Ansila Energy NL

(formerly Pura Vida Energy NL)

ACN 150 624 169

Annual financial report

for the year ended

30 June 2020

CORPORATE DIRECTORY

DIRECTORS

Mr Bevan Tarratt	*Non-Executive Chairman*
Mr Nathan Lude	*Executive Director*
Dr Andrew Matharu	*Executive Director*
Mr Christopher Lewis	*Technical Director*

COMPANY SECRETARY

Mr Ben Secrett

PRINCIPAL AND REGISTERED OFFICE

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The Directors of Ansila Energy NL (**Company** or **Ansila**) and the entities it controls (**Consolidated Entity** or **Group**) present their report for the financial year ended 30 June 2020.

REVIEW OF OPERATIONS

GORA & NOWA SOL CONCESSIONS, ONSHORE POLAND
ANSILA 35% AND NON-OPERATOR

The Gora concession (693 km^2) (**Figure 1**) covers a Carboniferous unconventional gas play, discovered with the Siciny-2 well drilled in 2012 and estimated to contain 2C contingent resources of 1.6 trillion cubic feet (**Tcf**) of gas according to Netherland Sewell & Associates, Inc (**NSAI**)[1]. The license also hosts a conventional Rotliegendes gas play, containing multiple exploration prospects, yet to be drilled.

The Nowa Sol concession (1,165 km^2) (**Figure 1**) contains the Jany-C1 unconventional Zechstein Dolomite oil discovery drilled in 2013 and estimated to contain 2C contingent resource of 36 million[1] barrels of oil according to NSAI.

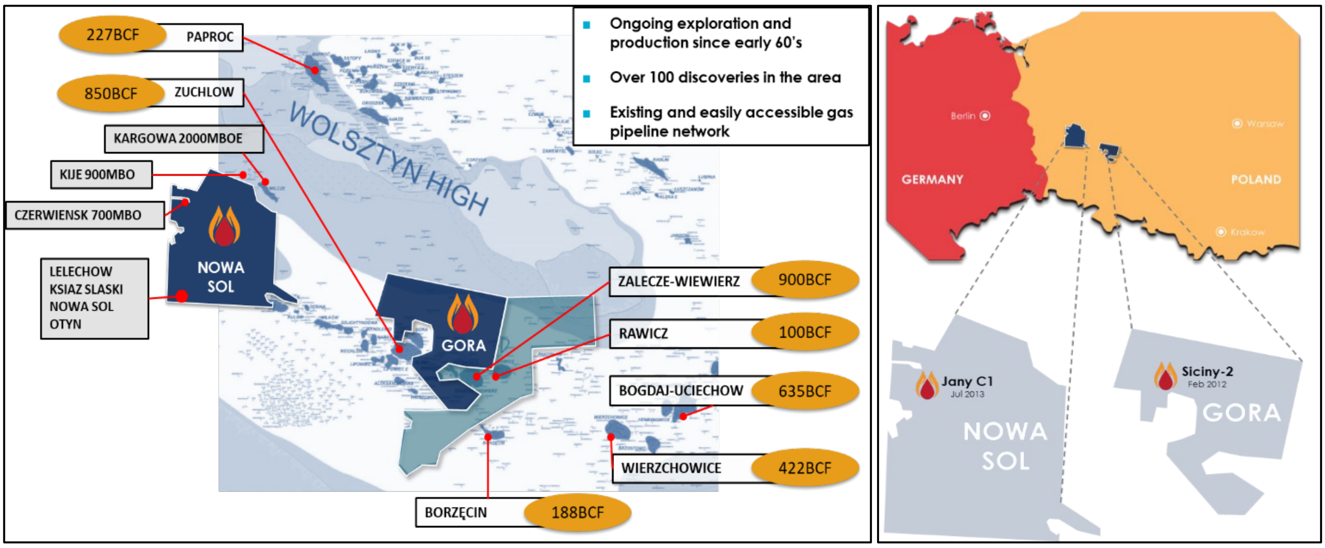

Figure 1 – Location of the Nowa Sol and Gora oil & gas concessions in Poland

During the period, the Company commenced operations at the Gora license and committed to undertake operations at Nowa Sol (together the **Projects**), to earn a 35% interest from Gemini Resources Limited (**GRL**), by spending a total of £3.38 million on those concessions.

Siciny-2 Unconventional Carboniferous Operations

The Company re-entered the Siciny-2 well and successfully undertook a two-stage fracture stimulation of the Carboniferous interval with the proppant being displaced into the reservoir across a homogeneous reservoir section between the two perforated intervals. Following the well clean-up and flow-back of the frac fluid the presence of hydrocarbon gas in the reservoir was confirmed with free gas (methane) detected at the surface. However, the break-through of formation water, following nitrogen assisted lifting of the frac fluid, prevented a natural flow of gas from being established. A transient pressure build up test was then completed and, together with the frac pressure data, appear to indicate an average reservoir permeability of 0.001mD (milliDarcy), assuming a total fracture height of 250 metres. This permeability is materially lower than the average permeability of 0.026mD indicated from the Direct Formation Injection Test (DFIT) or "mini-frac" performed in 2013 over an interval of 15 metres. The interpretation of the data infers that gas flow was hampered by the lower than expected permeability of the reservoir and the presence of mobile water, leading to a relative permeability effect specific to a tight gas reservoir meaning neither gas nor formation water could flow from the reservoir without assistance from nitrogen lift.

[1] Volume estimates are from Netherland, Sewell & Associates, Inc, report entitled "Estimates of Reserves and Future Revenue and Contingent Resources and Cash Flow to the Gemini Resources Ltd Interest and Gross (100%) Prospective Resources in Certain Oil & Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (Report or CPR). The estimates were first reported to the ASX on 4 July 2019.

The Operator, GRL, has outlined several potential technical routes to mitigate the relative permeability issue and aid the flow of free gas including:

- The continuation of pumping to create a larger pressure differential to overcome reservoir capillary pressures;
- The drilling of complex multi-frac horizontal wells with up to 20 fracs each to optimise production rates;
- Drilling a new well at an optimised location, higher up on the Carboniferous structure, where a higher gas saturation may be encountered with the potential to combine with a conventional Rotliegendes target to reduce the overall risk of the well.

The costs of pursuing any of these options would be material and the risk of failing to establish natural gas flow would likely be considered significant. In addition, the economics of this unconventional gas play would have to be revisited as the much lower than expected permeability will have an impact on any development economics. Therefore, our near-term focus on the Gora concession will be the conventional prospectivity where a number of lower cost and lower risk options have been identified within the Rotliegendes formation.

Conventional Rotliegendes Prospectivity

Due to COVID-19 pandemic travel restrictions a virtual Operating Committee Meeting (**OCM**) was held in June 2020 where the Operator, GRL, presented several technical workstreams to explore how the Company can exploit the conventional Rotliegendes potential of the Gora license.

A review of the conventional potential of the Siciny-2 well has been conducted by the Operator and is estimated to contain a 21 metre[2] section of conventional gas pay in the shallower Rotliegendes interval. Based on an initial review of the 3D seismic survey acquired across the Siciny area during 2012-13 and petrophysical data, the Operator estimates that the Rotliegendes section of the Siciny-2 well could contain a larger volume of gas compared to independently verified estimates of 13 Bcf[1] by NSAI. To refine the Siciny-2 Rotliegendes volumetrics further the existing 3D seismic dataset would require modern reprocessing and interpretation.

A reprocessed 3D seismic dataset which covers part of the Gora license and specifically covers part of the Rawicz North prospect has been reviewed by the Operator. This dataset has markedly improved the structural imaging of the conventional Rotliegendes prospects and is being used to generate a new inventory of drill-ready prospects across this part of the license. Four new prospects have been identified in this part of the Gora license, but require further technical work to progress to the drill-ready stage. The high quality of the reprocessed 3D seismic dataset across the northern part of the Gora license has demonstrated the benefit of improved imaging and the potential for enhanced conventional prospectivity across the entire license area in the event that new, or reprocessed, 3D seismic data is acquired.

The remaining conventional gas prospects identified on the Gora license total c.210 Bcf[1] (best case estimate) with an average chance of success of 28%. The largest of these prospects is Rawicz North with a best case estimate of 110 Bcf of gas and 24% chance of success. These prospects are covered by a combination of 2D seismic and poorer quality 3D seismic, the latter of which would benefit from reprocessing, or potentially, the acquisition of a new 3D seismic dataset.

Gora License Conversion

The conversion of the Gora License has not progressed during the period within the Polish Ministry of the Environment due to the COVID-19 pandemic and therefore the Gora concession is still operating under the existing license until the conversion process can be completed.

Nowa Sol Concession and Jany-C1 Work Program Withdrawal

The Jany-C1 appraisal program, consisting of the fracture stimulation and flow testing of the previously discovered 2C contingent resources of 36 MMbbls[1] of oil within tight Zechstein Dolomite formation, was originally scheduled for Q2 2020.

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[2] Gas pay estimate is from Netherland, Sewell & Associates, Inc. report entitled "Estimates of Reserves and Future Revenue and Contingent Resources to the Gemini Resources Ltd. Interest and Gross (100 Percent) Prospective Resources in Certain Oil and Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (Report).

However, the market turmoil surrounding the COVID-19 pandemic and a material weakening in the oil price during the period saw investor support for the risks associated with exposure to unconventional oil projects diminish. This led to Ansila's withdrawal from the Nowa Sol concession and the A$2.24[3] million Jany-C1 appraisal program in order to allocate capital to lower risk conventional resource projects and new ventures whilst preserving capital in the near-term. The Company's proposed 35% interest in Nowa Sol will revert back to the Operator, GRL, who will then hold a 100% interest in the concession.

