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BOSS RESOURCES LTD

Annual Report 2020

ABN 38 116 834 336

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Corporate Directory

DIRECTORS	Mr Peter O'Connor	Non-Executive Chairman
	Mr Duncan Craib	Managing Director
	Mr Bryn Jones	Technical Director
	Mr Dudley Kingsnorth	Non-Executive Director
COMPANY SECRETARY	Mr Mathew O'Hara	
PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE	Suite 3, Churchill Court 234 Churchill Avenue Subiaco WA 6008 Ph: +61 8 6263 4494 Website: www.bossresources.com.au Twitter: @Boss_Resources Email: boss@bossresources.com.au	
AUDITORS	RSM Australia Partners Level 32, Exchange Tower, 2 The Esplanade Perth WA 6000	
STOCK EXCHANGE	Australian Securities Exchange Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000 ASX Code: BOE	
SHARE REGISTRY	Automic Registry Services Level 5, 126 Phillip Street Surry Hills NSW 2000 Ph: +61 2 9698 5414	

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Directors' Report

Chairman's Letter

Dear Fellow Shareholders,

On behalf of your Board of Directors, it gives me great pleasure to present Boss Resources' Annual Report 2020.

The completion of the Honeymoon Uranium Project Feasibility Study in January 2020 confirmed the widely acknowledged view that Honeymoon will be Australia's next uranium project. The Study is a reflection of the hard work and dedication of the Boss Resources geology and metallurgy personnel, who are committed to working with the Company through to start-up. Given the low capital intensity and short time until we will be in production Honeymoon provides our shareholders with excellent leverage to the anticipated improvement in uranium fundamentals.

The reference to a base case recognises that the Feasibility Study utilises only a portion of Honeymoon's JORC resource, excluding 36Mlb of JORC resource outside the Restart Area as well as the Company's defined exploration target, both of which may potentially extend the mine life beyond the initial 12 years and increase the production profile. Honeymoon's Federal EPIP Act approvals allow export of more than 3Mlbs/annum U_3O_8 equivalent.

Our Managing Director & CEO, Duncan Craib, supported by Technical Director Bryn Jones and their team, have been instrumental in achieving Honeymoon's commercial and technical advancement and global first mover advantage whilst ensuring there is no timeline drag from onerous tasks of securing permits and approvals needed to restart production.

In my experience, proper governance and control processes with clear accountability and responsibilities are equally essential for getting projects designed and built properly on time and on budget. I am delighted therefore that Wyatt Buck and Dudley Kingsnorth have recently joined the Board and we will benefit significantly with their vast technical, operational and project execution experience. I would also like to thank members of the previous Board for valuable contributions made since the acquisition of the Honeymoon Uranium Project in 2015.

Special appreciation is extended to the South Australian Government for their proactive response to the Covid-19 situation, as supported by the South Australian Chamber of Mines, Australian Federal Government, and Mineral Council of Australia. The constant and supportive flow of information and support for the workforce enabled the Company to continue operations by adopting procedures and policies, following the MCA and SACOME guidelines, to ensure employees and contractors remain healthy and positive.

South Australia's proactive initiatives to award an exploration grant also provided significant support and endorsement of Boss's exploration activities on Honeymoon through the use of innovative geophysical techniques. Specific focus remains on progressing the development of known uranium targets in order to increase Honeymoon's production profile distal to the existing JORC mineral resources.

As we enter the new financial year, I believe our company is extremely well positioned. Recognised industry endorsement of Honeymoon is providing opportunities for Boss to progress off-take contracts with utilities world-wide, and commercial discussions continue.

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Directors' Report CONTINUED

On behalf of the Board, I would like to thank you for your continued support. Your executives and their team are actively engaged in enhancing Honeymoon's excellent mine economics. I look forward to sharing with you their achievements during the year ahead.

Yours sincerely,

Peter O'Connor

Chairman

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Review of Operations

HONEYMOON URANIUM PROJECT, SOUTH AUSTRALIA

The Honeymoon Uranium Project (Honeymoon) is located approximately 80km north-west of Broken Hill near the South Australia/New South Wales border. The pure play uranium project is 100%-owned by Boss Resources Ltd and covers an area of 2,600km^2, consisting of one granted Mining Licence, five granted Exploration Licences, three Retention Leases and two Miscellaneous Purpose Licenses.

Figure 1*: Boss' Honeymoon Uranium Project, 80km north-west of Broken Hill in South Australia.*

HONEYMOON FEASIBILITY STUDY

Outstanding Feasibility Study (FS) results released on 21 January 2020[1], and based on a conservative uranium price, position Honeymoon as one of the world's most advanced uranium development projects. With low capital intensity, the Company is well placed to seize on an anticipated rally in the uranium market by fast-tracking a re-start to production in 12 months. Highlights include:

First Mover Advantage

- Honeymoon **fully permitted to export 3.3Mlbs/annum U_3O_8** equivalent[2].
- **Fast-tracked production**, within 12-months, utilising A$170m of historical infrastructure expenditure and existing plant with a proven production capability meeting global standards.
- Market forecasts indicate an improvement in the underlying U_3O_8 price. Honeymoon is one of a few advanced uranium projects ready to take advantage of market improvement.

[1] The forecast financial information (and the production targets on which such forecast financial information is based) in this half-year report was announced on 21 January 2020. All material assumptions underpinning the forecast financial information (and the production targets on which such forecast financial information is based) in the announcement on 21 January 2020 continue to apply and have not materially changed.
[2] Refer ASX announcement dated 8 April 2019.

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Directors' Report CONTINUED

Demonstrated Growth Potential

- **FS Base Case is limited to the Honeymoon Restart Area only**, comprising 36Mlbs JORC resource[3] with a restart plan comprising of: **Stage 1** (refurbishing the existing Solvent Extraction plant with significant process improvement), and **Stage 2** (adding an Ion Exchange circuit), to achieve an annual production of 2Mlbs U_3O_8 equivalent.
- A further **36Mlbs of JORC resources sits outside the Restart Area** providing Boss with genuine growth opportunities for Honeymoon's mine life and production profile.
- As the anticipated upswing in uranium fundamentals occurs, Boss will be able to restart operations and exploit these additional resources to maximise shareholder value.

Strong Financial Results

- Estimated average all-in cost (AIC) of US$32.3/lb U_30_8 over the life of mine[4] (LOM), and an all-in sustaining cost (AISC) of US$27.4/lb U_30_8 over LOM (payback period of approximately one third of LOM).
- FS base case Net Present Value (pre-tax) (NPV8%) of US$163m (A$240m[5]) and 42.9% Internal Rate of Return (pre-tax) (IRR) (at an average U_3O_8 price of US$50/lb).

Low Capital and Operating Costs

- FS demonstrates a very low upfront capital requirement to restart Honeymoon and become one of the lowest cost uranium producers globally.
- Honeymoon base case scenario results, compared to the Preliminary Feasibility Study (PFS) completed in 2017, include a ~71% increase in **LOM to 12 years**, and a ~7% decrease in upfront **capital expenditure of US$63.2 million (A$92.9m)** (excluding offsite power provider upgrades).

Ready for Restart

- FS is the final independent validation for Honeymoon's restart, as a result of technically de-risking the asset and optimising the process flowsheet through multiple phases of test work and study. Optimisation studies continue.

COVID-19 ADJUSTMENT

In April 2020, the South Australian Department of Energy and Mining, supported by the South Australian Chamber of Mines, responded proactively to the COVID-19 situation with an immediate deferral of mineral exploration licence fees until 31 December 2020, and a 12-month waiver of committed expenditure for all mineral exploration licence holders. Boss welcomed these supportive measures enabling project-enhancing exploration initiatives to continue on Honeymoon.

EXPLORATION ACTIVITIES

Due to the temporary cessation of fieldwork activities, Boss capitalised on the opportunity to undertake a desktop review of the historical database of geological information inherited from the original vendor, Uranium One, since the project acquisition in 2015. Highlights include:

- The Company's exploration tenements have been actively explored for more than 50 years;

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[3] *Refer ASX announcement dated 25 February 2019.*
[4] *LOM is Life of Mine duration for mining and processing for uranium production.*
[5] *A$:US$ exchange rate A$1:US$0.68.*

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Directors' Report CONTINUED

- Observations and recommendations made by historical explorers may not have been utilised by successive generations of explorers;
- Observations made during field reconnaissance include drill collars and sites of historical disturbance that currently have no corresponding information within the Company's database. Some of these drillholes comprise of inclined diamond core, or RC, drillholes that have likely targeted basement lithologies and possibly base-metal or IOCG mineralisation. It is anticipated that some of the historical reports and data will enhance the understanding of the geology;
- Review and assessment of the historical data may also result in the potential discovery of new uranium and IOCG mineral prospects distal to existing mineral resources;
- This exercise has been a very low-cost opportunity to review and assess mineral prospectivity around the various tenements which will, in turn, save on the cost of future exploration by assisting more focused design of future field programs;
- Data extracted from this work will be used to continuously improve existing 3-Dimensional models, e.g. lithological, stratigraphical and structural, that will also be used in the design of drill targets.

Boss's Restart and Expansion plans have been split into three separate stages, of which Stage 1 and 2 are presented as the base case for the Honeymoon FS, showing that production can recommence within a 12-month period. Stage 1 development will focus on the restart of the existing solvent extraction (SX) plant, which has a nameplate capacity of 0.88Mlb/annum U_3O_8 equivalent. Stage 2 is an expansion strategy that will increase production to 2Mlb/annum U_3O_8 equivalent and involves the construction of a new ion exchange (IX) circuit.

It is envisaged that these new mineralised target areas will form the basis of a study to assess and define Stage 3 production ramp up to produce more than 3Mlb/annum U_30_8 equivalent. The ramp up program will be contingent on market conditions, permitting and U_30_8 price. It is noted that Stage 3 did not form part of the original FS but the Company believes that, with improving market conditions, it is prudent to commence the initial planning associated with an increased production capacity commensurate with the uranium resources available to the Company.

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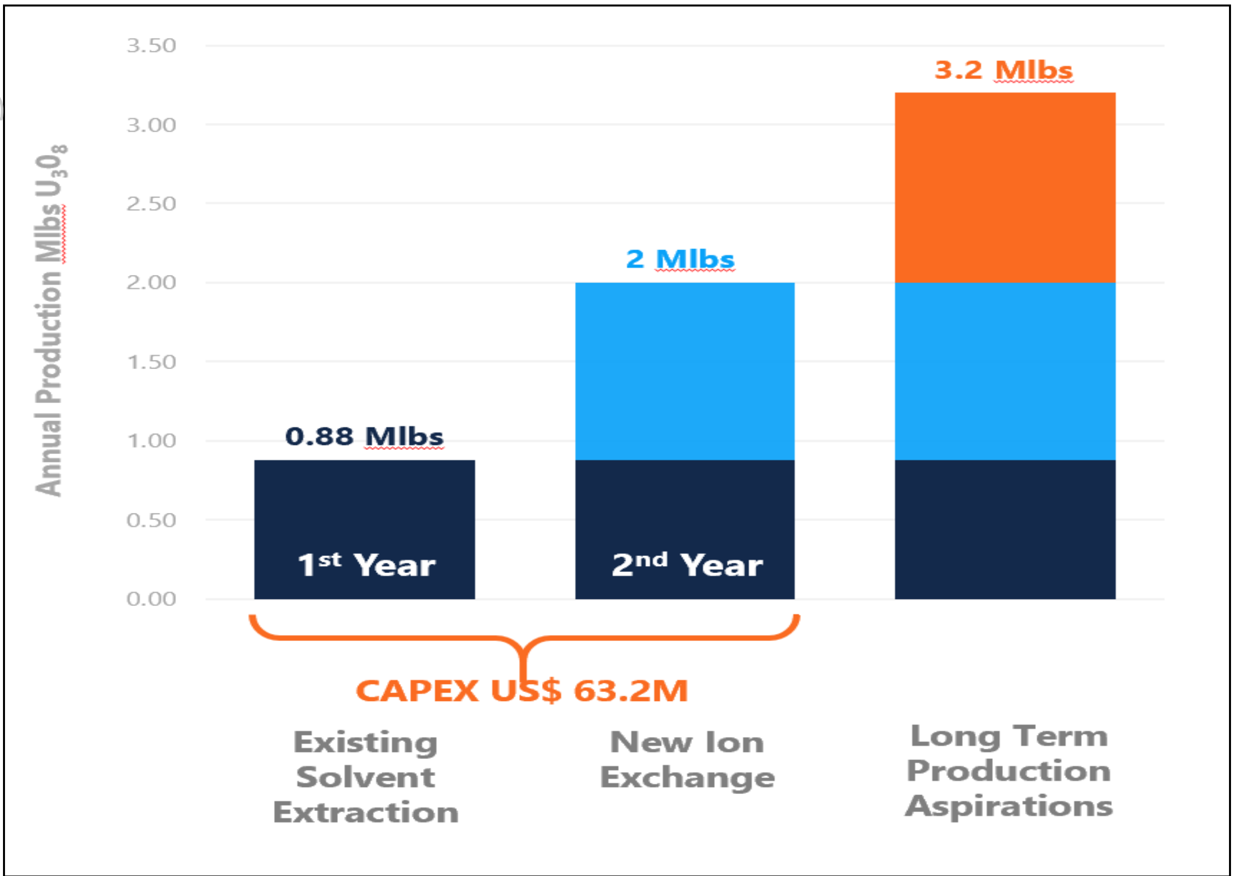

Figure 2: Stage production approach for the Honeymoon Uranium Project

ACCELERATED DISCOVERY GRANT

In June 2020, Boss announced it had received a South Australian Government exploration grant of $275,000 via an Accelerated Discovery Initiative (ADI). The ADI forms part of the Growth State Agenda that aims to accelerate mineral discoveries through innovative exploration and research projects in regional and frontier terrains throughout South Australia.

