share held by the shareholder and each person as a proxy, attorney or representative of a shareholder has one vote for each fully paid ordinary share held by the shareholder that person represents.

The Company's option holders do not have any voting rights.

On-Market Buy-Back

The Company does not have an on-market buy-back.

Securities Subject to Escrow

There are no Company securities subject to voluntary escrow.

Distribution of Shareholders

(a) The distribution of members and their shareholdings was:

Range of Holding	Holders	Shares Held	Percent
1 - 1,000	130	39,278	0.01%
1,001 - 5,000	56	147,835	0.03%
5,001 - 10,000	55	466,925	0.09%
10,001 - 100,000	688	37,875,628	7.03%
100,001 and over	756	499,911,033	92.84%
	1,685	538,440,699	100%

(b) There were 402 shareholders with unmarketable parcels of shares based on the closing market price on 16 September 2020.

GOLDEN DEEPS LTD

SHAREHOLDER INFORMATION

Substantial Shareholders

The Company has received the requisite notices from substantial shareholders being:

Name	Number of Ordinary Shares	Percentage of Issued Capital
Coniston Pty Ltd and Kalgoorlie Mine Management Pty Ltd	79,214,000	14.71%

Top 20 Shareholders

The twenty largest shareholders, representing 28.53% of the paid up capital were:

Name of holder	Number	Percent
CONISTON PTY LTD <CONISTON A/C>	54,150,000	10.06
KALGOORLIE MINE MANAGEMENT PTY LTD	21,047,000	3.91
PIO SERVICES LIMITED	12,000,000	2.23
CITICORP NOMINEES PTY LIMITED	5,777,834	1.07
7 ENTERPRISES PTY LTD	5,000,000	0.93
SHANTANANDA PTY LTD	5,000,000	0.93
METALS AUSTRALIA LTD	5,000,000	0.93
I-CAN LIMITED	4,600,000	0.85
KALGOORLIE MINE MANAGEMENT PTY LTD	4,017,000	0.75
MRS LISA GORDON	4,000,000	0.74
MS CHUNYAN NIU	3,934,966	0.73
10 BOLIVIANOS PTY LTD	3,431,352	0.64
BNP PARIBAS NOMS PTY LTD <DRP>	3,419,778	0.64
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	3,362,173	0.62
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,355,106	0.62
MRS KUHU BODDH	3,261,437	0.61
SIS FINANCE SERVICES PTY LTD	3,200,000	0.59
INVESCO NOMINEE PTY LTD	3,000,000	0.56
NORTH LAURA NOMINEES PTY LTD <THE A S CONDON FAMILY A/C>	3,000,000	0.56
MR MARK DOUGLAS HOLMES	3,000,000	0.56
	153,556,646	28.53

Distribution of Listed Optionholders

(a) The distribution of listed optionholders and their option holdings for options exercisable up to their maturity on 30 June 2021 at \$0.015 was:

Range of Holding	Holders	Shares Held	Percent
1 - 1,000	0	0	0.00%
1,001 - 5,000	1	5,000	0.00%
5,001 - 10,000	1	8,560	0.00%
10,001 - 100,000	60	4,574,752	2.36%
100,001 and over	221	189,403,823	97.64%
	283	193,992,135	100%

(b) There were 52 optionholders with unmarketable parcels of options based on the closing market price on 16 September 2020.

GOLDEN DEEPS LTD

SHAREHOLDER INFORMATION

Top 20 Listed Optionholders

The twenty largest listed optionsholders, representing 41.22% of the listed options on issue were:

Name of holder	Number	Percent
BULL EQUITIES PTY LTD	10,125,000	5.22
MS CHUNYAN NIU	7,375,598	3.8
MS CHUNYAN NIU	5,000,000	2.58
MR WAYNE ROBERT AURISCH + MISS SAMANTHA LEIGH DOYLE <WAURISCH SUPERFUND A/C>	4,156,415	2.14
MR OON TIAN YEOH + MRS ELZBIETA HELENA YEOH	4,000,002	2.06
FIRST INVESTMENT PARTNERS PTY LTD	4,000,000	2.06
SAWGRASS T PTY LTD <SAWGRASS T SUPER A/C>	4,000,000	2.06
M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C>	4,000,000	2.06
MR ANTHONY JOHN VETTER + MRS JEANNETTE VETTER	3,600,000	1.86
CRANLEY CONSULTING PTY LTD <CRANLEY CONSULTING A/C>	3,400,000	1.75
CASTLE PROPERTY DEVELOPMENTS	3,400,000	1.75
MS EILEEN LILIAN COLLINS + MR ADAM JAMES CHAMPION <THE EILEEN COLLINS UNIT A/C>	3,261,668	1.68
SJ CAPITAL PTY LTD	3,109,011	1.6
MCNEIL NOMINEES PTY LIMITED	3,100,000	1.6
PPF ADVISORY PTY LTD	3,000,000	1.55
MR EUGENE FERLA	3,000,000	1.55
BUCKINGHAM INVESTMENT FINANCIAL SERVICES PTY LTD <THE CAMPBELL S/F A/C>	3,000,000	1.55
BROWNLOW PR PTY LTD	3,000,000	1.55
MR HAKAN DINC	2,927,841	1.51
MISS NHAN JUN LI	2,500,000	1.29
	79,955,535	41.22