New Ventures

Ansila's new ventures strategy is focused on European onshore and shallow water opportunities which give the company exposure to technical resources where an acceptable level of appraisal risk is required to unlock and/or enhance the value of the asset.

POLAND PROJECT PORTFOLIO

Gora Concession:

- **Siciny-2 Appraisal Well**: Targeting 2C contingent resources of 1.6 Tcf[1] (circa 270 MMboe[4]) of unconventional gas in an extensive Carboniferous structure with operations undertaken in December 2019 – February 2020.
- **Conventional Prospects:** At Gora, Ansila has the option to drill several conventional prospects, targeting the Rotliegendes reservoir, with aggregate prospective (P50) resources of 210 Bcf[1]. These prospects are located adjacent to the proven Rawicz (c.94 Bcf – 2P reserves) and Zalecze-Wiewierz (900 Bcf) gas fields and offer Ansila additional upside on the Gora Concession. The prospect inventory is partially covered by 3D seismic coverage and lies within a proven petroleum system demonstrated by information from surrounding well control from the adjacent Rotliegendes gas fields. Estimated completed well costs attributable are US$0.85 million (A$1.2 million as at 30 June 2020) net to Ansila.

AMBILOBE BLOCK, OFFSHORE MADAGASCAR

ANSILA 100% AND OPERATOR

The Ambilobe block is located in the Ambilobe Basin, offshore north-west Madagascar covering an area of 17,650 km² (**Figure 2**).

An independent Ambilobe block evaluation report highlighted the potential, interpreted from the 3D seismic data acquired during 2015/16, for significant prospectivity within the block and recommended that Ansila undertake a systematic phased work program to further process and interpret the 3D seismic data for the purposes of improving the definition of and then ranking three previously identified leads. In addition, under the production sharing contract, the Company's subsidiary that holds the block is required to relinquish a portion of the Ambilobe block.

The Company has completed an independent review of a relinquishment proposal of a portion of the block resulting in a proposal for Ansila to retain a continuous area which amounts to 11,480 km².

During the period, the Company concluded a farm-out process with no interested parties willing to earn an interest in the Ambilobe block via committing funds to advance the project. The Company will keep shareholders updated on further advancements with the project.

As noted previously, a representative of the Company's subsidiary has presented the final relinquishment proposal to the Madagascan Government (**OMNIS**) and the Company has applied for the 2nd special two (2) year extension of the Ambilobe PSC. Discussions with OMNIS are ongoing and at the date of this report. The Company has not reached agreement with OMNIS on the terms of the 2nd special two (2) year extension of the Ambilobe PSC.

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[3] Based on an exchange rate of 1AUD: 0.55GBP or 1AUD: 0.71USD.

[4] The conversion factor used to convert gas (Tcf) to oil (MMboe) is 5.8:1 – this conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency.

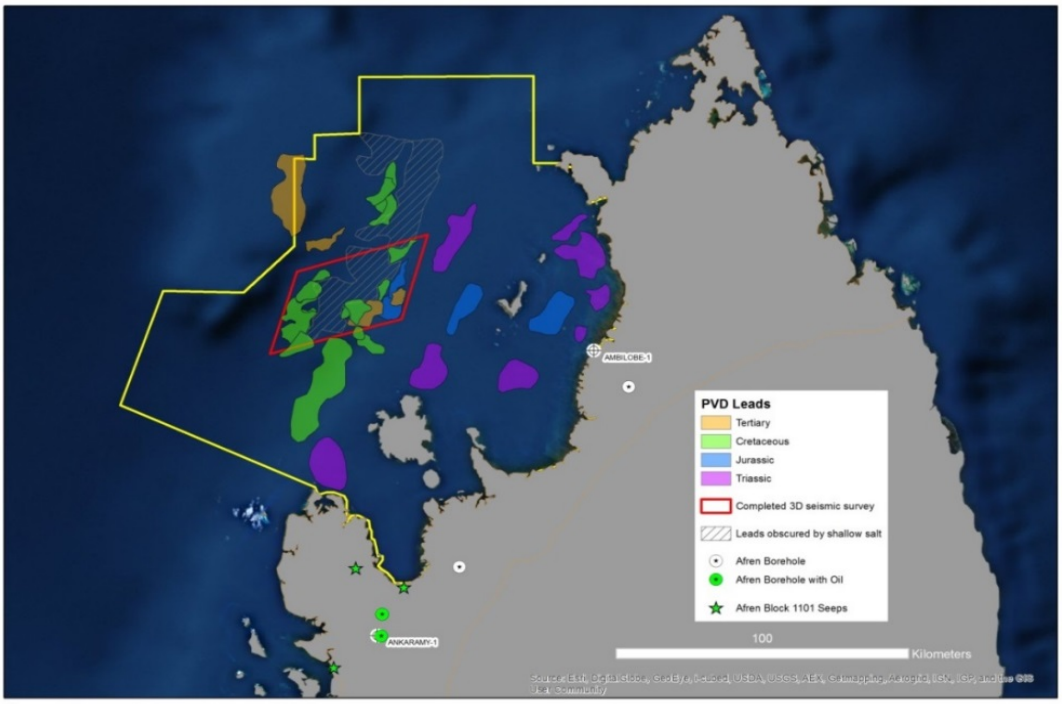

Figure 2 – The Ambilobe block (yellow boundary) showing area of 3D seismic survey (red boundary)[5]

NKEMBE BLOCK, OFFSHORE GABON

ANSILA 100%[6] AND OPERATOR

The Nkembe block covers an area of 1,210 km² in water depths of 50-1,100 metres approximately 30 km off the coast of Gabon (**Figure 3**).

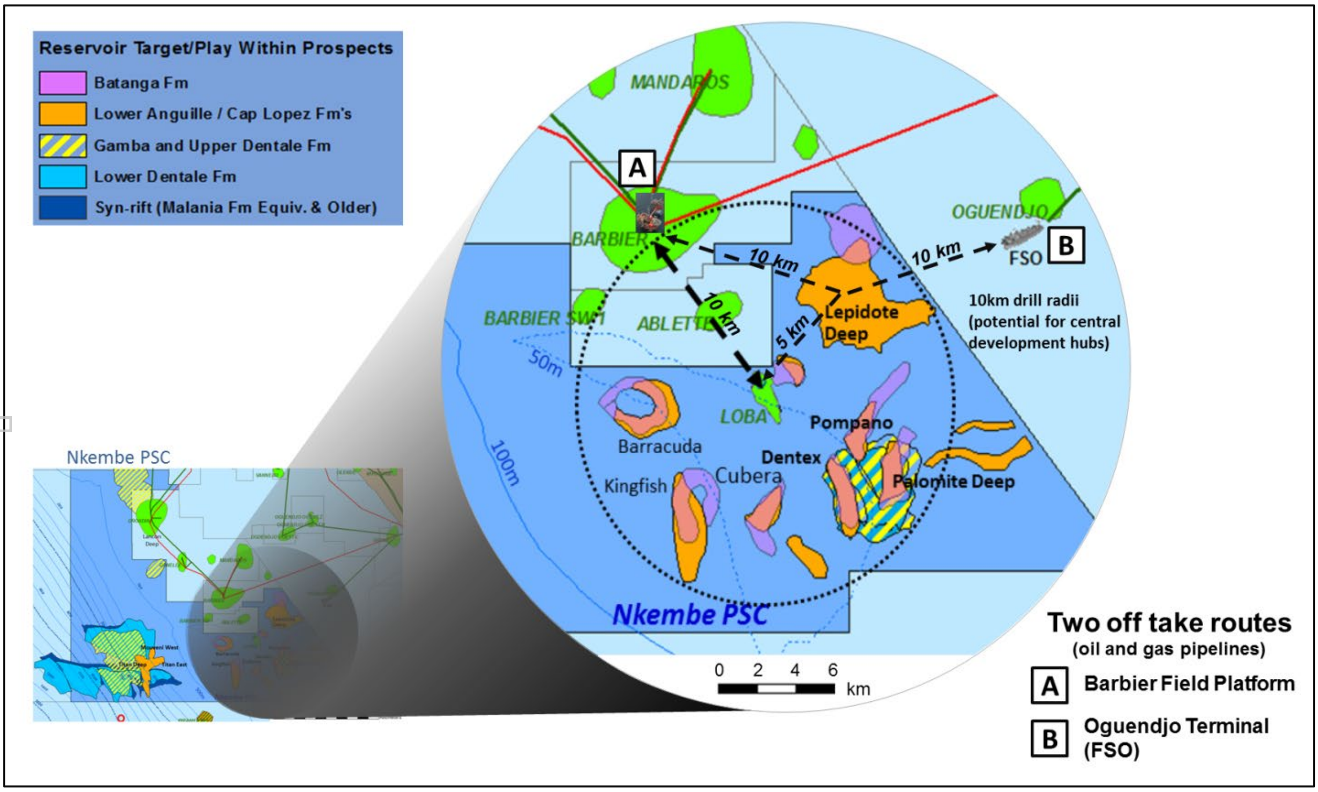

Figure 3 – Shallow water area of the Nkembe block and prospects

[5] Subject to relinquishment and extension of term for a further 2 years as per the terms of the Ambilobe PSC.

[6] Ansila's interest is subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Nkembe PSC.