Boss will use the grant to support its innovative geophysical exploration alternatives, including 3D Passive Seismic and the trial of Slalom High-Definition Seismic Reflection method, focussing on palaeochannel definition as part of investigating pre-defined Exploration Targets and adding to existing Honeymoon uranium JORC mineral resources.

PROCESS OPTIMISATION ENHANCING MINE ECONOMICS

Following its highly successful FS, the Company has embarked on technical optimisation studies which included completion of an identified IX process detail design and testing, undertaken with the Australian Nuclear Science and Technology Organisation. Highlights include:

- Optimisation of ion exchange process confirms significant cost reductions for the Honeymoon Uranium Project, enhancing the outstanding mine economics of January 2020 FS;
- GR Engineering Services Limited (GRES) estimates cost reductions of:
  - CAPEX saving of 10% or US$6.3 million (from FS CAPEX estimate US$63.2 million)
  - OPEX saving of US$1.22/lb U_3O_8 in Stage 2 (from FS AISC of US$27.40/lb LOM)

- Cost savings relate to reduced site power demand and transmission line upgrade costs, with additional technical studies relating to potential reagent savings ongoing

CASH FLOWS

The Group has unrestricted cash and cash equivalents as at 30 June 2020 of $3.82 million, representing a decrease of $6.71 million during the year resulting from the following key activities:

- Settlement of the final $4 million promissory note to the vendor of Honeymoon;
- Expenditure on completion of the FS, technical studies and exploration activities at Honeymoon, totalling $2.77 million;
- Receipt of Research and Development tax refunds during the year, totalling $1.50 million;
- Payments for property, plant and equipment of $0.10 million;
- Receipt of interest on term deposits and the receipt of bonds, totalling $0.30 million; and
- Payments for ongoing corporate and operational expenditure, totalling $1.64 million.

The unrestricted cash balance as at 30 June 2020 excludes a fully cash backed environmental bond of $8.8 million. Furthermore, as at 30 June 2020 the Group has no long-term debt obligations.

NEXT STEPS

The Company plans to incorporate these optimisations into a revised FS level estimate for the Honeymoon restart which will also incorporate other initiatives including the conversion of the current SX infrastructure to a NIMCIX IX system.

Associated cost savings will assist the procurement of financing and the execution of off-take agreements which, in conjunction with supportive global uranium pricing, will allow the board to consider a final investment decision for Honeymoon.

Competent Persons Statements

Mineral Resources

In relation to the Mineral Resource announced on 25 February 2019, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that market announcement continue to apply and have not materially changed.

In relation to previous announcements containing exploration results referred to in this report, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

Feasibility Study

In relation to the results of the FS announced on 21 January 2020 and the technical optimisation study results announced on 20 August 2020, the Company confirms that all material assumptions underpinning the production target and forecast financial information included in those announcements continue to apply and have not materially changed.

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Directors' Report CONTINUED

Mineral Resource Statement

The following information is provided in accordance with Listing Rule 5.21.

Mineral Resource Estimation Governance Statement

Boss ensures that the Mineral Resource estimates are subject to appropriate levels of governance and internal controls. The Mineral Resources have been generated by employees and consultants of the Company who are experienced in best practices in modelling and estimation methods and have undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource estimates follow standard industry methodology using geological interpretation and assay results from samples acquired through drilling.

Boss reports its Mineral Resources in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) (2012 Edition). Competent Persons named by the Company qualify as Competent Persons as defined in the JORC Code. There has been no movement in the Mineral Resource between 2019 and 2020 and as such the table below sets out Mineral Resources for both 2019 and 2020 for the Honeymoon Uranium Project in South Australia.

Honeymoon Project Mineral Resource at 30 June 2020 and 30 June 2019

Lower cut-off of 250 ppm U_3O_8

Resource Classification	Tonnage (Million Tonnes)	Average Grade (ppm U_3O_8)	Contained Metal (Kt, U_3O_8)	Contained Metal (Mlb, U_3O_8)
Jason's (March 2017)				
Inferred	6.2	790	4.9	10.7
Gould's Dam (April 2016)				
Indicated	4.4	650	2.9	6.3
Inferred	17.7	480	8.5	18.7
Honeymoon Re-Start Area (January 2019)				
Measured	3.1	1,100	3.4	7.6
Indicated	14.0	610	8.7	19
Inferred	7.0	590	4.1	9.1
TOTAL HONEYMOON URANIUM PROJECT				
Measured	3.1	1,100	3.4	7.6
Indicated	18.4	630	12.0	25.5
Inferred	30.9	570	18.0	38.5
Total	**52.4**	**620**	**32.5**	**71.6**

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Directors' Report

Your Directors present their report on the Group for the year ended 30 June 2020.

Directors

The names of the Directors in office at any time during or since the end of the year are set out below. Directors were in office for the entire period unless otherwise stated.

Mr Peter O'Connor	(Non-Executive Chairman – appointed 21 January 2020)
Mr Duncan Craib	(Managing Director)
Mr Bryn Jones	(Technical Director – appointed 15 September 2019)
Mr Dudley Kingsnorth	(Non-Executive Director – appointed 1 July 2020)
Mr Mark Hohnen	(Non-Executive Chairman – resigned 21 January 2020)
Mr Peter Williams	(Non-Executive Director – resigned 31 May 2020)
Mr Evan Cranston	(Non-Executive Director – resigned 5 June 2020)

Information on Current Directors

Mr Peter O'Connor Non-Executive Chairman
Appointed 21 January 2020

Mr O'Connor has extensive global experience in the funds management industry, and has worked with public and private companies in developed and emerging economies. He was co-founder, director and deputy chairman of IMS Selection Management Ltd, which had $10 billion under management or advice from 1998 - 2008. Following the sale of IMS to BNP Paribas in 2008, he was deputy chairman of FundQuest UK Ltd, with $10 billion under management. FundQuest globally had $35 billion of assets under management from 2008 - 2010.

Mr O'Connor is a Non-Executive Director of Northern Star Resources Limited (May 2012 - present). He is also a Non-Executive Director of Blue Ocean Monitoring Limited (May 2014 – present), an unlisted company.

Mr Duncan Craib Managing Director
Appointed 1 August 2017

Mr Craib is Managing Director and CEO having joined the company on 9 January 2017. He is a Chartered Accountant by profession specialising in the mining, having gained vast experience in executive roles held in Australia, United Kingdom, Namibia, and China. Mr Craib most recently served as Finance Director to Swakop Uranium (Pty) Ltd from 2012 to 2016, where he was heavily involved in the US$2.5 billion development and construction of its world-class Husab uranium mine in Namibia. At nameplate production, Husab will be one of the largest global mining and processing uranium, mining 150Mt annually and generating 15Mt of ore to produce 15Mlbs of uranium oxide.

From 2008 - 2012, Duncan served in London as CFO and Company Secretary to Kalahari Minerals Plc and its 43% holding in Extract Resources Ltd, 100% owners of the Husab uranium mine prior to its sale to China General Nuclear in April 2012 for US$2.1 billion.

During the three-year period to the end of the financial year, Mr Craib held no directorships with any other listed companies.

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Directors' Report CONTINUED

Mr Bryn Jones Technical Director
Appointed 15 September 2019

Mr Jones is an industrial chemist and a Fellow of the Australasian Institute of Mining and Metallurgy, with more than 20 years of experience in the Australian uranium industry. He has worked in all aspects of the mining cycle, particularly in uranium in-situ recovery (ISR) and mine development and production. Mr Jones spent nearly 10 years in roles with ISR uranium producer Heathgate Resources, owned by US-based nuclear company General Atomics. Heathgate is the owner and operator of the Beverley and Beverley North Uranium Mines in South Australia, Australia's only other operator ISR uranium mine. More recently he has been Chief Operating Officer of Canadian-based uranium developer Laramide Resources Ltd and the previous Managing Director of Uranium Equities Limited.

Mr Jones is a Non-Executive Director of DevEx Resources Limited (September 2009 – present) and Salt Lake Potash Limited (June 2017 – present).

Mr Dudley Kingsnorth Non-Executive Director
Appointed 1 July 2020

Mr Kingsnorth (FAICD, FAusIMM) is a metallurgist with extensive executive experience in the international mining sector including positions with Bechtel, Alcoa, Shell (Billiton), Rio Tinto, Ashton Mining and Greenbushes. His career includes a focus on comprehensive management of process development, project feasibility studies and project development through to successful mine start-up that is fully cognisant of market demands.

Mr Mathew O'Hara Company Secretary and Chief Financial Officer
Appointed 1 March 2019

Mr O'Hara is a Chartered Accountant and has over 15 years' experience in corporate finance, accounting and governance. He has been employed by, and acted as, Non-Executive Director, Company Secretary and Chief Financial Officer of several companies in the resources sector. Prior to these roles Mr O'Hara spent several years with an international accounting firm specialising in the Corporate Finance, Advisory and Audit divisions gaining significant experience with ASX, TSX and AIM listed clients across a diverse range of industries.

Mr O'Hara is a Non-Executive Director of Carbine Resources Limited (September 2018 – present), African Gold Limited (April 2020 – present) and Benz Mining Corp (listed on TSX-V) (April 2020 – present).

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Directors' Report CONTINUED

Meetings of Directors

During the financial year, 6 meetings of Directors were held, and 3 circular resolutions signed. Attendances by each Director during the year were as follows:

	Number of meetings eligible to attend	Number of meetings attended
Mr Peter O'Connor	4	4
Mr Duncan Craib	6	6
Mr Bryn Jones	5	5
Mr Evan Cranston	5	5
Mr Mark Hohnen	2	2
Mr Peter Williams	4	4

Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Principal Activities

During the period the Group continued advancing the restart strategy for its 100%-owned Honeymoon Uranium Project in South Australia, including the completion of its Feasibility Study in January 2020.

Operating Results

The loss of the Group for the year ended 30 June 2020 after providing for income tax amounted to $5,084,467 (2019: loss of $1,221,691).

Financial Position

The net assets of the Group are $12,064,984 as at 30 June 2020 (2019: $16,122,429).

Significant Changes in State of Affairs

- Completion of a Feasibility Study for Honeymoon which confirmed Boss Resources as Australia's next uranium producer.

- Appointment of Mr Peter O'Connor, Mr Bryn Jones and Mr Dudley Kingsnorth as Chairman, Technical Director and Non-Executive Director respectively of Boss Resources. Resignation of Mark Hohnen, Peter Williams and Evan Cranston as Chairman, Non-Executive Director and Non-Executive Director respectively.

- Settlement of the final promissory note to the vendor of Honeymoon.

- Completed passive seismic surveys over the Eastern Region to improve target generation for future drilling programs. Following postponement of field activities in March 2020, due to COVID-19, the Company refocused exploration efforts on a comprehensive desktop study involving a systematic review of all historical information within the Eastern and Western region tenements.

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Matters subsequent to end of financial year

On 1 July 2020, Mr Dudley Kingsnorth was appointed as Non-Executive Director.

On 20 August 2020, the Company announced the results of a study on the optimisation of ion exchange process which confirmed significant cost reductions for the Honeymoon Uranium Project. The Company also announced that in recognition of completing the highly successful feasibility study in January 2020, the Board had agreed to grant a total of 5.7 million shares to employees as an annual bonus for the FY19/20 financial year. The number of shares granted was determined by reference to the 20-day VWAP prior to 30 June 2020. Included in the total is an amount of 2.5 million shares to be issued to the Managing Director/CEO and 1.6 million shares to be issued to the Technical Director, which are both subject to shareholder approval.

On 3 September 2020, the Company announced that Mr Wyatt Buck will be appointed as a Non-Executive Director, effective 1 October 2020 and at a Board meeting held on 8 September 2020, Dudley Kingsnorth was appointed chair of the Audit and Remuneration Committee and Wyatt Buck, once appointed on 1 October 2020, will chair the Technical and Risk Committee. The other members of the Technical and Risk Committee will comprise Dudley Kingsnorth and Bryn Jones.

On 16 September 2020, the vesting conditions for 10 million Performance Rights issued to Peter Williams, was met. The vesting condition achieved was the closing price of the Company's shares on the ASX being $0.075 for 20 consecutive ASX trading days. The shares will be issued in due course.

Other than that, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Future Developments, Prospects and Business Strategies

Disclosure of further information regarding likely developments in the operations of the Group in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice of those operations, or that state of affairs of the Group in future financial periods.

Environmental Issues

The Group is aware of its environmental obligations with regards to its exploration and development activities and ensures that it complies with all regulations at all times.

Options

At the date of this report there are 118,500,000 unquoted share options and no quoted options on issue.

Performance Rights

At the date of this report there are 27,333,333 unquoted performance rights on issue. It is noted that the vesting condition for 10 million unquoted performance rights has been met and the shares will be issued in due course.

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Directors' Report CONTINUED

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of these proceedings. The Group was not a party to any such proceedings during the year.

Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by them in their capacity as Officer, or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The Company has agreed to pay a premium for Directors and Officers Insurance.

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 23 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2020, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

Officers of the company who are former partners of RSM Australia Partners

There are no officers of the company who are former partners of RSM Australia Partners.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

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REMUNERATION REPORT - AUDITED

The Remuneration Report, which has been audited, outlines the Director and executive remuneration arrangements for the Group and the Company, in accordance with the requirements of the *Corporations Act* and its Regulations.

Remuneration Policy

The Board recognises that Boss operates in a global environment. To prosper in this environment it must attract, motivate and retain skilled Directors, Executives and employees. The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Group operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Group;
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders; and
- long term incentives are used to ensure that remuneration of Key Management Personnel reflects the Group's financial performance, with particular emphasis on the consequence of the Group's performance on shareholder wealth.

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally. Independent advice may be obtained to confirm that remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices. The Board determines actual payments to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board seeks external advice to ensure reasonableness in remuneration scale and structure, and to compare the Group's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the Board to reward key employees when they deliver consistently high performance.

Executive and Key Management Personnel (KMP) Remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders. The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

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REMUNERATION REPORT – AUDITED (continued)

Executive and Key Management Personnel (KMP) Remuneration (continued)

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Group has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation. The Board's policy for determining the nature and amount of remuneration for executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for executives, was developed and approved by the Board. All executives receive a fee, part of which may be taken as superannuation, and from time to time, securities. Securities issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Group's performance, executives' performance and comparable information from industry sectors and other listed companies in similar industries. The Board may in its discretion establish a performance-based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.
- Salaried executive directors and specified executives are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.
- All remuneration paid to directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).
- During the prior year, ended 30 June 2019, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company's remuneration framework by external advisors, BDO Remuneration and Reward Services.

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The maximum aggregate remuneration approved for non-executive directors is currently $300,000.

It is recognised that non-executive director remuneration is ideally structured to exclude equity-based remuneration. However, whilst the Company remains small and the full Board, including the non-executive directors, are included in the operations of the Company more intimately than may be the case with larger companies, the non-executive directors are entitled to participate in equity-based remuneration schemes. All Directors (Executive and Non-Executive) are entitled to have their indemnity insurance paid by the Company.

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REMUNERATION REPORT – AUDITED (continued)

Additional Information for Consideration of Shareholder Wealth

This table summarises the earnings of the Group and other factors that are considered to affect shareholder wealth for the five years to 30 June 2020.

	2020	2019	2018	2017	2016
Loss after income tax ($)	(5,084,467)	(1,221,691)	(4,685,079)	(6,055,627)	(2,675,940)
Share price at financial year end ($)	0.053	0.044	0.073	0.048	0.041
Movement in share price for the year ($)	0.009	(0.029)	0.025	0.007	0.0226
Total dividends declared (cents/share)	-	-	-	-	-
Returns of capital (cents/share)	-	-	-	-	-
Basic loss per share (cents/share)	(0.321)	(0.077)	(0.39)	(0.64)	(0.36)

Voting and comments made at the Company's 2019 Annual General Meeting (AGM)

At the 2019 AGM, 99.68% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2019. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Service Agreements

A summary of service agreements with Executives effective during the financial year is set out below. These details are in addition to the share options issued as share based payment compensation.

Executive	Term of agreement	Role	Base salary/fee per annum (excl. superannuation)	Termination conditions	Proportion of remuneration related to performance (%)
Mr Duncan Craib	No specified term	Managing Director/CEO	$320,000	3-month notice	-
Mr Bryn Jones	No specified term	Technical Director	$180,000	3-month notice	-
Mr Mathew O'Hara	No specified term	Company Secretary/CFO	$72,000	3-month notice	-

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REMUNERATION REPORT – AUDITED (continued)

Details of Remuneration for Year Ended 30 June 2020

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

The KMP of the group consist of all Directors and the Company Secretary.

	Short-term benefits cash salary & fees $	Superannuation contribution $	Long-term granted options/shares $	Total $	Proportion of remuneration performance related %
Non-Executive Directors					
Mr Peter O'Connor*	44,624	4,239	256,270	305,133	84
Mr Evan Cranston**	46,389	-	-	46,389	-
Mr Mark Hohnen***	61,050	-	-	61,050	-
Mr Peter Williams****	45,827	-	-	45,827	-
Executive Directors					
Mr Duncan Craib	347,697	21,003	1,098,050	1,466,750	75
My Bryn Jones*****	155,046	13,585	257,640	426,271	60
Other KMP					
Mr Mathew O'Hara	61,263	5,700	99,400	166,363	60
	761,896	44,527	1,711,360	2,517,783	68

* Mr Peter O'Connor was appointed as Chairman on 21 January 2020.
** Mr Evan Cranston resigned as Non-Executive Director and ceased being KMP on 5 June 2020. Only his remuneration to 5 June 2020 is included here.
*** Mr Mark Hohnen resigned as Chairman and ceased being KMP on 21 January 2020. Only his remuneration to 21 January 2020 is included here.
**** Mr Peter Williams resigned as a Non-Executive Director and ceased being KMP on 31 May 2020. Only his remuneration to 31 May 2020 is included here.
***** Mr Bryn Jones was appointed as Technical Director on 15 September 2019.

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REMUNERATION REPORT – AUDITED (continued)

Details of Remuneration for Year Ended 30 June 2019

	Short-term benefits cash salary & fees $	Superannuation contribution $	Long-term granted options/shares $	Total $	Proportion of remuneration performance related %
Non-Executive Directors					
Mr Mark Hohnen	100,000	9,500	126,905	236,405	54%
Mr Evan Cranston	50,000	-	-	50,000	100%
Mr Peter Williams	49,992	-	115,873	165,865	70%
Mr Grant Davey*	42,720	-	-	42,720	100%
Executive Directors					
Mr Duncan Craib	284,046	25,000	-	309,046	100%
Other KMP					
Mr Mathew O’Hara**	15,000	1,425	-	16,425	100%
Ms Oonagh Malone***	27,000	-	-	27,000	100%
	568,758	35,925	242,778	847,461	29%

* Mr Grant Davey resigned as a non-executive director and ceased being KMP on 6 February 2019. Only his remuneration to 6 February 2019 is included here.
** Mr Mathew O’Hara was appointed as CFO and Company Secretary on 1 March 2019.
*** Ms Oonagh Malone resigned as Company Secretary and ceased being KMP on 1 March 2019. Only her remuneration to 1 March 2019 is included here.

Other Transactions with KMP and Their Related Parties

A number of KMP, or their related parties, hold positions in other entities that may result in them having control or significant influence over the financial or operating policies of those entities. Where the Group transacts with the KMP and their related parties, the terms and conditions of these transactions are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-KMP related entities on an arm’s length basis.

Share Based Payment Compensation

Shares issued as a part of remuneration

During the prior year ended 30 June 2019, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company’s remuneration framework by external advisors, BDO Remuneration and Reward Services. Following this review, an incentive bonus of 3,000,000 Shares was agreed to be issued to the Managing Director, Mr Duncan Craib, in recognition of technical advancement of the project. This issue of Shares was approved by Shareholders at the 2019 AGM and were subsequently issued on 12 November 2019. No other shares were issued to KMP during the financial year as part of remuneration.

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Directors' Report CONTINUED

REMUNERATION REPORT – AUDITED (continued)

Share Based Payment Compensation (continued)

Options issued as a part of remuneration

Details of options over ordinary shares in the Company provided as remuneration to KMP are set out below. When exercised, each option is convertible into one ordinary share of Boss Resources Limited. These options were granted with nil additional consideration.

KMP	Grant date	Number granted	Exercise price ($)	Value of options granted ($)	Vesting date	Expiry date
Mr Peter O'Connor	21-Jan-20	7,000,000	0.065	103,040	21-Jan-20	30-Jun-23
Mr Peter O'Connor	21-Jan-20	7,000,000	0.080	83,860	21-Jan-20	30-Jun-23
Mr Peter O'Connor	21-Jan-20	7,000,000	0.095	69,370	21-Jan-20	30-Jun-23
Mr Duncan Craib*	12-Nov-19	15,000,000	0.065	368,100	12-Nov-19	30-Jun-23
Mr Duncan Craib*	12-Nov-19	15,000,000	0.080	318,750	12-Nov-19	30-Jun-23
Mr Duncan Craib*	12-Nov-19	15,000,000	0.095	279,300	12-Nov-19	30-Jun-23
Mr Bryn Jones*	12-Nov-19	4,000,000	0.065	98,160	12-Nov-19	30-Jun-23
Mr Bryn Jones*	12-Nov-19	4,000,000	0.080	85,000	12-Nov-19	30-Jun-23
Mr Bryn Jones*	12-Nov-19	4,000,000	0.095	74,480	12-Nov-19	30-Jun-23
Mr Mathew O'Hara	4-Jul-2019	2,500,000	0.065	39,400	4-Jul-2019	30-Jun-22
Mr Mathew O'Hara	4-Jul-2019	2,500,000	0.080	32,600	4-Jul-2019	30-Jun-22
Mr Mathew O'Hara	4-Jul-2019	2,500,000	0.095	27,400	4-Jul-2019	30-Jun-22

The assessed fair value at grant date of options granted to KMP is allocated equally over the period from issue date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, option term, impact of dilution, share price at grant date, expected price volatility, expected dividend yield, risk-free interest rate for the term of the option and the liquidity of the share market. Further details are set out in Note 24.