During the period, the Company maintained its claim of force majeure on the Nkembe Production Sharing Contract (**PSC**), suspending all obligations. In accordance with Ansila's legal advice, Ansila has asserted that the PSC start date is the date of the issue of the Presidential Decree (4 December 2014) and that, based on this start date, no funds contributions are outstanding as at the date of the force majeure. Ansila has committed substantial investment over a number of years in Gabon, including a US$9 million signing bonus paid in January 2013 and accordingly has reserved all its rights in relation to the PSC, including the right to seek recovery of the signing bonus.

In the circumstances Ansila does not intend to commit any further resources to the Nkembe Project, unless and until, Ansila reaches a resolution with the Directorate General for Hydrocarbons, that enables Ansila to obtain third party funding to conduct further exploration under the PSC.

PETROLEUM REPORTING STATEMENTS

Please refer to the qualified evaluator's statement relating to the reporting of contingent and prospective resources in Ansila's ASX Announcement dated 4 July 2019 (see Schedule 2). The Company is not aware of any new information or data that materially affects the about the contingent or prospective resource estimates included in this announcement and all the material assumptions and technical parameters underpinning those estimates in this announcement continue to apply and have not materially changed.

Contingent Resources		1C	2C	3C
Siciny-2	**Tcf**	0.7	1.6	3.2
	Ansila 35% Interest	**0.25**	**0.56**	**1.1**

The Company did not report any contingent resources for the prior year, as at 30 June 2019.

Prospective Resources		Low Case	Best Case	High Case
Bronow	Bcf	16.0	21.4	28.1
Rawicz North	Bcf	80.1	109.7	148.8
Rawicz South	Bcf	37.8	51.8	70.4
Siciny	Bcf	9.5	13.3	17.8
Zuchlow West	Bcf	10.0	13.3	17.6
TOTAL	**Bcf**	**153.4**	**209.3**	**282.7**
	Ansila 35% Interest	**53.7**	**73.3**	**98.9**

The estimated prospective resource quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of ptentially moveable hydrocarbons.

Contingent and prospective resources reported herein have been estimated and prepared using the probabilistic method.

Petroleum Tenements Held at 30 June 2020

Tenement	Location	% Interest
Nkembe Block	Offshore Gabon	100%[7]
Ambilobe Block	Offshore Madagascar	100%
Gora Concession	Onshore Poland	35%

[7] Ansila's interest is subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Nkembe PSC.

Competent Persons Statement

As an Australian public company with securities listed on the ASX, the oil and gas reserves and resource estimates in this presentation are prepared in accordance with the PRMS and ASX Listing Rule reporting guidelines.

The reserves and resources information of Ansila in this document is based on, and fairly represents, information and supporting documentation prepared by, under the supervision of, or reviewed by Mr Christopher Lewis (Technical Director). Unless otherwise stated, references in this report to reserves and resources are as at 23 September 2019 as contained in the NSAI reserves and resources estimate report prepared for Gemini Resources Limited. Petroleum reserves and contingent resources reported herein have been prepared using a combination of deterministic and probabilistic methods.

Mr Lewis is a Director designate of Ansila Energy and has a BSc from the Imperial College, University of London and is a member of the American Association of Petroleum Geologists (AAPG) and the European Association of Geoscientists and Engineers (EAGE). The reserve and resource information is consistent with the definitions of proved, probable, and possible hydrocarbon reserves and resources that appear in the ASX Listing Rules. Mr Lewis is qualified in accordance with ASX Listing Rule 5.41 and consents to the inclusion of the Ansila reserves and resources figures in the form and context in which they appear in this report. Mr Lewis confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

CORPORATE & FINANCIAL

On 2 October 2019, the Company changed its name from Pura Vida Energy NL to Ansila Energy NL.

During the period, the Company progressed to earn into the Gora project for a 35% interest by spending a total of £2.15 million on this concession and withdrew from the Nowa Sol concession and Jany-C1 work program. Dr Andrew Matharu joined the Board as Executive Director and Mr Christopher Lewis as Technical Director in September 2019 on completion of the transaction with GRL. Mr Bruce Lane and Mr David Sanders resigned from the Board at the Company's Annual General Meeting in November 2019.

During the period the Company completed a fully underwritten non-renounceable entitlements issue to offer a total of 151,783,212 Shares to shareholders on a 1:2 basis at an issue price of A$0.018 per Share, raising A$2,732,098 (before costs) with the entitlement issue completing on 14 October 2019.

In addition, Ansila holds 102,387,595 ordinary shares and has an option on 10,611,411 shares for 14.7% of the total voting power in Jacka Resources Limited (ASX: **JKA**), being the largest shareholder of JKA. Jacka continues to assess oil and gas opportunities and we await further market updates. Subsequent to the end of the year, Jacka was delisted resulting in the complete write-down of the investment to Nil.

On 14 January 2020, the Company issued 23,422,491 fully paid ordinary shares (Shares) following receipt of notices of exercise from holders of performance rights that have vested following the satisfaction of Milestone 1 (as detailed in the Company's notice of meeting dated 31 July 2019).

Ansila holds 69,637 shares in the capital of GRL (carrying value of A$459,533), equating to 2.1% ownership in GRL as a result of the automatic conversion of the exclusivity fee payment (£250,000) at completion of the transaction.

The Company continues to look at additional corporate and project level opportunities in the oil and gas sector. On 18 July 2019[8], the Company invested £184,000 (A$326,230) into a UK private entity, Hartshead Resources Ltd (Hartshead), which has applied for seven contiguous blocks in the UK North Sea, offshore United Kingdom, which contains multiple fields with undeveloped gas resources and a number of drill ready exploration prospects in the recent UK 32nd Offshore Licensing Round. The Company expects to hear the result of the application during the UK summer 2020 and looks forward to making an announcement at that time. Subsequent to the end of the reporting period, Hartshead received the provisional award of five contiguous blocks in the Southern North Sea (SNS), offshore United Kingdom, containing four gas fields and two drill-ready exploration prospects.

Ansila's closing cash balance at the end of the financial year was AU$1.89 million.

[8] See disclosures in the Company's Entitlement Issue Prospectus dated 10 September 2019, FY19 Annual Report released on 25 September 2019 and Quarterly Report released on 30 October 2019.

FINANCIAL PERFORMANCE

The Group made a net loss after tax of $8,932,328 for the year ended 30 June 2020 (30 June 2019: profit of $1,785,250).

At 30 June 2020, the Group had net assets of $1,850,682 (30 June 2019: $6,318,290) and cash assets of $1,889,593 (30 June 2019: $5,794,861).

PRINCIPAL ACTIVITIES

Ansila is an Australian-based oil and gas explorer. The Company has an interest in the Gora concession, onshore Poland, the Nkembe block, offshore Gabon and the Ambilobe block, offshore Madagascar. The Company's strategy is to extract value from the Company's assets and to build a diversified portfolio of assets over time.

There were no other significant changes in the nature of these activities during the year.

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

Mr Bevan Tarratt, Non-Executive Chairman *BBus*	
Appointment date	24 May 2018
Experience and expertise	Mr Tarratt has an extensive background in the accounting industry primarily focused on small cap resource companies. This experience has allowed Mr Tarratt to develop an in-depth understanding of the resource sector within Western Australia and globally, allowing Mr Tarratt to systematically evaluate project and corporate opportunities. Mr Tarratt has extensive equity capital markets experience with Paterson's Securities Ltd.
Directorships held in other ASX listed entities	*Current directorships* - Protean Energy Limited – from June 2007 - Jacka Resources Ltd – from August 2018 *Former directorships* - Fenix Resources Ltd – from August 2015 to December 2019
Committee Memberships	None
Interest in shares, options, performance rights	Fully paid ordinary shares 1,895,358 Partly paid shares 1,075,000 Performance rights 7,500,000
Mr Nathan Lude, Executive Director *BBus, Msud*	
Appointment date	Appointed Non-Executive Director 16 May 2016, assumed Executive role 1 May 2017
Experience and expertise	Mr Lude has broad experience working in Asset Management, Mining and the Energy Industry. He operates a boutique advisory firm, Advantage Management Pty Ltd and works with private and public companies, focused on enhancing business growth and development through introducing new investors and capital. Mr Lude has worked in a Business Development Management role for a large Canadian Energy Company and previously held the Managing Director position for a listed ASX mining company. Since 2007, he has been involved in asset and fund management. His business network spreads across Australia and Asia and has strong ties with Australian broking firms, institutions, Asian investors and institutions.
Directorships held in other ASX listed entities	*Current directorships* - GTI Resources Limited – from July 2018 *Former directorships* - Roto-Gro Limited – from February 2019 to June 2019