**These Options were agreed to be issued to each Director on 4 July 2019, at which point the value of a Boss share was $0.044. Under ASX Listing Rules, the issue of securities to a Director is subject to Shareholder approval and in accordance with accounting standards, the date Shareholder approval is received is considered the grant date for valuation purposes. Shareholder approval not received until 11 November 2020 and on this date the value of a Boss share had increased to $0.058.*

Details of options over ordinary shares in the Company that were cancelled during the year are set out below.

KMP	Grant date	Number granted	Exercise price ($)	Vesting date	Expiry date
Mr Duncan Craib	9-Jan-17	10,000,000	0.065	9-Jan-17	9-Jan-20
Mr Duncan Craib	9-Jan-17	10,000,000	0.080	9-Jan-17	9-Jan-20
Mr Duncan Craib	9-Jan-17	10,000,000	0.095	9-Jan-17	9-Jan-20

Performance Rights issued as part of remuneration

No Performance Rights were issued to KMP's of the Group as part of their remuneration.

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REMUNERATION REPORT – AUDITED (continued)

Additional Disclosures Relating to KMP

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

2020 Ordinary shares	Balance at the start of the year/on appointment	Received as part of remuneration	Perf. Rights vested	Options Exercised	On-market purchases	Balance at the end of the year/on resignation
Mr Peter O'Connor*	840,000	-	-	-	4,800,000	5,640,000
Mr Duncan Craib	2,500,000	3,000,000	-	-	500,000	6,000,000
Mr Bryn Jones**	-	-	-	-	550,000	550,000
Mr Evan Cranston***	6,666,667	-	-	-	-	6,666,667
Mr Mark Hohnen****	20,666,667	-	-	-	-	20,666,667
Mr Peter Williams*****	32,505,979	-	-	-	-	32,505,979
Mr Mathew O'Hara	-	-	-	-	-	-
	63,179,313	3,000,000	-	-	5,850,000	72,029,313

* Mr Peter O'Connor was appointed as Chairman on 21 January 2020.
** Mr Bryn Jones was appointed as Technical Director on 15 September 2019.
*** Mr Evan Cranston resigned as a Non-Executive Director and ceased being KMP on 5 June 2020.
**** Mr Mark Hohnen resigned as Chairman and ceased being KMP on 21 January 2020.
***** Mr Peter Williams resigned as a Non-Executive Director and ceased being KMP on 31 May 2020.

Option holding

The number of options held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

2020 Options over ordinary shares	Balance at the start of the year/on appointment	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year/on resignation
Mr Peter O'Connor*	-	21,000,000	-	-	21,000,000
Mr Duncan Craib	30,000,000	45,000,000	-	(30,000,000)	45,000,000
Mr Bryn Jones**	-	12,000,000	-	-	12,000,000
Mr Evan Cranston***	-	-	-	-	-
Mr Mark Hohnen****	-	-	-	-	-
Mr Peter Williams*****	-	-	-	-	-
Mr Mathew O'Hara	-	7,500,000	-	-	7,500,000
	30,000,000	85,500,000	-	(30,000,000)	85,500,000

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Directors' Report CONTINUED

REMUNERATION REPORT – AUDITED (continued)

Additional Disclosures Relating to KMP (continued)

Performance Rights

The number of Performance Rights held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

2020 Performance Rights over ordinary shares	Balance at the start of the year/on appointment	Granted	Converted	Expired/ forfeited/ other	Balance at the end of the year/on resignation
Mr Peter O'Connor*	-	-	-	-	-
Mr Duncan Craib	-	-	-	-	-
Mr Bryn Jones**	-	-	-	-	-
Mr Evan Cranston***	-	-	-	-	-
Mr Mark Hohnen****	14,000,000	-	-	-	14,000,000
Mr Peter Williams*****	30,000,000	-	-	(20,000,000)	10,000,000
Mr Mathew O'Hara	-	-	-	-	-
	44,000,000	-	-	(20,000,000)	24,000,000

* Mr Peter O'Connor was appointed as Chairman on 21 January 2020.
** Mr Bryn Jones was appointed as Technical Director on 15 September 2019.
*** Mr Evan Cranston resigned as a Non-Executive Director and ceased being KMP on 5 June 2020.
**** Mr Mark Hohnen resigned as Chairman and ceased being KMP on 21 January 2020.
***** Mr Peter Williams resigned as a Non-Executive Director and ceased being KMP on 31 May 2020. Following Mr Williams resignation, 20 million Performance Rights were cancelled.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporations Act

Peter S. O'Connor

Peter O'Connor
Chairman
DATED at PERTH this 28th day of September 2020

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Resources Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 28 September 2020

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RSM Australia Partners ABN 36 965 185 036

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
Revenue			
Interest revenue	2	243,990	383,397
Other income	2	406,547	1,144,969
Gain on disposal of exploration interests	9	-	4,800,000
Expenses			
Employees and consultants	2	(1,210,398)	(1,052,770)
Professional and service fees	2	(431,785)	(528,299)
Financing charges	2	(135,240)	(246,652)
Exploration and evaluation expenditure	9	(2,577,015)	(5,176,672)
Gain on/(impairment of) financial assets		8,779	(1,756)
Gain on disposal of plant and equipment		-	4,140
Share based payments expense	24	(1,027,022)	(242,778)
Other expenses	2	(362,323)	(305,270)
Loss before income tax expense		**(5,084,467)**	**(1,221,691)**
Income tax expense	3	-	-
Loss after income tax expense		**(5,084,467)**	**(1,221,691)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive (loss) for the year		**(5,084,467)**	**(1,221,691)**
Basic and diluted (loss) per share (cents per share)	17	(0.321)	(0.077)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
CURRENT ASSETS			
Cash and cash equivalents	4	3,822,329	10,528,381
Trade and other receivables	5	3,777	1,254,210
Other assets	6	30,424	37,253
Total Current Assets		3,856,530	11,819,844
NON-CURRENT ASSETS			
Plant and equipment	7	100,725	177,606
Other financial assets	8	8,936,810	8,990,331
Exploration and evaluation expenditure	9	8,813,373	8,708,944
Total Non-Current Assets		17,850,908	17,876,881
TOTAL ASSETS		21,707,438	29,696,725
CURRENT LIABILITIES			
Trade and other payables	10	731,195	814,310
Employee benefits		89,900	43,056
Borrowings	11	-	4,000,000
Total Current Liabilities		821,095	4,857,366
NON-CURRENT LIABILITIES			
Restoration provisions	12	8,821,359	8,716,930
Total Non-Current Liabilities		8,821,359	8,716,930
TOTAL LIABILITIES		9,642,454	13,574,296
NET ASSETS		**12,064,984**	**16,122,429**
EQUITY			
Issued capital	13	79,306,493	79,132,493
Reserves	14	10,555,412	9,702,390
Accumulated losses	15	(77,796,921)	(72,712,454)
TOTAL EQUITY		**12,064,984**	**16,122,429**

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2020

Consolidated	Issued Capital	Accumulated Losses	Share Based Payment Reserve	Total
	$	$	$	$
Balance at 1 July 2019	79,132,493	(72,712,454)	9,702,390	16,122,429
Loss for the year after income tax	-	(5,084,467)	-	(5,084,467)
Total comprehensive (loss) for the year	-	(5,084,467)	-	(5,084,467)
Shares issued during the year	174,000	-	-	174,000
Share based payments	-	-	853,022	853,022
Balance at 30 June 2020	**79,306,493**	**(77,796,921)**	**10,555,412**	**12,064,984**
Balance at 1 July 2018	79,081,215	(71,490,763)	9,312,312	16,902,764
Loss for the year after income tax	-	(1,221,691)	-	(1,221,691)
Total comprehensive (loss) for the year	-	(1,221,691)	-	(1,221,691)
Shares issued during the year	200,000	-	-	200,000
Options issued during the year	1,000	-	-	1,000
Capital raising costs	(149,722)	-	-	(149,722)
Share based payments	-	-	390,078	390,078
Balance at 30 June 2019	**79,132,493**	**(72,712,454)**	**9,702,390**	**16,122,429**

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
		Inflows / (Outflows)	
Cash Flows from operating activities			
Cash payments in the course of operations		(1,645,354)	(1,975,386)
Cash payments for mineral exploration and evaluation		(2,771,785)	(4,925,743)
Research and Development tax refund received		1,501,516	-
Interest received		246,200	470,365
Net cash (used in) operating activities	16	(2,669,423)	(6,430,764)
Cash Flows from investing activities			
Purchase of plant and equipment		(83,864)	-
Proceeds on disposal of plant and equipment		-	11,458
Proceeds on disposal of mineral exploration interests		-	9,800,000
Other – security bonds		47,237	-
Net cash provided by/(used in) investing activities		(36,627)	9,811,458
Cash Flows from financing activities			
Repayment of promissory note		(4,000,000)	-
Proceeds from issue of share capital		-	198,578
Net cash provided by/(used in) financing activities		(4,000,000)	198,578
Net increase/(decrease) in cash and cash equivalents		(6,706,050)	3,579,272
Cash and cash equivalents at beginning of the financial year		10,528,381	6,961,345
Exchange differences on cash and cash equivalents		(2)	(12,236)
Cash and cash equivalents at the end of the financial year	4	**3,822,329**	**10,528,381**

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

These consolidated financial statements and notes represent those of Boss Resources Limited (the Company or parent entity) and Controlled Entities (the Group or consolidated entity). Boss Resources Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Boss Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in Note 26.

The financial statements were authorised for issue on 28th September 2020 by the Directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

Except for cash flow information, the financial statements have been prepared on an accruals basis. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 1.

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Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New and Amended Accounting Policies adopted by the Group

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group 's accounting policies.

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). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. 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.

When adopting AASB 16 from 1 July 2019, the Group has accounted for leases with a remaining term of 12 months as at 1 July 2019 as short-term leases.

Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Boss Resources Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 18.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

When the Group changes the proportion of ownership of a non-controlling interest, the difference between the fair value of the consideration paid or received and the adjustment to the balance of the non-controlling interest, is recognised in equity as an adjustment to retained earnings. Such an adjustment to retained earnings does not meet definitions of profit and loss, or other comprehensive income, so is not disclosed in the statement of profit or loss and other comprehensive income. Consideration paid or received for a non-controlling interest is valued as at the transaction date, not as at an earlier authorisation or contract date, because it does not meet the definition of a share-based payment.

b) 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.

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 current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve 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 twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

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Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Cash and Cash Equivalents

Cash on hand and in banks and short-term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

e) Foreign Currency Translation

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the parent company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the Group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

f) Financial Instruments

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted

For financial liabilities, the portion of the change in fair value that relates to the Group’s credit risk is presented in other comprehensive income.

Hedge accounting requirements align the accounting treatment with the Group’s risk management activities. The Group does not currently have any impaired financial assets, financial liabilities with changes in fair value due to credit risk presented in other comprehensive income, or financial instruments requiring hedge accounting.

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Trade and Other Payables

Trade payables and other accounts are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

h) Trade and Other Receivables

Trade account receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for expected credit loss.

i) Income Tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

j) Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement profit or loss and other comprehensive income during the financial period in which they are incurred.

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Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Depreciation

The depreciable amount of all plant and is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	*Depreciation Rate*
Plant and equipment	16.67% - 40%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement profit or loss and other comprehensive income.

l) Exploration and Development Expenditure

For each area of interest, expenditure incurred in the exploration for, and evaluation of, mineral resources are either expensed as incurred or capitalised and recognised as an exploration and evaluation asset.

Exploration, evaluation and development expenditure capitalised are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

Where permits for capitalised areas of interest are not held directly by the Group, the Group has enforceable current rights to the capitalised areas of interest.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

m) Leases

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

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Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Revenue and Other Income

Revenue from contracts with customers is recognised based on the transfer of promised goods or services to customers with an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services.

Other revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Research and development tax offset income is recognised when it is received or when the right to receive payment is established. Revenue is measured at the fair value of the consideration received or receivable.

Interest income is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax.

o) Goods and Services Tax (GST)

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

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

p) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

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Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Share-Based Payment Transactions

The Company provides benefits to KMP of the Group in the form of share-based payments, whereby the KMP render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share-based payments.

The cost of equity settled transactions with KMP are measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cost of equity settled transactions are recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

s) 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.

When 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 profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

t) Issued Capital

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.

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

u) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Boss Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

v) Provision for Restoration

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount may be capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location. The capitalised cost is amortised over the life of the project and the provision is accredited periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as interest expense. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs are determined on the basis that restoration will be completed within one year of abandoning a site.

w) 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. Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

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Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

x) Critical Accounting 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.

Capitalised Exploration and Evaluation Expenditure

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Share based payment transactions

The Group 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 either the Binomial or 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.

Restoration provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

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	Consolidated 2020 $	Consolidated 2019 $
NOTE 2: SIGNIFICANT INCOMES AND EXPENDITURES		
Income		
Interest income	243,990	383,397
	243,990	**383,397**
Other income		
Research and Development tax rebate	356,547	1,144,969
Government subsidy - Cash Boost	50,000	-
	406,547	**1,144,969**
Employees and consultants		
Superannuation	(44,527)	(51,000)
Other employee and consultant charges	(1,165,871)	(1,001,770)
	(1,210,398)	**(1,052,770)**
Financing charges		
Bank fees including guarantee fees	(103,459)	(172,179)
Interest on promissory notes	(31,781)	(74,473)
	(135,240)	**(246,652)**
Professional and service fees		
Tax, accounting and legal fees	(140,184)	(203,366)
Travel and accommodation	(129,809)	(130,504)
Regulatory fees	(64,595)	(72,011)
Office rent	(84,944)	(69,236)
Other professional and service fees	(12,253)	(53,182)
	(431,785)	**(528,299)**
Other expenses		
Depreciation	(131,210)	(122,682)
Other expenses	(231,113)	(182,588)
	(362,323)	**(305,270)**

NOTE 3: INCOME TAX EXPENSE

	2020 $	2019 $
a. Income tax expense		
Current tax	-	-
Deferred tax	-	-
Under/ (over) provision in respect of prior years	-	-
	-	-

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NOTE 3: INCOME TAX EXPENSE (continued)

b. Numerical reconciliation of income tax benefit to prima facie tax payable

	Consolidated 2020 $	Consolidated 2019 $
Loss from continuing operations before income tax expense	(5,084,467	(1,221,691)
Tax at the Australian tax rate of 27.5% (2019: 27.5%)	(1,398,228)	(335,965)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share based payments	282,431	66,764
Impairment of assets/ (Reversal of impairment)	(2,414)	483
Capital loss on disposal of subsidiaries	-	(7,027,411)
Other non-deductible expenses and non-assessable income	(519,119)	(771,465)
Income tax benefit not recognised	1,637,331	8,067,594
Income tax expense	-	-

c. Unrecognised deferred tax assets – tax losses

	2020 $	2019 $
Unused tax losses for which no deferred tax asset has been recognised	106,302,560	101,648,069
Potential tax benefit at the Australian tax rate of 27.5% (2019: 27.5%)	**29,233,204**	**27,953,219**

The Group is estimated to have Australian tax losses for which no deferred tax asset is recognised of $106,302,560 (2019: $101,648,069). A specialist tax adviser, PricewaterhouseCoopers, was engaged to assess the tax consolidation of the Group as at 19 March 2018, being the date at which the non-controlling interest in Wattle Mining Pty Ltd was acquired and a consolidated tax group was formed. The 2020 balance includes $85,599,812 of income tax losses and $20,702,748 of capital losses following disposal of Burkina Faso exploration interests during the year ended 30 June 2019.

d. Unrecognised temporary differences

Unrecognised deferred tax asset at 30 June relates to the following:

	2020 $	2019 $
Accumulated impairment of assets	2,278,342	2,280,756
Capital raising costs recognised directly in equity	117,609	226,980
Other unrecognised temporary differences	4,289,280	4,566,009
	6,685,231	**7,073,745**

The temporary differences have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable, for the year 30 June 2020. The benefit of these deferred tax assets will only be obtained if:

(1) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;

(2) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and

(3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

No franking credits are available.

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	Consolidated 2020 $	2019 $
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	622,329	1,686,001
Term deposit	3,200,000	8,842,380
	3,822,329	**10,528,381**
NOTE 5: TRADE AND OTHER RECEIVABLES		
Trade receivables	3,777	109,241
Research and Development tax rebate receivable	-	1,144,969
	3,777	**1,254,210**

Receivables are non-interest bearing and generally repayable within 30 days. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

	2020 $	2019 $
NOTE 6: OTHER ASSETS		
Prepaid expenses	12,192	37,253
Short term deposits	18,232	-
	30,424	**37,253**
NOTE 7: PLANT AND EQUIPMENT		
Cost	645,169	590,840
Accumulated depreciation	(544,444)	(413,234)
	100,725	**177,606**
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	177,606	278,524
Additions	54,329	29,082
Disposals	-	(7,318)
Depreciation expense	(131,210)	(122,682)
Carrying amount at end of the year	**100,725**	**177,606**
NOTE 8: OTHER FINANCIAL ASSETS		
Security bonds	8,882,380	8,944,680
Financial assets – at fair value through profit or loss	54,430	45,651
	8,936,810	**8,990,331**
Listed investments, at fair value		
- Shares in listed corporations	**54,430**	**45,651**
Movement in listed investments at fair value		
Opening fair value	45,651	47,407
Gain/(Decline) in value	8,779	(1,756)
Closing fair value	**54,430**	**45,651**

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	Consolidated 2020 $	2019 $
NOTE 8: OTHER FINANCIAL ASSETS (continued)		
Movement in security bonds		
Opening value	8,944,680	8,951,680
Security bond refunded	(62,300)	-
Security bond written off	-	(7,000)
Closing value	8,882,380	8,944,680

Listed investments at fair value comprise an investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. Movements in the value of listed investments at fair value are recognised in profit or loss.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks with at least 'A' credit rankings. No impairment provisions are recognised for security bonds as they are expected to be fully recoverable.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	2020 $	2019 $
Balance at the beginning of the year	8,708,944	13,496,388
Disposal of exploration interest	-	(5,000,000)
Exploration expenditure incurred	2,577,015	5,176,672
Increase in associated restoration provision (Note 12)	104,429	212,556
Exploration expenditure expensed	(2,577,015)	(5,176,672)
Balance at the end of the year	8,813,373	8,708,944

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

During the prior year, the Burkina Faso exploration interests were sold for $10,000,000 with the disposal of the remaining shares that were held in the holding companies. The $5,000,000 value of these exploration interests is deducted from the balance of capitalised exploration and evaluation expenditure. There was $200,000 in disposal costs associated with the transaction resulting in the $4,800,000 gain on this disposal is recognised in profit or loss. The remaining balance of capitalised exploration and evaluation expenditure at 30 June 2020 of $8,813,373 relates solely to the Honeymoon Uranium Project.

NOTE 10: TRADE AND OTHER PAYABLES

	2020 $	2019 $
Trade payables	325,061	438,825
Accrued expenditure	67,203	68,335
Interest payable	338,931	307,150
	731,195	814,310

All payables are on industry standard payment terms.

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	Consolidated 2020 $	2019 $
NOTE 11: BORROWINGS		
Current borrowings		
Promissory notes	-	4,000,000
	-	4,000,000

As part of the Honeymoon acquisition costs from Uranium One during the financial year ended 30 June 2016, two promissory notes were issued by the Company for A$3,000,000 and A$4,000,000 on behalf of Boss Energy Pty Ltd to enable that entity to partially repay loans owing to the vendor. The A$3,000,000 promissory note was repaid during the year ended 30 June 2018. The remaining A$4,000,000 promissory note was repaid in November 2019.

NOTE 12: NON-CURRENT PROVISIONS

	2020 $	2019 $
Restoration provision	8,821,359	8,716,930
	8,821,359	**8,716,930**
Movement in restoration provision		
Opening carrying amount at the start of the period	8,716,930	8,504,374
Increase in restoration provision	104,429	212,556
Closing carrying amount at the end of the period	**8,821,359**	**8,716,930**

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location.

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	Consolidated 2020 $	Consolidated 2019 $
NOTE 13: ISSUED CAPITAL		
a. Movements in issued capital		
Issued Capital – share options issued for cash	1,000	1,000
Issued Capital - fully paid ordinary shares	79,305,493	79,131,493
Issued Capital - fully paid ordinary shares	79,306,493	79,132,493

2020	Number	$
Ordinary Shares		
Balance at 1 July 2019	1,584,403,008	79,131,493
Share issue – 12 November 2019 at $0.058 per share to a Director pursuant to shareholder approval at 2019 AGM	3,000,000	174,000
Balance at 30 June 2020	1,587,403,008	79,305,493

2019		
Ordinary Shares		
Balance at 1 July 2018	1,574,403,008	79,081,215
Share issue – 27 August 2018 at $0.02 per share on exercise of Options	10,000,000	200,000
Share issue costs	-	(149,722)
Balance at 30 June 2019	1,584,403,008	79,131,493

Ordinary shareholders participate in dividends and the proceeds in winding up of the parent entity in proportion to the shares held.

b. Capital Risk Management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The Company does not have a defined share buy-back plan. No dividends were paid or declared in the years ending 2020 and 2019. The Group is not subject to any externally imposed capital requirements.

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	Consolidated 2020 $	2019 $
NOTE 14: RESERVES		
Options reserve	10,555,412	9,702,390
	10,555,412	**9,702,390**

Options reserve	Number of Options	$
2020		
Balance at 1 July 2019	55,500,000	9,702,390
Recognition and reversal of Performance Rights	-	(783,738)
Cancellation of Options issued to Managing Director	(30,000,000)	(42,100)
Option issue – to Employees on 4 July 2019	15,000,000	198,800
Option issue – to Directors on 12 November 2019	57,000,000	1,223,790
Option issue – to Chairman on 21 January 2020	21,000,000	256,270
Balance at 30 June 2020	**118,500,000**	**10,555,412**
2019		
Balance at 1 July 2018	55,500,000	9,312,312
Exercise of options	(10,000,000)	-
Recognition of Performance Rights expense over vesting period	-	242,778
Options issued for capital raising services that vested immediately	10,000,000	147,300
Balance at 30 June 2019	**55,500,000**	**9,702,390**

The options reserve represents the charge for outstanding options and Performance Rights which have met all conditions precedent to vest, but which have not been exercised.

NOTE 15: ACCUMULATED LOSSES

	2020	2019
Accumulated losses at the beginning of the year	(72,712,454)	(71,490,763)
Loss after income tax expense for the year	(5,084,467)	(1,221,691)
Accumulated losses at the end of the year	**(77,796,921)**	**(72,712,454)**

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Notes to the Financial Statements

For the Year Ended 30 June 2020

NOTE 16: CASHFLOW INFORMATION

a. Reconciliation of net cash used in operating activities with loss after income tax

For the purpose of the statement of cash flows, cash includes cash on hand and at bank and deposits. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

	Consolidated	
	2020 $	2019 $
Cash at bank and on hand	3,822,329	10,582,381
Reconciliation of loss after related income tax to net cash used in operating activities:		
Loss after income tax expense	(5,084,467)	(1,221,691)
Adjustments for:		
Depreciation	131,210	122,682
Write off of security bond	-	7,000
(Gain on)/ decline in value of investment	(8,779)	1,756
Exchange differences	2	12,236
Share based payment expense	1,027,022	242,778
Gain on disposal of exploration interests	-	(4,800,000)
Gain on disposal of fixed assets	-	(4,140)
Net changes in working capital:		
Provisions	61,907	10,795
Payables	(53,579)	296,645
Receivables	1,250,433	(1,070,003)
Other assets	6,828	(28,822)
Net cash used in operating activities	**(2,669,423)**	**(6,430,764)**

b. Non-cash Financing and Investing Activities

During 2019, the Company sold all of its shares held in Boss Minerals Pty Ltd and Askia Gold Pty Ltd (and their subsidiaries) to Teranga Gold (Australia) Pty Ltd, for consideration of $10,000,000 less disposal costs of $200,000.