	- Frontier Resources Limited – from July 2019 to May 2020	
Committee Memberships	None	
Interest in shares, options, performance rights	Fully paid ordinary shares	9,072,660
	Performance rights	7,500,000
Dr Andrew Matharu, Executive Director *BEng(Hons), PhD, CEng*		
Appointment date	23 September 2019	
Experience and expertise	Dr Matharu is an oil & gas sector professional with over 25 years' experience and commenced his career as a Petroleum Engineer with Chevron and Kerr-McGee Oil working in the UK North Sea. Following a move into oil & gas investment banking he has acquired extensive experience of advising small and mid-cap oil & gas companies in the area of equity capital markets following a variety of corporate finance and institutional equity roles at JP Morgan-Cazenove, Bridgewell Securities, Numis and Westhouse Securities. His most recent role was in corporate and business development with the Africa-focussed AIM-listed explorer, Tower Resources plc, where he was involved in several corporate and asset M&A transactions and capital raisings.	
Directorships held in other ASX listed entities	None	
Committee Memberships	None	
Interest in shares, options, performance rights	Fully paid ordinary shares	5,711,247
	Performance rights	8,089,161
Mr Chris Lewis, Technical Director *BSc*		
Appointment date	23 September 2019	
Experience and expertise	Mr Lewis is a Geophysicist with over 25 years oil & gas experience. He has held Senior Technical and Executive positions for the last 15 years, has managed E&P operations in Europe and Africa, and was the CEO and founder of a Romanian focussed E&P company from 2005 to 2009. Mr Lewis was VP Exploration for Centric Energy in 2010, during which time the company was awarded a highly prospective license onshore Kenya, secured an attractive farm-out to Tullow Oil and eventually sold the company to Africa Oil Corp. Chris has also been involved in other successful ventures including Lion Petroleum which was reversed into a TSX listed entity and Blackstar Exploration, sold to Impact Oil and Gas. Mr Lewis also has very broad operational experience with exploration and development projects, planning and executing seismic acquisition programs, planning and delivering well workovers and drilling of new wells. As a Geophysicist has expertise in 2D/3D seismic interpretation, velocity modelling and depth conversion, quantitative seismic interpretation, exploration workflows from basin scale evaluations to prospect generation, appraisal and development planning, volumetric estimations, risking, reserves estimation and A&D evaluations.	
Directorships held in other ASX listed entities	None	
Committee Memberships	None	
Interest in shares, options, performance rights	Fully paid ordinary shares	5,711,247
	Performance rights	8,089,161

Mr Bruce Lane, Non-Executive Director *BCom, MSc, GAICD*	
Appointment date	24 May 2018
Resignation date	29 November 2019
Experience and expertise	Mr Lane has held leadership roles with a number of ASX listed companies and significant blue-chip companies in Europe and Australasia. He has experience in a range of industries including resources, consumer & industrial products and venture capital. Mr Lane has successfully managed the acquisition of new assets for a number of ASX listed companies and numerous private & public capital raisings including Initial Public Offerings, mergers and Reverse Take Overs, via the ASX.
Directorships held in other ASX listed entities	*Current directorships* - GTI Resources Limited – appointed 3 September 2018

Mr David Sanders, Non-Executive Director *BCom, BJuris, LLB (Hons) (all UWA) and Graduate Diploma of Applied Finance*	
Appointment date	20 October 2016
Resignation date	29 November 2019
Experience and expertise	Mr Sanders is a Lawyer with over 15 years of experience in Corporate and Resources Law. He advises numerous ASX listed companies, including companies in the resources sector, on capital raising, mergers and acquisitions, Corporations Act and ASX Listing Rules compliance and corporate governance. He holds Bachelor of Law and Bachelor of Commerce degrees from the University of Western Australia and a Graduate Diploma of Applied Finance and Investments from the Securities Institute of Australia.
Directorships held in other ASX listed entities	*Current directorships* - Caeneus Minerals Limited – from December 2018 - Victory Mines Limited – from January 2019 *Former directorships* - Marenica Energy Limited - from August 2008 to November 2017 - Force Commodities Limited - from June 2017 to 4 February 2019

Company Secretary

Mr Ben Secrett, Appointed 2 December 2019

Mr Secrett has over 10 years' experience providing corporate advisory, legal, risk and governance services to Australian and foreign listed and unlisted entities, having worked as a Corporate Lawyer and a Principal Adviser in ASX Listings Compliance. He has a comprehensive knowledge of the Corporations Act, ASX listing rules, the JORC Code and the Petroleum Resource Management System, and extensive experience in IPOs and capital raisings, backdoor listings, transaction structuring, and corporate governance and compliance. Mr Secrett has qualifications in economics, law and corporate governance.

Former company Secretary

Mr John Kay, Appointed 30 November 2018, resigned 2 December 2019

Mr Kay holds a Bachelor of Laws from the University of Western Australia and has over 12 years' experience as a Corporate and Commercial Lawyer, including practicing as a Senior Associate for Perth corporate law firm Steinepreis Paganin.

Audit Committee

At the date of this report, the Company does not have a separately constituted Audit Committee as all matters normally considered by an audit committee are dealt with by the full Board.

Remuneration and Nomination Committee

At the date of this report, the Company does not have separately constituted Remuneration and Nomination Committees and as such, no separate committee meetings were held during the year. All resolutions made in respect of remuneration and nomination matters were dealt with by the full Board.

Directors' Meetings

The table sets out the number of Directors' meetings (including meetings of committees of the Board of Directors of Ansila) held during the financial year, which each Director of the Company was eligible to attend and the number of meetings attended by each Director of the Company (while they were a Director or committee member).

Directors	Board of Directors	
	Held	Attended
B Tarratt	13	13
N Lude	13	13
A Matharu (1)	4	3
C Lewis (2)	4	3
B Lane (3)	10	9
D Sanders (4)	10	10

1 A Matharu was appointed 23 September 2019.
2 C Lewis was appointed 23 September 2019.
3 B Lane resigned 29 November 2019.
4 D Sanders resigned 29 November 2019.

INDEMNIFYING OFFICERS AND AUDITOR

During the financial year, the Company paid a premium in respect of a policy insuring the Company's Directors, Secretaries, Executive Officers and any related body corporate against a liability incurred as such a Director, Secretary or Officer to the extent permitted by the *Corporations Act 2001*. The policy of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has entered into Deeds of Indemnity, Insurance and Access with the Company's Directors, Secretary, and Executive Officers.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of the related body corporates against a liability incurred as such an officer or auditor.

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

DIVIDENDS AND DISTRIBUTIONS

No dividends or distributions have been declared, recommended, provided for or paid in respect of the financial year or prior financial year.

OPTIONS OVER UNISSUED SHARES

The Company has the following options on issue as at the date of this report and has not issued any shares as a result of the exercise of options during or since the end of the reporting period.

Number	Exercise Price	Expiry Date	Listed / Unlisted
20,000,000	$0.04	31 December 2022	Unlisted

CHANGES IN STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year not otherwise disclosed in this report or the financial statements.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of Ansila, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of Ansila for all or part of these proceedings.

No proceedings have been brought or intervened in on behalf of Ansila with leave of the Court under section 237 of the *Corporations Act 2001*.

EVENTS AFTER THE REPORTING PERIOD

As announced on 15 July 2020, a firm and contingent work program and budget for 2020 was presented by the Operator, GRL, which focuses on the planning and subsurface workstreams necessary to progress the Siciny-2 Rotliegendes interval test and the conventional prospect inventory across the Gora license.

Additional, unapproved (non-AFE) expenditure relating to the completed Siciny-2 appraisal operations of c.£200K (net to Ansila) was incurred by the Operator in excess of the Gora funding cap of A$3.91 million[3] thereby implying a gross cost of £2.7 million vs an AFE budgeted cost of £2.16 million. All approved costs and expenditure in excess of the Siciny-2 appraisal funding cap would be apportioned according to the respective equity interests of Gemini (65%) and Ansila (35%) in Gora. Ansila currently reserve their rights with respect to any liability relating to unapproved costs incurred by the Operator. Ansila has requested further information from the Operator relating to the non-AFE expenditure and will provide a further update to investors on receipt of the financial details of the cost over-run. Ansila has also requested a financial audit of Gora Energy for the period October 2019 to date.

On 7 September 2020, the Company announced that the UK Oil & Gas Authority had provisional award of five contiguous blocks in the Southern North Sea (SNS), offshore United Kingdom, to Hartshead Resources Limited (Hartshead) on 3 September 2020. The Company holds a 21.6% equity interest in Hartshead. The blocks under provisional award to HRL are 48/15c, 49/6c, 49/11c, 49/12d and 49/17b and contain four gas fields and two drill-ready exploration prospects.

On 3 September 2020, the Company requested ASX halt trading in its securities pending release of an update regarding the application by Hartshead for exploration blocks in the UK North Sea, and that update was released on 7 September 2020. The Company's securities were then voluntarily suspension on 7 September 2020 pending release of an announcement regarding a potential capital raising and material investment by the Company. The Company's securities remain voluntarily suspended as at the date of this report.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not impacted financially on the Company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

In the opinion of the Directors, no other event of a material nature or transaction, has arisen since year end and the date of this report that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or its state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company intends to continue its present range of activities during the forthcoming year. In accordance with its strategy, the Company may participate in exploration and appraisal wells and new projects and may grow its exploration portfolio by farming into or acquiring new exploration licences. There are no likely developments of which the Directors are aware other than that disclosed in this report which could be expected to significantly affect the results of the Company's operations in subsequent financial periods not otherwise disclosed in this report.

ECONOMIC, ENVIRONMENTAL AND SOCIAL SUSTAINABILITY RISKS

The Company's exposure to environmental risk is addressed in the Operational Review.

The Company's December 2019 prospectus disclosed the risks that may have a material impact on its financial performance and the market price for its shares. This disclosure included possible material exposure to a decline in economic conditions and the general economic outlook. The Company recognises that the COVID 19 pandemic has and may continue to have a negative impact on the Australian and global economies, and has and may continue to have a negative impact on the Company's ability to conduct operations given government imposed travel restrictions.

The Company's policy is to comply with, or exceed, its environmental obligations in each jurisdiction in which it operates. No known environmental breaches have occurred during the financial year or prior financial year. The Company's operations are not subject to any particular and significant regulation under a law of the Commonwealth or of a State or Territory of Australia.

RISK MANAGEMENT AND CORPORATE GOVERNANCE

The Board of Ansila is committed to conducting its business in accordance with a high standard of corporate governance commensurate with its size, operations and the industry within which it participates. The Directors of Ansila are responsible for corporate governance of the Company and support the principles of the ASX Corporate Governance Council's Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council. The Council released the 4th Edition of its Principles and Recommendations in February 2019, effective for financial years beginning on or after 1 January 2020, and the Company will report against the 4th Edition for the financial year ending 30 June 2021.

The Company has reviewed its corporate governance practices for the financial year ended 30 June 2020 against the 3rd Edition of the Council's Principles and Recommendations. The Company's Corporate Governance Statement as at 30 June 2020 as approved by the Board on 30 September 2020 can be viewed on the Company's website www.ansilaenergy.com.au under the Governance tab, together with its corporate governance policies.

REMUNERATION REPORT (Audited)

The Directors of Ansila Energy NL (**Company** or **Ansila**) present the Remuneration Report of the Company and the entities it controlled (**Consolidated Entity** or **Group**) for the year ended 30 June 2020. The report outlines the remuneration arrangements for the Company's key management personnel (**KMP**) in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

This report is presented in the following sections:

1. Introduction
2. Governance
3. Key Management Personnel
4. 2020 Remuneration
   - Remuneration related to performance
   - Non-Executive Directors
5. Executive Service Agreements
6. Details of Remuneration
7. Share-Based Compensation
8. Other Transactions
9. Voting and Comments – 2020 Annual General Meeting

1. INTRODUCTION

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the oil and gas exploration industry. In addition, reference is made to the specific skills and experience of the Directors and Officers.

The objective of the Company's reward structure is to ensure reward for performance is competitive and appropriate for the results delivered. The structure aligns individual reward with achievement of strategic objectives and the creation of value for shareholders and reflects current market practice for delivery of reward.

REMUNERATION REPORT (Audited) (continued)

The Board aims to ensure that individual reward practices are aligned with the following key criteria:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives, and the creation of shareholder value; and
- transparent.

Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

2. GOVERNANCE

The Board has adopted the Formal Remuneration Committee Charter which provides a framework for the consideration of remuneration matters.

The Company did not have a separate Remuneration Committee for the full year and as such all remuneration matters are considered by the Board as a whole, with no Member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

1. Setting remuneration packages for Executive Directors, Non-Executive Directors and other Key Management Personnel; and
2. Implementing employee incentive and equity-based plans and making awards pursuant to those plans.

3. KEY MANAGEMENT PERSONNEL

The KMP disclosed in this report are as follows:

Executive – Current

- N Lude – appointed 1 May 2017
- A Matharu – appointed 23 September 2019
- C Lewis – appointed 23 September 2019

Non-Executive Directors - Current

- B Tarratt (Chairman) – appointed 24 May 2018

Non-Executive Directors - Former

- D Sanders – appointed 20 October 2016, resigned 29 November 2019
- B Lane – appointed 24 May 2018, resigned 29 November 2019

4. 2020 REMUNERATION

The broad remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains and motivates people of the highest quality. The board has consciously focussed on conserving funds and the remuneration policy reflects this. No remuneration consultant was engaged during the year to make any remuneration recommendation in respect of key management personnel.

Remuneration related to Performance

Given the Company's size, stage of development, and the need to attract and retain Directors of high calibre, whilst still maintaining cash reserves the Board may from time to time consider the issue of equity instruments to Directors, subject to shareholder approval. During the year, each Director (Executive and Non-Executive) received performance rights as a form of cost-effective remuneration, and which can only be exercised and converted into fully paid ordinary shares on the satisfaction of certain performance milestones. These milestones were designed to align with the interests of all shareholders such that their satisfaction would be related to events that would increase the Company's share price and grow value and wealth for all shareholders.

REMUNERATION REPORT (Audited) **(continued)**

The Consolidated Entity's earnings results and shareholders' returns for this reporting period and the previous four reporting periods, against which key management personnel remuneration and the Consolidated Entity's remuneration principles and policies can be discussed, are detailed below.

	30 June 2020 $	30 June 2019 $	30 June 2018 $	30 June 2017 $	30 June 2016 $
Revenue	62,339	166,208	175,798	9,402,957	123,300
Net profit/(loss) after income tax	(8,932,328)	1,785,250	(2,976,768)	3,695,605	(7,566,293)
Dividends	-	-	-	-	-
Share price changes (high and low)	0.054 / 0.011	0.015 / 0.015	0.024 / 0.013	0.115 / 0.020	0.098 / 0.020

Non-Executive Directors' Remuneration Structure

While noting that corporate governance principles recommend that Non-Executive Directors be remunerated solely by way of fees and statutory superannuation, during the year the Company's Non-Executive Directors did receive performance rights as part of their remuneration. The annual fee is set to reflect current market levels based on the time, responsibilities and commitments associated with the proper discharge of their duties as members of the Board.

Non-Executive Directors' fees and payments are reviewed annually by the Board and for the year ended 30 June 2020, is $25,000 per annum, excluding superannuation. Fees provided to Non-Executive Directors are exclusive of superannuation. There are no termination or retirement benefits paid to Non-Executive Directors (other than statutory superannuation). The aggregate amount of remuneration for Non-Executive Directors approved by shareholders at the 2014 Annual General Meeting is $400,000 per annum.

In addition, the Directors are entitled to receive additional remuneration at a rate of $1,000 per day or part thereof (or as otherwise approved by the Board) in addition to their fees for performing additional duties as requested by the Board.

Participation in equity-based remuneration schemes by Non-Executive Directors is subject to consideration and approval by the Company's shareholders.

5. EXECUTIVE SERVICE AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the share and performance rights plans are subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below. Termination benefits are within the limits set by the *Corporations Act 2001* such that they do not require shareholder approval.

Contractual arrangement with key management personnel

Executives – Current

Name	Effective date	Term of agreement	Notice period	Base per annum [1] $	Termination payments
A Matharu [2][3], Executive Director	23-Sep-19	No fixed term	3 months	193,737	3 months
C Lewis [4][5], Technical Director	23-Sep-19	No fixed term	3 months	193,737	3 months

1. *GBP:AUD exchange rate of 1.79387 as at 30 June 2020 has been used to calculate the base, which is based upon a rate of £9,000 per calendar month.*
2. *A Matharu was appointed 23 September 2019.*
3. *Dr Matharu, Executive Director, is a Director of Firmitas Energy Advisers Limited, which received Dr Matharu's Director fees during the period.*
4. *C Lewis was appointed 23 September 2019*
5. *Mr Lewis, Executive Director, is a Director of Lewis Petroleum Consulting Limited which received Mr Lewis's Director fees during the period.*

REMUNERATION REPORT (Audited) (continued)

The Company has agreed to pay Dr Matharu and Mr Lewis a guaranteed fixed retainer amount per calendar month of £9,000 which is equivalent to 80 hours of work. The retainer is payable regardless of the hours worked. Any hours worked in excess of 80 hours in any calendar month will be charged at the rate of £900 per day and will require the prior written consent of the Company. The fees payable are deemed to be inclusive of all other amounts in respect of wages, superannuation, bonuses and other costs associated.

In connection with their appointment and services, on 2 September 2019 shareholder approval was sought and obtained to issues 12,133,741 Performance Rights to each Dr Matharu and Mr Lewis.

Nathan Lude – Executive Director

Mr Lude supports the company in assessing new market opportunities and financial management in his role as an Executive Director of the Company. Mr Lude is entitled to receive $1,000 per day or part thereof for his Executive duties in addition to his Non-Executive Director fees.

On 2 September 2019 shareholder approval was sought and obtained to issue 7,500,000 Performance Rights to Mr Lude.

6. DETAILS OF REMUNERATION

Remuneration of KMP for the 2020 financial year is set out below:

Short-term benefits			Post-employment benefits		Share-based payments	Total remuneration	Performance related
Cash salary	Additional fees	Non-cash benefit [1]	Super-annuation	Termination			
$	$	$	$	$	$	$	%
Executive Directors – Current							
N Lude							
25,000	197,000	2,897	21,090	-	71,103	317,090	22%
A Matharu [2]							
179,412	-	-	-	-	115,033	294,445	39%
C Lewis [3]							
161,466	-	-	-	-	115,033	276,499	42%
Non-Executive Directors – Current							
B Tarratt							
25,000	187,500	2,897	20,188	-	71,103	306,688	23%
Non-Executive Directors – Former							
B Lane [4]							
10,417	50,000	762	5,740	-	36,925	103,844	36%
D Sanders [5]							
10,417	-	762	990	-	18,463	30,632	60%
411,712	434,500	7,318	48,008	-	427,660	1,329,198	32%

1 *Other benefits include the provision Working Directors' Personal Accident & Sickness insurance.*
2 *A Matharu was appointed 23 September 2019.*
3 *C Lewis was appointed 23 September 2019.*
4 *B Lane resigned 29 November 2019.*
5 *D Sanders resigned 29 November 2019.*

REMUNERATION REPORT (Audited) **(continued)**

Remuneration of KMP for the 2019 financial year is set out below:

	Short-term benefits			Post-employment benefits				
	Cash salary	Additional fees	Non-cash benefit (1)	Super-annuation	Termination	Share-based payments	Total remuneration	Performance related
	$	$	$	$	$	$	$	%
Non-Executive Directors								
B Tarratt								
	25,000	105,000	1,830	12,350	-	-	144,180	-
B Lane								
	25,000	91,500	1,830	11,068	-	-	129,398	-
D Sanders								
	25,000	1,500	1,830	2,518	-	-	30,848	-
Executive Director								
N Lude								
	157,500	-	1,830	14,962	-	-	174,292	-
	232,500	198,000	7,320	40,898	-	-	478,718	-