NOTE 17: LOSS PER SHARE

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

Loss for the year attributable to members of the Company	(5,084,467)	(1,221,691)
	Number	Number
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share	1,585,509,565	1,582,813,967

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NOTE 18: DETAILS OF CONTROLLED ENTITIES

a. Information about Principal Subsidiaries

	Country of Incorporation	Percentage Owned % 2020	2019
Parent Entity:			
Boss Resources Limited	Australia		
Subsidiaries of Boss Resources Limited:			
Wattle Mining Pty Ltd	Australia	100	100
Boss Energy Pty Ltd	Australia	100	100
Boss Uranium Pty Ltd	Australia	100	100
Boss Resources Sweden Pty Ltd	Australia	100	100

There have been no other movements in percentage ownership or costs of controlled entities during 2020.

NOTE 19: KEY MANAGEMENT PERSONNEL

Compensation of Key Management Personnel

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 KMP For the year ended 30 June 2020.

	Consolidated 2020 $	2019 $
Short term employment benefits	761,896	578,258
Other benefits	44,527	26,425
Share based payments	1,711,360	242,778
	2,517,783	**847,461**

NOTE 20: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The contingent liabilities of the Group to the vendor of the Honeymoon Uranium Project, Uranium One Inc, are:

- $2 million payable in cash and/or shares upon either 90 days of continuous production of uranium or by 30 November 2020, whichever is the later.
- 10% of positive annual net operating cash flow in the production of uranium, provided the aggregate of all such yearly payments does not exceed $3 million in total.

The contingent assets of the Group are:

- Boss Uranium has agreed to potentially sell up to 1.3 million pounds of uranium oxide (U_3O_8) to a United States customer, calculated as at least 20% of each prior quarter's production up to a total of 250,000 pounds per year. The price is to be determined based on future market prices.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

NOTE 21: COMMITMENTS

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial statements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended.

	Consolidated	
	2020	2019
	$	$
Exploration expenditure		
Less than 12 months	398,000	750,000
12 months to 5 years	2,000,000	2,000,000
	2,398,000	**2,750,000**
Accounting, Bookkeeping and Administration Services		
Less than 12 months	120,000	96,000
12 months to 5 years	30,000	-
	150,000	**96,000**
Short-term lease commitment		
Less than 12 months	30,135	52,992
12 months to 5 years	-	-
	30,135	**52,992**
Executive services commitment		
Less than 12 months	215,209	167,920
12 months to 5 years	-	-
	215,209	**167,920**

NOTE 22: SEGMENT REPORTING

The Group is organised into one operating segment, focused on conducting exploration and feasibility studies on tenements considered prospective for uranium in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources. As a result, the operating segment information for the financial year ended 30 June 2020 is as disclosed in the statements and notes to the financial statements throughout the report.

For the year ended 30 June 2019, the Group separately reported a gold segment relating to its gold assets in Burkina Faso. These were sold in October 2018 and a segment result of $4,800,000 was recorded for the year ended 30 June 2019.

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	Consolidated 2020 $	2019 $
NOTE 23: AUDITORS' REMUNERATION		
The auditor of Boss Resources Limited is RSM Australia Partners.		
Amounts, received or due and receivable by RSM Australia Partners for:		
Auditing or review services	38,000	31,500

NOTE 24: SHARE-BASED PAYMENTS

a. Value of share-based payments in the financial statements

	2020 $	2019 $
Share based payments for employees expensed	1,027,022	242,778
Options issued for capital raising services	-	147,300
	1,027,022	390,078

Set out below are the summaries of Options granted as share based payments:

Options – 2020

Grant date	Expiry date	Ex. Price	Balance 1-Jul-19	Granted during the year	(Cancelled) during the year	Exercised during the year	Balance 30-Jun-20	Number vested and exercisable
9-Jan-17	9-Jan-20	0.065	10,000,000	-	(10,000,000)	-	-	-
9-Jan-17	9-Jan-20	0.080	10,000,000	-	(10,000,000)	-	-	-
9-Jan-17	9-Jan-20	0.095	10,000,000	-	(10,000,000)	-	-	-
19-Mar-18	19-Mar-21	0.065	3,500,000	-	-	-	3,500,000	3,500,000
19-Mar-18	19-Mar-21	0.080	6,000,000	-	-	-	6,000,000	6,000,000
19-Mar-18	19-Mar-21	0.095	6,000,000	-	-	-	6,000,000	6,000,000
21-Mar-18	31-Dec-21	0.060	5,000,000	-	-	-	5,000,000	5,000,000
21-Mar-18	31-Dec-21	0.070	5,000,000	-	-	-	5,000,000	5,000,000
4-Jul-19	30-Jun-22	0.065	-	5,000,000	-	-	5,000,000	5,000,000
4-Jul-19	30-Jun-22	0.080	-	5,000,000	-	-	5,000,000	5,000,000
4-Jul-19	30-Jun-22	0.095	-	5,000,000	-	-	5,000,000	5,000,000
12-Nov-19	30-Jun-23	0.065	-	19,000,000	-	-	19,000,000	19,000,000
12-Nov-19	30-Jun-23	0.080	-	19,000,000	-	-	19,000,000	19,000,000
12-Nov-19	30-Jun-23	0.095	-	19,000,000	-	-	19,000,000	19,000,000
21-Jan-20	30-Jun-23	0.065	-	7,000,000	-	-	7,000,000	7,000,000
21-Jan-20	30-Jun-23	0.080	-	7,000,000	-	-	7,000,000	7,000,000
21-Jan-20	30-Jun-23	0.095	-	7,000,000	-	-	7,000,000	7,000,000
			55,500,000	93,000,000	(30,000,000)	-	118,500,000	118,500,000
Weighted average exercise price			$0.078	$0.080	$0.08	-	$0.079	$0.079

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NOTE 24: SHARE-BASED PAYMENTS (continued)

Options – 2019

Grant date	Expiry date	Ex. Price	Balance 1-Jul-18	Granted during the year	(Cancelled) during the year	Exercised during the year	Balance 30-Jun-19	Number vested and exercisable
1-Sept-15	31-Aug-18	0.020	10,000,000	-	-	10,000,000	-	-
9-Jan-17	9-Jan-20	0.065	10,000,000	-	-	-	10,000,000	10,000,000
9-Jan-17	9-Jan-20	0.080	10,000,000	-	-	-	10,000,000	10,000,000
9-Jan-17	9-Jan-20	0.095	10,000,000	-	-	-	10,000,000	10,000,000
19-Mar-18	19-Mar-20	0.065	3,500,000	-	-	-	3,500,000	3,500,000
19-Mar-18	19-Mar-20	0.080	6,000,000	-	-	-	6,000,000	6,000,000
19-Mar-18	19-Mar-20	0.095	6,000,000	-	-	-	6,000,000	6,000,000
21-Mar-18	31-Dec-21	0.060	-	5,000,000	-	-	5,000,000	5,000,000
21-Mar-18	31-Dec-21	0.070	-	5,000,000	-	-	5,000,000	5,000,000
			55,500,000	10,000,000	-	10,000,000	55,500,000	55,500,000
Weighted average exercise price			$0.0699	$0.065	-	$0.020	$0.078	$0.078

Fair values of share options are determined using the Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	Expiry date	Ex. Price	Number of Options	Share price at grant date	Volatility	Interest rate	Dividend yield	Value of Option
19-Mar-18	19-Mar-21	$0.065	3,500,000	$0.042	66%	2.065%	-	$0.0138
19-Mar-18	19-Mar-21	$0.080	6,000,000	$0.042	66%	2.065%	-	$0.0115
19-Mar-18	19-Mar-21	$0.095	6,000,000	$0.042	66%	2.065%	-	$0.0098
21-Mar-18	31-Dec-21	$0.060	5,000,000	$0.039	66%	2.26%	-	$0.01558
21-Mar-18	31-Dec-21	$0.070	5,000,000	$0.039	66%	2.26%	-	$0.01408
4-Jul-19	30-Jun-22	$0.065	5,000,000	$0.048	62%	0.93%	-	$0.01576
4-Jul-19	30-Jun-22	$0.080	5,000,000	$0.048	62%	0.93%	-	$0.01304
4-Jul-19	30-Jun-22	$0.095	5,000,000	$0.048	62%	0.93%	-	$0.01096
12-Nov-19	30-Jun-23	$0.065	19,000,000	$0.058	62%	0.91%	-	$0.02452
12-Nov-19	30-Jun-23	$0.080	19,000,000	$0.058	62%	0.91%	-	$0.02125
12-Nov-19	30-Jun-23	$0.095	19,000,000	$0.058	62%	0.91%	-	$0.01862
21-Jan-20	30-Jun-23	$0.065	7,000,000	$0.048	55%	0.66%	-	$0.01472
21-Jan-20	30-Jun-23	$0.080	7,000,000	$0.048	55%	0.66%	-	$0.01198
21-Jan-20	30-Jun-23	$0.095	7,000,000	$0.048	55%	0.66%	-	$0.00991

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NOTE 24: SHARE-BASED PAYMENTS (continued)

Set out below are the summaries of Performance Rights granted as share based payments:

Performance Rights – 2020

Class	Grant date	Expiry date	Balance 1-Jul-19	Granted/(Cancelled) during the year*	Converted during the year	Balance 30-Jun-20
A	17-Nov-15	17-Nov-20	10,000,000	-	-	10,000,000
B	17-Nov-15	17-Nov-20	10,000,000	(10,000,000)	-	-
C	17-Nov-15	17-Nov-20	10,000,000	(10,000,000)	-	-
D	16-Aug-16	25-Aug-21	3,000,000	-	-	3,000,000
E	16-Aug-16	25-Aug-21	3,000,000	-	-	3,000,000
F	17-Nov-15	17-Nov-20	3,333,333	-	-	3,333,333
G	16-Aug-16	25-Aug-21	8,000,000	-	-	8,000,000
			47,333,333	(20,000,000)	-	27,333,333

** The Board determined that the milestones of the 20 million performance rights issued to Mr Peter Williams were incapable of satisfaction following his resignation from the Board on 31 May 2020 and they were subsequently cancelled following his resignation.*

Performance Rights – 2019

Class	Grant Date	Expiry Date	Balance 1-Jul-18	Granted/(Cancelled) during the year	Converted during the year	Balance 30-Jun-19
A	17-Nov-15	17-Nov-20	10,000,000	-	-	10,000,000
B	17-Nov-15	17-Nov-20	10,000,000	-	-	10,000,000
C	17-Nov-15	17-Nov-20	10,000,000	-	-	10,000,000
D	16-Aug-16	25-Aug-21	3,000,000	-	-	3,000,000
E	16-Aug-16	25-Aug-21	3,000,000	-	-	3,000,000
F	17-Nov-15	17-Nov-20	3,333,333	-	-	3,333,333
G	16-Aug-16	25-Aug-21	8,000,000	-	-	8,000,000
			47,333,333	-	-	47,333,333

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NOTE 24: SHARE-BASED PAYMENTS (continued)

Class	Milestone	Number
Class A	When the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Class B*	Announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Class C*	Announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Class D	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Class E & F	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	6,333,333
Class G	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

**The Board determined that the milestones of the 20 million performance rights issued to Mr Peter Williams were incapable of satisfaction following his resignation from the Board on 31 May 2020 and they were subsequently cancelled following his resignation.*

On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration. Performance Rights were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions as detailed the table above. The expected vesting period for each Performance Right for performance-based vesting conditions is the period until expiry of the performance right.

Class	Grant date	Expiry date	Outstanding balance 30-Jun-20	Share price at grant date ($)	Discount applied to share price at grant date to reflect market based vesting condition	Value per Performance Right ($)
A	17-Nov-15	17-Nov-20	10,000,000	0.029	4.89%	0.02758
D	16-Aug-16	25-Aug-21	3,000,000	0.058	-	0.05800
E	16-Aug-16	25-Aug-21	3,000,000	0.058	3.44%	0.05600
F	17-Nov-15	17-Nov-20	3,333,333	0.029	5.85%	0.02730
G	16-Aug-16	25-Aug-21	8,000,000	0.058	-	0.05800

b. Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options outstanding as at 30 June 2020 was 2.45 years (2019: 1.2 years). The weighted average remaining contractual life of Performance Rights that were outstanding as at 30 June 2020 was 0.8 years (2019: 1.6 years).

c. Weighted average fair value

The weighted average fair value of options outstanding as at 30 June 2020 was $0.017 (2019: $0.023). The weighted average fair value of Performance Rights outstanding as at 30 June 2020 was $0.043 (2019: $0.038).