1 *Other benefits include the provision of car parking and provisions of Working Directors' Personal Accident & Sickness insurance.*

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options, performance rights and retention rights to acquire shares in the Company:

KMP	Balance at start of the year / appointment	Granted / Acquired	Exercised	Lapsed	Other changes	Balance at year end
Executive - current						
N Lude						
Fully paid ordinary shares	6,321,541	2,751,119	-	-	-	9,072,660
Performance rights	-	7,500,000	-	-	-	7,500,000
Options	4,000,000	-	-	(4,000,000)	-	-
A Matharu (1)						
Fully paid ordinary shares	1,666,667	-	4,044,580	-	-	5,711,247
Performance rights	12,133,741	-	(4,044,580)	-	-	8,089,161
C Lewis (2)						
Fully paid ordinary shares	1,666,667	-	4,044,580	-	-	5,711,247
Performance rights	12,133,741	-	(4,044,580)	-	-	8,089,161
Non-Executive Directors - Current						
B Tarratt						
Fully paid ordinary shares	1,263,572	631,786	-	-	-	1,895,358
Partly paid shares	1,075,000	-	-	-	-	1,075,000
Performance rights	-	7,500,000	-	-	-	7,500,000

REMUNERATION REPORT (Audited) (continued)

KMP	Balance at start of the year / appointment	Granted / Acquired	Exercised	Lapsed	Other changes	Balance on resignation
Non-Executive Directors - Former						
B Lane [3]						
Fully paid ordinary shares	30,000	-	-	-	-	30,000
Performance rights	-	6,000,000	-	-	-	6,000,000
D Sanders [4]						
Fully paid ordinary shares	-	-	-	-	-	-
Performance rights	-	3,000,000	-	-	-	3,000,000
Options	4,000,000	-	-	(4,000,000)	-	-

1 *A Matharu was appointed 23 September 2019.*
2 *C Lewis was appointed 23 September 2019.*
3 *B Lane resigned 29 November 2019.*
4 *D Sanders resigned 29 November 2019.*

7. SHARE-BASED COMPENSATION

Performance rights

During the year ended 30 June 2020, the following performance rights were granted, vested and/or lapsed to KMP:

Grant date	Grant value [1] $	Number granted	Number vested during the year	Number cancelled during the year	Expense recognised during the year [2]	Maximum value yet to expense $
N Lude - *Executive Director*						
02-Sep-19	138,750	7,500,000	2,500,000	-	71,103	67,647
A Matharu - *Executive Director* [3]						
02-Sep-19	224,474	12,133,741	4,044,580	-	115,033	109,441
C Lewis – *Technical Director* [4]						
02-Sep-19	224,474	12,133,741	4,044,580	-	115,033	109,441
B Tarratt - *Non-Executive Chairman*						
02-Sep-19	138,750	7,500,000	2,500,000	-	71,103	67,647
B Lane - *Non-Executive Director* [5]						
02-Sep-19	111,000	6,000,000	2,000,000	-	36,925	- [2]
D Sanders - *Non-Executive Director* [6]						
02-Sep-19	55,500	3,000,000	1,000,000	-	18,463	- [2]

1 *The value of performance rights is calculated as the fair value of the rights at grant date and allocated to remuneration equally over the period from grant date to expected vesting date.*
2 *Expense recognised reflects the portion of the vesting period, over which the expense has been recognised, that the person was a Director.*
3 *A Matharu was appointed 23 September 2019.*
4 *C Lewis was appointed 23 September 2019.*
5 *B Lane resigned 29 November 2019.*
6 *D Sanders resigned 29 November 2019.*

REMUNERATION REPORT (Audited) (continued)

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

Number granted	Exercise price	Expected vesting dates	Expiry date	Share price at grant date	Fair value per performance right	Total fair value
Grant date: 02-Sep-19 (1)						
88,267,482	-	17-Dec-19 to 30-Sep-22	30-Sep-22	$0.0185	$0.0185	$1,632,948

1. *Upon achieving either Milestone 1, Milestone 2, Milestone 3, Milestone 4, Milestone 5, Milestone 6 or Milestone 7, a third of the Performance Rights will be eligible to be converted into Shares upon exercise by the holder.*
2. *Milestones are as follows:*

Milestone 1 — *Completion of an initial feasibility study that derives a Net Present Value (NPV) (utilising a discount rate of 10%) of the Gora project of not less than A$200 million based on a 2C Contingent Resource;*

Milestone 2 — *Securing necessary funding to undertake the drilling of an additional well at the Gora project or Nowa Sol project, including via equity or debt (or a combination of both) or other funding mechanism such as joint farm-out or forward payments on a supply venture, agreement;*

Milestone 3 — *The Company's VWAP over 10 consecutive trading days being at least $0.05;*

Milestone 4 — *The Company's VWAP over 10 consecutive trading days being at least $0.08;*

Milestone 5 — *Securing necessary funding to commence production at the Gora project or Nowa Sol project, including via equity or debt (or a combination of both) or other funding mechanism such as joint venture, farm-out or forward payments on a supply agreement;*

Milestone 6 — *Execution of a binding gas sale agreement on the Gora project or oil sale agreement on the Nowa Sol project with a third party; or*

Milestone 7 — *Successful completion of Fracking and/or Flow Testing on the Gora and Nowa Sol project, including flowing of oil and gas to surface and all necessary data acquisition for project evaluation.*

These milestones were chosen because the achievement of such milestones is expected to results in share price increases which would benefit all shareholders. The satisfaction of each of these milestones can be assessed objectively. During the year Milestone 1 was achieved.

8. OTHER TRANSACTIONS

During the period, the following related party transaction have occurred:

Payment of fees

Dr Matharu, Executive Director, is a Director of Firmitas Energy Advisers Limited, which received Dr Matharu's Director fees during the period. At year end the Company had an outstanding balance payable of $16,150 (30 June 2019: nil).

Mr Lewis, Executive Director, is a Director of Lewis Petroleum Consulting Limited which received Mr Lewis's Director fees during the period. At year end the Company had an outstanding balance payable of $16,150 (30 June 2019: nil).

Facilitation fee

On 1 October 2019, 5,000,000 shares were issued in consideration for facilitating and introducing the Gemini transaction. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the fair value of the equity instruments issued amounted to $90,000. This amount has been recognised in the Statement of Profit or Loss as an exploration cost. Dr Matharu and Mr Lewis were each issued 1,666,667 Shares in consideration for introducing and facilitating the Transaction.

Purchases from entities associated with key management personnel

Former Director, Mr. D Sanders, is an Employee of the firm Bennett + Co. During his period of Directorship, Bennett + Co has provided legal services to Ansila Energy NL on normal commercial terms and conditions. The legal services recognised as an expense during the year was $78,912 (excluding GST) (30 June 2019: $69,737).

REMUNERATION REPORT (Audited) (continued)

A Director, Mr Lude, was a Director and shareholder of Advantage Ventures Pty Ltd (formerly Battler Corporate Pty Ltd), which has provided office space and shared office services per a leasing arrangement with the Company on normal commercial terms and conditions. The expenses recognised during the period of common Directorship was $12,714 (ex GST) (30 June 2019: $58,094).

Receipts from entities associated with key management personnel

A Director, Mr Lude, was a Director and shareholder of Advantage Ventures Pty Ltd (formerly Battler Corporate Pty Ltd) which during the period utilized shared office facilities. Income of $nil has been recognised in the statement of profit or loss (30 June 2019: $1,008).

There are no other outstanding loans or other transaction arising to or from with key management personnel during the year related parties (30 June 2019: Nil).

9. VOTING AND COMMENTS - 2019 ANNUAL GENERAL MEETING

At the 2019 Annual General Meeting (AGM) held on 29 November 2019, the adoption of the remuneration report for the year ended 30 June 2019 was carried received more than 84% of 'yes' votes. There were no comments made on the remuneration report at the Company's last AGM.

This concludes the Remuneration Report which has been audited.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2020 has been received and can be found on page 23.

NON-AUDIT SERVICES

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important.

The Board is satisfied that the provision of non-audit services during the period 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 as disclosed below do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocates for the Company or jointly sharing economic risks and rewards.

During the year ended 30 June 2020, the following amounts were paid or payable for non-audit services provided to the Group by the auditor:

	2020 $	2019 $
Taxation services		
Tax compliance services	8,755	5,610
International tax consulting and tax advice	1,545	1,450
Total remuneration for taxation services	10,300	7,060
Other services		
Valuation of performance rights for Notice of Annual General Meeting	4,635	-
Total remuneration for other services	4,635	-

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

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

On behalf of the Directors

Bevan Tarratt
Non-Executive Chairman

Perth, Western Australia
30 September 2020

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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF ANSILA ENERGY NL

As lead auditor of Ansila Energy NL for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ansila Energy NL and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2020

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

	Note	2020 $	2019 $
Income from continuing operations			
Interest income		12,339	118,954
Other income	2	50,000	47,254
Total income		62,339	166,208
Expenses			
Exploration and evaluation expenditure	3	(5,768,069)	2,689,060
Depreciation expenses		(85)	(159)
Administrative expenses	3	(2,133,532)	(1,160,203)
Share-based payments expense	3	(836,813)	-
Unrealised foreign exchange gain/(loss)	3	37,361	90,344
Share of net (loss) of associates accounted for using the equity method	9	(94,819)	-
Impairment of investment in Associate	9	(198,710)	-
(Loss)/Profit before income tax		(8,932,328)	1,785,250
Income tax expense	4	-	-
(Loss)/Profit attributable to the owners of the Company		(8,932,328)	1,785,250
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		25,880	(3,612)
Items that will not be reclassified to profit or loss			
Changes in the fair value of financial assets at fair value through other comprehensive income (FVOCI)		(446,395)	(20,171)
Other comprehensive loss for the year, net of tax		(420,515)	(23,783)
Total comprehensive (loss)/profit for the year attributable to the owners of Ansila Energy NL		(9,352,842)	1,761,467
Earnings per share for loss from continuing operations attributable to the ordinary equity holders			
Basic (loss)/earnings per share (cents per share)	17	(1.99)	0.68
Diluted (loss)/earnings per share (cents per share)	17	(1.99)	0.68

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 $	2019 $
Current assets			
Cash and cash equivalents	5	1,889,593	5,794,861
Other receivables	6	17,397	489,597
Total current assets		1,906,990	6,284,458
Non-current assets			
Plant and equipment		4,294	-
Financial assets at FVOCI	8	459,534	797,970
Investment in associate	9	33,099	-
Total non-current assets		496,927	797,970
Total assets		**2,403,917**	**7,082,428**
Current liabilities			
Trade and other payables	10	553,234	764,138
Provisions		-	-
Total current liabilities		553,234	764,138
Total liabilities		**553,234**	**764,138**
Net assets		**1,850,682**	**6,318,290**
Equity			
Issued capital	12(a)	54,652,907	50,830,012
Share-based payment reserve	12(c)	5,529,081	4,466,741
Financial assets at FVOCI	12(c)	(466,566)	(20,171)
Foreign exchange reserve	12(c)	(80,351)	(106,231)
Accumulated losses	12(b)	(57,784,389)	(48,852,061)
Total equity		**1,850,682**	**6,318,290**

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

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

	Issued capital $	Reserves $	Accumulated loss $	Total equity $
Balance at 1 July 2018	**51,160,791**	**4,364,122**	**(50,637,311)**	**4,887,602**
Profit for the year	-	-	1,785,250	1,785,250
Other comprehensive loss for the year	-	(23,783)	-	(23,783)
Total comprehensive profit / (loss) for the year	-	(23,783)	1,785,250	1,761,467
Transactions with owners in their capacity as owners				
Contributed equity	(327,972)	-	-	(327,972)
Share issue costs	(2,807)	-	-	(2,807)
Balance at 30 June 2019	**50,830,012**	**4,340,339**	**(48,852,061)**	**6,318,290**
Loss for the year	-	-	(8,932,328)	(8,932,328)
Other comprehensive loss for the year	-	(420,515)	-	(420,515)
Total comprehensive profit / (loss) for the year	-	(420,515)	(8,932,328)	(9,352,843)
Transactions with owners in their capacity as owners				
Contributed equity	4,272,348	-	-	4,272,348
Share issue costs	(449,453)	225,527	-	(223,926)
Performance rights expense recognised during the year	-	836,813	-	836,813
Balance at 30 June 2020	**54,652,907**	**4,982,164**	**(57,784,389)**	**1,850,682**

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

	Note	2020 $	2019 $
Cash flows from operating activities			
Payments to suppliers, consultants and employees		(1,350,943)	(1,083,380)
Payments for exploration and evaluation expenditure		(6,210,209)	(768,481)
Interest received		12,482	128,380
Other income	2	50,000	-
Net cash (outflow)/inflow from operating activities	14	(7,498,670)	(1,723,481)
Cash flows from investing activities			
Payments for investments financial assets at FVOCI		(330,075)	(893,086)
Plant and equipment		(4,378)	-
Prepayment of exclusivity fee	6	-	(459,534)
Proceeds for investments financial assets at FVOCI	8	355,420	74,945
Net cash (outflow)/inflow from investing activities		20,967	(1,277,675)
Cash flows from financing activities			
Proceeds from issue of shares	12	3,732,098	-
Proceeds from issue of options	12	250	-
Payment for share buy-back	12	-	(280,722)
Share issue costs	12	(223,926)	(2,807)
Net cash (outflow)/inflow from financing activities		3,508,422	(283,529)
Net increase/(decrease) in cash and cash equivalents		(3,969,281)	(3,284,685)
Cash and cash equivalents at the beginning of the year		5,794,861	8,976,805
Effects of exchange rate changes on cash and cash equivalents		64,013	102,741
Cash and cash equivalents at the end of the year	5	1,889,593	5,794,861

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

1. SEGMENT INFORMATION

Management has determined that the Group has three reportable segments. The first being an interest to explore for oil in acreage known as, the Nkembe block, located at offshore Gabon. The second interest being at the Ambilobe block, located at offshore Madagascar. The third being an interest to explore for gas in acreage in Poland. This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources. As the Group is focused on oil and gas exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

	Poland $	Gabon $	Madagascar $	Other corporate activities $	Total $
For the year ended 30 June 2020					
Income from external sources	-	-	-	62,339	62,339
Reportable segment profit/(loss)	(5,833,167)	(13,939)	(64,576)	(3,020,645)	(8,932,327)
Reportable segment assets (1)	-	46,527	15,895	2,341,494	2,403,916
Reportable segment liabilities	-	(2,143)	(426,338)	(124,753)	(553,234)
For the year ended 30 June 2019					
Income from external sources	-	-	-	166,208	166,208
Reportable segment profit/(loss)	-	3,401,886	(553,344)	(1,063,292)	1,785,250
Reportable segment assets (2)	-	59,085	9,451	7,013,892	7,082,428
Reportable segment liabilities	-	(140,231)	(424,349)	(199,558)	(764,138)

1 *Other corporate activities includes cash held of $1,889,593.*
2 *Other corporate activities includes cash held of $5,794,861.*

2. OTHER INCOME

	2020 $	2019 $
Other income		
Recharge income	-	4
Share buy-back of partly paid shares (1)	-	47,250
Cash flow boost incentive payments (2)	50,000	-
Total other income	50,000	47,254

1 *On 23 November 2018, shareholders approved the buy-back agreement between the Company and Mr Neaves for the selective buy back of 4,725,000 ordinary partly paid shares.*

2 *Cash flow boosts payments are delivered as credits in the activity statements and equivalent to the amount withheld from wages paid to employees from March to June 2020.*

3. EXPENSES

	2020 $	2019 $
Profit/(Loss) before income tax includes the following specific items:		
Exploration and evaluation expenditure		
Nkembe block, offshore Gabon (1)(2)	(107,527)	(3,540,186)
Ambilobe block, offshore Madagascar	40,557	541,109
Polish project	5,833,167	-
New venture activity costs	1,872	310,017
Total exploration and evaluation expenditure	5,768,069	(2,689,060)
Share-based payments expenses		
Performance rights	836,813	-
Total share-based payments expenses	836,813	-
Administrative expenses		
Employee benefits expense	905,715	488,383
Advisory and audit fees	607,433	117,603
Travel & accommodation (3)	30	24
Other expenses	620,354	554,193
Total administrative expenses	2,133,532	1,160,203
Foreign exchange (gain)/loss (4)	(37,361)	(90,344)

1 *During the prior period included within the other payables is an amount payable to the Directeur Général des Hydrocarbures (DGH) in Gabon in relation to fund contributions pursuant to the Nkembe PSC for approximately US$2.91 million (AU$3,935,154), based on the liability for fund contributions commencing on the date on which the Nkembe PSC was signed, being 11 January 2013. The date from which fund contributions were required to commence and therefore the Company's liability to make this payment is, however, currently in dispute with the DGH, refer Note 20 for further details.*

Ansila has received legal advice that its obligations to make the fund contributions under the Nkembe PSC commenced on the issue of the Presidential Decree, being 4 December 2014. Based on this advice, no fund contributions are outstanding. For the year ended 30 June 2019, the amount has been reclassified as a contingent liability, see Note 19 and as a result the liabilities previously recognised have been reversed and recognised in the Statement of Profit or Loss.

2 *During the prior period included within the other payables were amount payable relating to the Nkembe project for approximately $108k. For the year ended 30 June 2020, the amount has been reversed and recognised in the Statement of Profit or Loss.*

3 *Travel costs directly related to operational activities have been classified as exploration and evaluation expenditure.*

4 *Foreign exchange gain was recognised upon cash held and payments of United States dollar, Pound sterling and Euro dollar denominated balances.*

4. TAXATION

	2020 $	2019 $
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
Income tax expense	-	-
(b) Reconciliation of income tax to prima facie tax payable		
(Loss)/Profit before income tax	(8,932,328)	1,785,250
Income tax (benefit)/expense at 30% (30 June 2019: 30%)	(2,679,698)	535,575
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	251,044	-
Other	214,496	68,214
Deferred tax assets relating to tax losses and timing differences not recognised	-	-
Timing differences previously unrecognised now recognised	2,214,158	(603,789)
Total income tax expense	-	-
Unrecognised deferred tax assets		
Deferred tax assets and liabilities not recognised relate to the following:		
Tax losses/(gain)	1,827,094	1,349,084
Exploration assets	14,688,017	12,957,597
Other temporary differences	(200,373)	(206,078)
Net deferred tax assets unrecognised	16,314,738	14,100,603

Significant accounting judgment

Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary difference can be utilised.

Income taxes

The Group is subject to income taxes in Australia and overseas and at times significant judgement is required in determining the Group's provision for income taxes. The Group estimates its tax liabilities based on the Group's understanding of the tax law in the local jurisdiction in which it operates. During the prior period, the Group has treated the cash component with respect to the Mazagan farmout as being non-assessable based upon tax advice received from its Moroccan tax advisors. Should the final tax outcome of these matters be different from the initial assessment, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

5. CASH AND CASH EQUIVALENTS

(a) Risk exposure

Refer to Note 16 for details of the risk exposure and management of the Group's cash and cash equivalents.