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NOTE 25: FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, available for sale financial assets, trade and other receivables and trade and other payables.

The Group manages its exposure to key financial risks, including interest rate, liquidity and credit risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

The totals of each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

		Consolidated	
	Note	2020	2019
		$	$
Financial Assets			
Cash and cash equivalents	4	3,822,329	10,528,381
Trade and other receivables	5	3,777	1,254,210
Short term deposits	6	18,232	-
Security bonds	8	8,882,380	8,944,680
Listed investments, at fair value	8	54,430	45,651
Total Financial Assets		**12,781,148**	**20,772,922**
Financial Liabilities			
Trade and other payables	10	731,195	814,310
Current borrowings	11	-	4,000,000
Total Financial Liabilities		**731,195**	**4,814,310**

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NOTE 25: FINANCIAL INSTRUMENTS (continued)

Risk exposures and responses

i. *Interest Rate Risk*

The Group'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 rate for each class of financial assets and financial liabilities comprises:

2020	Floating Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total	Weighted Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	$	$	$	$	$	
Financial Assets						
Cash	622,265	3,200,000	-	64	3,822,329	0.53%
Trade and other receivables	-	-	-	3,777	3,777	N/A
Short term deposits	-	-	-	18,232	18,232	N/A
Other financial assets	-	8,882,380	-	54,430	8,936,810	0.87%
Total Financial Assets	**622,265**	**12,082,380**	**-**	**76,503**	**12,781,148**	**0.76%**
Financial Liabilities						
Trade and other payables	6,235	-	-	724,960	731,195	0.11%
Total Financial Liabilities	**6,235**	**-**	**-**	**724,960**	**731,195**	**0.11%**

2019	Floating Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total	Weighted Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	$	$	$	$	$	
Financial Assets						
Cash	1,685,936	8,842,380	-	65	10,528,381	1.70%
Trade and other receivables	-	-	-	1,254,210	1,254,210	N/A
Other financial assets	-	8,944,680	-	45,651	8,990,331	1.07%
Total Financial Assets	**1,685,936**	**17,787,060**	**-**	**1,299,926**	**20,772,922**	**1.32%**
Financial Liabilities						
Trade and other payables	6,938	-	-	807,372	814,310	0.00%
Current borrowings	-	4,000,000	-	-	4,000,000	1.06%
Total Financial Liabilities	**6,938**	**4,000,000**	**-**	**807,372**	**4,814,310**	**0.88%**

ii. *Sensitivity Analysis*

As at 30 June 2020, if interest rates had changed by -/+75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $95,238 lower/higher (2019 - $115,995 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

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NOTE 25: FINANCIAL INSTRUMENTS (continued)

iii. *Liquidity Risk*
The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate access to funds are maintained.

iv. *Credit Risk*
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments.

Fair value hierarchy

The following tables detail the Groups assets and liabilities, measured or disclosed at fair value using a three level hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2020	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets:				
Fair value through profit or loss:				
Listed investments	54,430	-	-	54,430
2019				
Financial assets:				
Available-for-sale financial assets:				
Listed investments	45,651	-	-	45,651

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the last trade price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

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NOTE 26: PARENT ENTITY DISCLOSURES

	2020	2019
Statement of Financial Position	$	$
Assets		
Current assets	3,855,687	2,934,919
Non-current assets	39,105,486	45,431,467
Total assets	**42,961,173**	**48,366,386**
Liabilities		
Current liabilities	787,121	4,813,197
Non-current liabilities	-	-
Total liabilities	**787,121**	**4,813,197**
Equity		
Issued capital	79,306,493	79,132,493
Reserves	10,555,412	9,702,390
Accumulated losses	(47,687,853)	(45,281,694)
Total equity	**42,174,052**	**43,553,189**
Statement of Profit or Loss and Other Comprehensive Income		
Profit/(loss) for the year	(2,406,159)	(4,115,827)
Total comprehensive loss for the year	**(2,406,159)**	**(4,115,827)**

Guarantees

Boss Resources Limited has not entered into any guarantees in the current or previous financial year in relation to the debts of its subsidiaries.

Other Commitments and Contingencies

Boss Resources Limited has no commitments to acquire property, plant and equipment and has no contingent liabilities other than those already disclosed in the notes to the financial statements.

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NOTE 27: RELATED PARTY TRANSACTIONS

Konkera Corporate (Konkera) received $109,733 (2019: $120,000) for the year for the provision of bookkeeping, financial and management accounting, geological drafting and administration services. At 30 June 2020, the Group had an amount of $11,318 as a creditor balance payable to Konkera. Konkera is a related party of Non-Executive Director, Evan Cranston, who resigned from the Board on 5 June 2020.

Kingslane Pty Ltd and associated entities (Kingslane) received $54,000 (2019: $72,000) during the year for office rent. On 7 May 2020, the Company moved its registered office and principal place of business to Suite 3, Churchill Court, 234 Churchill Avenue Subiaco. At 30 June 2020, the Group had no creditor balances payable to Kingslane. Kingslane is a related party of Non-Executive Director, Evan Cranston, who resigned from the Board on 5 June 2020.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 28: EVENTS SUBSEQUENT TO BALANCE DATE

On 1 July 2020, Mr Dudley Kingsnorth was appointed as Non-Executive Director.

On 20 August 2020, the Company announced the results of a study on the optimisation of ion exchange process which confirmed significant cost reductions for the Honeymoon Uranium Project. The Company also announced that in recognition of completing the highly successful feasibility study in January 2020, the Board had agreed to grant a total of 5.7 million shares to employees as an annual bonus for the FY19/20 financial year. The number of shares granted was determined by reference to the 20-day VWAP prior to 30 June 2020. Included in the total is an amount, is 2.5 million shares to be issued to the Managing Director/CEO and 1.6 million shares to be issued to the Technical Director, which are both subject to shareholder approval.

On 3 September 2020, the Company announced that Mr Wyatt Buck will be appointed as a Non-Executive Director, effective 1 October 2020 and at a Board meeting held on 8 September 2020, Dudley Kingsnorth was appointed chair of the Audit and Remuneration Committee and Wyatt Buck, once appointed on 1 October 2020, will chair the Technical and Risk Committee. The other members of the Technical and Risk Committee will comprise Dudley Kingsnorth and Bryn Jones.

On 16 September 2020, the vesting conditions for 10 million Performance Rights issued to Peter Williams, was met. The vesting condition achieved was the closing price of the Company's shares on the ASX being $0.075 for 20 consecutive ASX trading days. The shares will be issued in due course.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

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Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;

- the attached financial statements and notes give 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

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Peter O'Connor
Chairman

DATED at PERTH this 28th day of September 2020

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BOSS RESOURCES LIMITED

Opinion

We have audited the financial report of Boss Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 30 June 2020, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is 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 financial performance for the year then ended; and

(ii) 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 our report. We are independent of the Group in accordance with the auditor 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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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.

Key Audit Matter	How our audit addressed this matter
Exploration and evaluation expenditure Refer to Note 9 in the financial statements	
The Group has capitalised exploration and evaluation expenditure with a carrying value of $8,813,373 at the reporting date. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the assets including: • Determination of whether the exploration and evaluation expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; and • Assessing whether any indicators of impairment are present at the reporting date.	Our audit procedures included: • Ensuring that the right to tenure of the area of interest is current; • Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest; • Enquiring with management and reviewing budgets to test that the Group will incur substantive expenditure for each area of interest in the future; • Through discussions with the management and review of the Board Minutes, ASX announcements and other relevant documentation, assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined; and • Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date.
Share-based payments Refer to Note 24 in the financial statements	
During the year ended 30 June 2020, 93,000,000 options were issued. Management have performed the valuation of the options granted in this reporting period using the Black-Scholes Model, since the Group was unable to reliably measure the fair value of the services received. We considered the valuation of these options to be a significant risk area as it involved management's judgement in determining various inputs used in the Black-Scholes Model.	Our audit procedures included: • Reviewing the inputs used in the Black-Scholes Model; • Performing a recalculation of the valuation; • Reviewing of supporting documentations for the approval in relation to the granting of the options; and • Reviewing the relevant disclosures in the financial report.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 on the work we have performed, we conclude that there is a 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 ability of the Group 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

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RSM

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 Boss Resources Limited, for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Group 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.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 28 September 2020

TUTU PHONG
Partner

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Corporate Governance

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition). The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the principles and recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2020.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's Report.

The independent Directors of the Company are Mr Peter O'Connor and Mr Dudley Kingsnorth. Wyatt Buck, who will be appointed on 1 October 2020, will also be an independent Director.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

Diversity Policy

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people.

Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.

The Company's strategies are to:

1. recruit and manage on the basis of an individual's competence, qualification and performance;
2. create a culture that embraces diversity and that rewards people to act in accordance with this policy;
3. appreciate and respect the unique aspects that individual brings to the workplace;
4. foster an inclusive and supportive culture to enable people to develop to their full potential;
5. identify factors to be taken into account in the employee selection process to ensure we have the right person for the right job;
6. take action to prevent and stop discrimination, bullying and harassment; and
7. recognise that employees at all levels of the Company may have domestic responsibilities.

The Board is accountable for ensuring this policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved.

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Compliance with ASX Recommendations

Recommendation	Boss Resources Limited Current Practice
1.1 A listed entity should disclose: (a) The respective roles and responsibilities of its board and management; and (b) Those matters expressly reserved to the board and those delegated to management.	The Company's Board Charter sets out the roles and responsibilities of the Board and Management. It is available for review at www.bossresources.com.au.
1.2 A listed entity should: (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) 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.	The Company has implemented a policy of undertaking police and bankruptcy checks on all directors before appointment or putting to shareholders for election. The Company provides all relevant information on all directors in its annual report and on its website.
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their employment.	The Company requires that a detailed letter of appointment or employment contract is agreed with each director and employee prior to the commencement of duties.
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 the proper functioning of the board.	The Company's organisation chart reflects the position of the Company Secretary within the Company structure.
1.5 A listed entity should: (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) Disclose that policy or a summary of it; and (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: i. The respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or ii. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	The Company has adopted a formal Diversity Policy, a summary of which is provided above. As at the date of this Report*: • The Board comprised four members, all of whom were male. • The senior executives comprised eight people, six of whom were male and two female. • The whole organisation comprises eleven people, eight of whom are male and three female. **Wyatt Buck is to be appointed as a Non-Executive Director on 1 October 2020 so the Board will comprise five members, all of whom are male.*
1.6 A listed entity should:	The Board Performance Evaluation Policy is

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	(a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	available at www.bossresources.com.au. During the reporting period, the Board collectively assessed their respective roles and contributions to the Company and determined they were appropriate.
1.7	A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Board constantly assesses the performance of the Managing Director, the Company Secretary and other Key Management Personnel during the course of the year.
2.1	The board of a listed entity should: (a) Have a nomination committee which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. 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 nomination committee, disclose the fact and the processes it employs 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.	The Board consider that given the current size of the Board and the Company, this function is efficiently achieved with full Board participation and by the Audit and Remuneration Committee. Accordingly, the Board has not established a separate nomination committee. The Board has adopted a Nomination Committee Charter by which it abides. The charter is available at the Company's website www.bossresources.com.au
2.2	A listed entity 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.	The Board Charter which is available at www.bossresources.com.au incorporates a set of skills and abilities that are desirable for the composition of the Board. The Board is satisfied that it currently possesses an appropriate mix of desired skills in the areas of geology, exploration, mining, commerce, the uranium industry and finance to act effectively.
2.3	A listed entity should disclose: (a) The names of the directors considered by the board to be independent directors; (b) If a director has an interest, position, association or	The Company considers that both Peter O'Connor and Dudley Kingsnorth are independent directors on the Board due to the other directors currently acting in an executive capacity. Wyatt Buck, who will be appointed to

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	relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) The length of service of each director.	the Board on 1 October 2020, will also be an independent director. The Company discloses the length of service for each director in the Director's Report of its annual report.
2.4	A majority of the board of a listed entity should be independent directors.	As there are currently only two independent directors on the Board, the Company does not comply with this recommendation. However, following the appointment of Wyatt Buck on 1 October 2020, the majority of the Board will be independent and the Company will comply with this recommendation. The Directors are of the opinion that each Director will act in the best interests of the Company and shareholders.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The Company complies with this recommendation.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively.	The Company has an induction program for all new directors to appropriately familiarise them with the policies and procedures of the Company. The Company encourages and facilitates all Directors to develop their skills, including with the opportunity to attend external seminars to maintain compliance in areas such as risk and disclosure.
3.1	A listed entity should: (a) Have a code of conduct for its directors, senior executives and employees; and (b) Disclose that code or a summary of it.	The Company's Code of Conduct is available at www.bossresources.com.au.
4.1	The board of a listed entity should: (a) Have an audit committee which: i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and ii. is chaired by an independent director, who is not the chair of the board; and disclose: iii. the charter of the committee; iv. the relevant qualifications and experience of the members of the committee; and	The Company has an Audit and Remuneration Committee which is currently chaired by an independent director (Dudley Kingsnorth); who is not the chair of the Board. However, it does not consist of three members. The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee. The Board has adopted a formal policy regarding the appointment, removal and rotation of the Company's external auditor and

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	v. 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 an audit committee, disclose the fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	audit partner.
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 controls which is operating effectively.	The Board receives a section 295A declaration from the equivalent of the CEO and CFO for each quarterly, half yearly and full year report in advance of approval of these reports.
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	The Company's auditor is required to attend the Company's AGM and is available to answer questions relevant to the audit.
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	The Board has adopted a formal Continuous Disclosure Policy to ensure compliance with the ASX Listing Rules. The Policy is available at www.bossresources.com.au.
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Company complies with this recommendation and all relevant information can be found at www.bossresources.com.au.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company has developed a Shareholder Communications Strategy to ensure all relevant information is identified and reported accordingly.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	The Company encourages all shareholders to attend General Meetings of the Company via its notices of meeting, and in the event they cannot attend, to participate by recording their votes. The Company has implemented an online voting system to further encourage participation by shareholders.
6.4	A listed entity should give security holders the option to receive communications from, and send communications	The Company and its share registry actively encourage electronic communication. All new

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	to, the entity and its security registry electronically.	shareholders are issued with a letter encouraging the registration of electronic contact methods.
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. 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.	Wyatt Buck, who will be appointed on 1 October 2020, will chair the Technical and Risk Committee. Mr Buck is independent and not the chair of the Board. Following Mr Buck's appointment, the Technical and Risk Committee will consist of three directors of which a majority are independent. Prior to this the Company did not have an independent committee however, the Directors required that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	The Board currently reviews its risk management strategy on an annual basis at a minimum at a Board level. Following the appointment of Wyatt Buck, on 1 October 2020, who will chair the Technical and Risk Committee a more formal process will be implemented specific to the Technical and Risk Committee.
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) 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.	The Company is not of the size or scale to warrant the cost of an internal audit function. This function is undertaken by the Board as a whole via the regular and consistent reporting in all risk areas.
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	The Company does not currently have any material exposure to any economic, environmental and social sustainability risks.
8.1	The board of a listed entity should: (a) have a remuneration committee which: i. has at least three members, a majority of whom	The Company has an Audit and Remuneration Committee which is currently chaired by an independent director (Dudley Kingsnorth); who is not the chair of the Board. However, it does

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	are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. 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 remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	not consist of three members. The Board considers industry peers and uses independent consultants when evaluating the remuneration for all directors and executives. The Board is cognisant of the fact that it wishes to attract and retain the best people, and considers strategies other than monetary to balance the need for the best people and the financial position of the Company.
8.2	A listed entity should separately disclose its policies and practises regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Company discloses is policies on remuneration in the Remuneration Report set out in its Annual Report.
8.3	A listed entity which has an equity-based remuneration scheme should: (a) 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 (b) disclose that policy or a summary of it.	The Company recognises that Directors, executives and employees may hold securities in the Company and that most investors are encouraged by these holdings. The Company's Securities Trading Policy (available at www.bossresources.com.au) explains and reinforces the Corporations Act 2001 requirements relating to insider trading. The Policy applies to all Directors, executives, employees and consultants and their associates and closely related parties. The Company has an Employee Securities Incentive Plan which has been approved by shareholders. Performance rights and unquoted options have been offered to key management personnel under the plan.

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Additional Information

Class of Shares and Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

b) on a show of hands every person that is present, who is a member, has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

Distribution of Shareholders (as at 18 September 2020)

Spread of Holdings	Number of Holders
1-1,000	115
1,001-5,000	61
5,001 - 10,000	746
10,001 -100,000	1,903
Over 100,001	741
Total	**3,566**

There are 203 holders of unmarketable parcels comprising a total of 380,702 ordinary shares.

There are currently no shares subject to voluntary escrow.

There is no current on-market buy back taking place.

Company Secretary
Mathew O'Hara

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234 Churchill Avenue
Subiaco WA 6008
Telephone: (08) 6263 4494

Share Registry
Automic Registry Services
Level 3 50 Holt Street
Surry Hills NSW 2010
Ph: (02) 9698 5414

Substantial Shareholders

Name	Number of Shares	%
Paradice Investment Management Pty Ltd	155,411,727	9.79
Tribeca Investment Partners Pty Ltd	149,844,412	9.44
Sachem Cove Partners LLC	94,606,285	5.96

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Twenty Largest Shareholders (as at 18 September 2020)

	Name	Number of Shares	%
1	HSBC Custody Nominees (Australia) Limited	214,957,391	13.53%
2	Citicorp Nominees Pty Limited	121,516,191	7.65%
3	UBS Nominees Pty Ltd	91,441,407	5.75%
4	Mr Antonius Joseph Smit	72,405,392	4.56%
5	HSBC Custody Nominees (Australia) Limited-GSCO ECA	61,618,992	3.88%
6	Beach St Capital Pty Ltd	61,000,000	3.84%
7	HSBC Custody Nominees (Australia) Limited – A/C 2	59,048,775	3.72%
8	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	58,674,566	3.69%
9	Sachem Cove Special Opportunities Fund LP	53,381,220	3.36%
10	The Purple Bougainvillea Pty Ltd <Williams Family Super A/C>	32,505,979	2.05%
11	HSBC Custody Nominees (Australia) Limited	27,798,617	1.75%
12	Kingslane Pty Ltd <Cranston Superannuation A/C>	23,768,601	1.50%
13	Mr James David Taylor	24,400,000	1.41%
14	JP Morgan Nominees Australia Pty Limited	21,916,284	1.38%
15	National Nominees Limited	20,006,696	1.26%
16	McNeil Nominees Pty Limited	19,258,936	1.21%
17	Sandhurst Trustees Ltd <Collins St Value Fund A/C>	16,118,001	1.01%
18	Epic Feast Pty Ltd	15,833,333	1.00%
19	Sandhurst Trustees Ltd <Wentworth Williamson A/C>	13,884,132	0.87%
20	BNP Paribas Noms Pty Ltd <DRP>	13,367,824	0.84%
	TOTAL	1,022,902,337	64.26%

Unquoted Securities (as at 18 September 2020)

Class	Number
Performance Rights:	
Performance rights vest on price of $0.075 for 20 consecutive days expiring 17-Nov-20*	10,000,000
Performance rights vest on price of $0.085 for 20 consecutive days expiring 17-Nov- 20	3,333,333
Performance rights vest on price of $0.085 for 20 consecutive days expiring 16-Aug-21	3,000,000
Performance rights vest on facilitation and completion of a capital raising for an amount not less than $5 million expiring 16-Aug-21	3,000,000
Performance rights vest on the successful raising of capital required for the extended plant construction as contemplated by a Board approved DFS expiring 16-Aug-21	8,000,000
Unquoted Options:	
Unquoted options exercisable at $0.065 each on or before 19-Mar-21	3,500,000
Unquoted options exercisable at $0.080 each on or before 19-Mar-21	6,000,000
Unquoted options exercisable at $0.095 each on or before 19-Mar-21	6,000,000
Unquoted options exercisable at $0.060 each on or before 31-Dec-21	5,000,000
Unquoted options exercisable at $0.070 each on or before 31-Dec-21	5,000,000
Unquoted options exercisable at $0.065 each on or before 30-Jun-22	5,000,000
Unquoted options exercisable at $0.080 each on or before 30-Jun-22	5,000,000
Unquoted options exercisable at $0.095 each on or before 30-Jun-22	5,000,000
Unquoted options exercisable at $0.065 each on or before 30-Jun-23	26,000,000
Unquoted options exercisable at $0.080 each on or before 30-Jun-23	26,000,000
Unquoted options exercisable at $0.095 each on or before 30-Jun-23	26,000,000

**This vesting condition has been met and the shares will be issued in due course.*

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Unquoted Securities >20% Holders (as at 18 September 2020)

Class	Holder	Number	%
Performance rights vest on price of $0.075 for 20 consecutive days expiring 17-Nov-20*	Peter Williams	10,000,000	100%
Performance rights vest on price of $0.085 for 20 consecutive days expiring 17-Nov-20	Marat Abzalov	3,333,333	100%
Performance rights vest on price of $0.085 for 20 consecutive days expiring 16-Aug-21	Mark Hohnen	3,000,000	100%
Performance rights vesting on completion of a capital raising for an amount not less than $5 million expiring 16-Aug-21	Mark Hohnen	3,000,000	100%
Performance rights vest on the successful raising of capital required for the extended plant construction as contemplated by a Board approved DFS expiring 16-Aug-21	Mark Hohnen	8,000,000	100%
Unquoted options exercisable at $0.065 each on or before 19-Mar-21	Sashi Davies	2,500,000	71%
	Oonagh Malone	1,000,000	29%
Unquoted options exercisable at $0.080 each on or before 19-Mar-21	Sashi Davies	2,500,000	42%
	Marat Abzalov	2,500,000	42%
Unquoted options exercisable at $0.095 each on or before 19-Mar-21	Sashi Davies	2,500,000	42%
	Marat Abzalov	2,500,000	42%
Unquoted options exercisable at $0.06 each on or before 31-Dec-21	TR Nominees	5,000,000	100%
Unquoted options exercisable at $0.07 each on or before 31-Dec-21	TR Nominees	5,000,000	100%
Unquoted options exercisable at $0.065 each on or before 30-Jun-22	Mathew O'Hara	2,500,000	50%
	Asha Rao	2,500,000	50%
Unquoted options exercisable at $0.080 each on or before 30-Jun-22	Mathew O'Hara	2,500,000	50%
	Asha Rao	2,500,000	50%
Unquoted options exercisable at $0.095 each on or before 30-Jun-22	Mathew O'Hara	2,500,000	50%
	Asha Rao	2,500,000	50%
Unquoted options exercisable at $0.065 each on or before 30-Jun-23	Duncan Craib	15,000,000	57%
	Peter O'Connor	7,000,000	27%
Unquoted options exercisable at $0.080 each on or before 30-Jun-23	Duncan Craib	15,000,000	57%
	Peter O'Connor	7,000,000	27%
Unquoted options exercisable at $0.095 each on or before 30-Jun-23	Duncan Craib	15,000,000	57%
	Peter O'Connor	7,000,000	27%

**This vesting condition has been met and the shares will be issued in due course.*

Schedule of Mining Tenements

Tenement Name	Location	Licence Number	Interest
Yarramba	South Australia	EL6510	100%
South Eagle	South Australia	EL6081	100%
Gould's Dam	South Australia	EL6512	100%
Katchiwilleroo	South Australia	EL6511	100%
Ethiudna	South Australia	EL6020	100%
Gould's Dam	South Australia	RL83-85	100%
Honeymoon Mine	South Australia	ML6109	100%