(b) Deposits at call

Deposits at call are presented as cash equivalents if they have a maturity of three months or less and include the term deposit held by the company as an office bond. Refer Note 27(m) for the Group's other accounting policies on cash and cash equivalents. Deposits at call held with Australian banks and financial institutions and are bearing interest rates between 2.10% and 2.36%.

	2020 $	2019 $
Cash at bank	1,849,593	5,754,861
Deposits at call	40,000	40,000
	1,889,593	5,794,861

6. OTHER RECEIVABLES

The Group has no impairments to other receivables or have receivables that are past due but not impaired. Refer to Note 16 for detail of the risk exposure and management of the Group's other receivables.

During the prior period, the Company has paid an exclusivity fee in the amount of £250,000 in consideration for the exclusive right to acquire an interest in the Gora and Nowa Sol Projects. During the year, the Company completed the acquisition and converted the exclusivity fee into ordinary shares in Gemini Resources Limited, see Note 8.

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

	2020 $	2019 $
Other receivables	204	3,730
Prepayments	17,193	26,333
Exclusivity fee	-	459,534
	17,397	489,597

7. JOINTLY CONTROLLED OPERATIONS

At the reporting date, the Group has operator working interests in the following projects:

		Working interest (1)			
		Exploration phase		Exploitation phase	
Project	Activity	2020 %	2019 %	2020 %	2019 %
Ambilobe block (Madagascar)	Exploration	100	100	100	100
Nkembe block (Gabon)	Exploration	100	100	100 (2)	100 (2)
Gora concession (Poland)	Exploration	35	-	35	-

1 *Working interest denotes the percentage share of costs to be borne by the Group in relation to its interests in the projects.*

2 *Subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Production Sharing Contract.*

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at fair value through other comprehensive income (FVOCI) comprise of unlisted equity securities and listed equity securities on the Australian Securities Exchange (ASX).

	2020 $	2019 $
Unlisted equity securities		
Opening balance	-	-
Conversion on exclusivity fee	459,534	-
Closing balance	459,534	-
Australian listed equity securities		
Opening balance	797,970	-
Purchase of securities	3,845	893,086
Sale of securities	(355,420)	(74,945)
Revaluation movement recognised in other comprehensive income	(139,232)	(20,171)
Impairment [(1)]	(307,163)	-
Closing balance	-	797,970
	459,534	797,970

1 *Subsequent to year end Jacka Resources Limited was delisted from the ASX, as a result the carrying value of the investment was impaired to nil.*

On disposal of these equity investments, any related balance within the FVOCI reserve remain within other comprehensive income.

Significant accounting estimates, assumptions and judgements

Classification of financial assets at fair value through other comprehensive income

During the prior period Ansila purchased 102,387,595 ordinary shares and acquired an option on 10,611,411 shares for 14.7% of the total voting power in Jacka Resources Limited. Further, following the investment, Mr Bevan Tarratt was appointed as Non-Executive Director of Jacka Resources Limited in August 2018. The Company has considered the requirements of AASB 128 Investments in Associates and Joint Ventures as to whether the Company has significant influence over Jacka Resources Limited. As the Company has a holding of less than 20% and it is not clearly demonstrable that the Company has and/or exerts significant influence the investment has been treated as a Financial Asset at FVOCI.

Investments are designated at fair value through other comprehensive income where management have made the election in accordance with *AASB 9: Financial Instruments*.

Fair value for financial assets at fair value through other comprehensive income

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

9. INVESTMENT IN ASSOCIATE

During the year, the Company has invested into a UK private entity, Hartshead Resources Ltd which is undertaking applications to acquire certain prospective oil & gas licences in the South North Sea, offshore United Kingdom. The Company's investment is recognised as an investment in associates.

Significant accounting judgments

Control assessment

The Directors have determined that they have significant influence over Hartshead Resources Ltd, as a result of the 21.6% ownership and common directorship of Directors Mr Chris Lewis and Dr Andrew Matharu. The Investment in Associates in the consolidated financial statements is accounted for using the equity method of accounting.

The resulting investment is subsequently accounted for as an Investment in Associate as follows:

	2020 $	2019 $
Opening balance	-	-
Investment in Hartshead	326,230	-
Share of losses after income tax	(94,819)	-
Impairment of investment in associate	(198,710)	-
Foreign exchange gain	398	-
Closing balance	33,099	-

The below table summarises the financial information of Hartshead Resources Ltd. The information disclosed below reflects the amounts presented in the financial statements of Hartshead Resources Ltd. They have been amended to reflect adjustments made by the entity when using the equity method including fair value adjustments and modifications for differences in accounting policy.

Hartshead Resources Ltd	2020 $
Assets	153,237
Liabilities	-
Revenue	-
Profit/(losses)	(438,976)
Share of loss at 21.6%	(94,819)

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. No indications or impairment was identified.

10. TRADE AND OTHER PAYABLES

	2020 $	2019 $
Trade payables	465,529	677,980
Other payables	87,705	86,158
	553,234	764,138

All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months.

Refer to Note 16 for details of the risk exposure and management of the Group's trade and other payables.

11. FAIR VALUE MEASUREMENTS

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

Fair value hierarchy

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

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2020 and 30- June 2019 on a recurring basis:

	Level 1 $	Level 2 $	Level 3 $	Total $
As at 30 June 2020				
Financial assets at FVOCI – Equity securities	-	459,534	-	459,534
As at 30 June 2019				
Financial assets at FVOCI – Equity securities	797,970	-	-	797,970

There were no transfers between levels during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at balance date.

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

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

Valuation techniques used to determine fair values

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

Financial assets at fair value through other comprehensive income – equity securities

<u>Fair Value in Active Market (Level 1)</u>

The fair value of the equity holdings held in ASX listed companies are based on the quoted market prices from the ASX on the last traded price prior to year-end.

<u>Fair value in an inactive or unquoted market (Level 2 and Level 3)</u>

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. These include the use of a recent share price from completed or planned capital raising that provides a reliable estimate of prices obtained in actual market transactions.

12. ISSUED CAPITAL

(a) Contributed equity

	2020 Securities	2019 Securities	2020 $	2019 $
Fully paid ordinary shares	508,772,127	248,010,868	54,595,622	50,772,976
Partly paid ordinary shares	5,703,550	5,703,550	57,036	57,036
			54,652,658	50,830,012

(i) Fully paid ordinary shares

Fully paid ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. At 30 June 2020, there are no ordinary shares subject to escrow (30 June 2019: Nil).

Movement in fully paid ordinary shares

	Date	Number of Securities	Issue price $	$
Balance at 1 July 2018		**261,386,330**		**51,056,505**
Share buy-back (1)	27-Mar-19	(13,375,462)	0.02	(280,722)
Share issue costs				(2,807)
Balance at 30 June 2019		**248,010,868**		**50,772,976**
Issue of shares - placement	11-Jul-19	18,353,926	0.02	330,371
Issue of shares - placement	15-Jul-19	37,201,630	0.02	669,629
Share based payment - facilitation fee (2)	1-Oct-19	5,000,000	0.02	90,000
Issue of shares - entitlement offer	11-Oct-19	79,977,591	0.02	1,439,597
Issue of shares - entitlement offer	14-Oct-19	71,805,621	0.02	1,292,501
Share based payment - advisory fee (3)	14-Oct-19	25,000,000	0.02	450,000
Issue of shares - conversion of performance rights	14-Jan-20	23,422,491	-	-
Share issue costs				(449,453)
Balance at 30 June 2020		**508,772,127**		**54,595,622**

1 *During the prior year the Company announced an on-market share buy-back of 13,375,462 shares in the Company, issue price is based upon the average share buy-back price.*

2 *Share based payment on the settlement of facilitation fee, made at the value of the benefit, see Note 13(c).*

3 *Share based payment on the settlement of advisory fee, made at the value of the benefit, see Note 13(c).*

(ii) Partly paid ordinary shares

Partly paid ordinary shares have an issue price of $0.20 of which $0.01 is paid. The balance of the issue price is payable at the election of the holder at any time by the issue of a payment notice in writing and delivered to the registered office of the Group. Partly paid shares participate in any dividends on the same basis as if the partly paid share were fully paid and are not listed.

12. ISSUED CAPITAL (continued)

Movement in partly paid shares

	Date	Number of securities	Issue price $	$
Balance at 1 July 2018		**10,428,550**		**104,286**
Share buy-back [(1)]	13-Dec-18	(4,725,000)	0.01	(47,250)
Balance at 30 June 2019		**5,703,550**		**57,036**
Movement		-	-	-
Balance at 30 June 2020		**5,703,550**		**57,036**

1 *On 23 November 2018, shareholder approved the buy-back agreement between the Company and Mr Neaves for the selective buy back of 4,725,000 ordinary partly paid shares.*

(iii) Options

Information relating to the Ansila Incentive Option Scheme, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 13.

(iv) Performance rights and Retention rights

Information relating to the Ansila Performance Rights Plan, including details of performance and retention rights issued, vested and lapsed during the financial year and rights outstanding at the end of the reporting period, is set out in Note 13.

(b) Accumulated losses

	2020 $	2019 $
Balance at 1 July	(48,852,061)	(50,637,311)
Net (loss)/profit attributable to owners of the Company	(8,932,328)	1,785,250
Balance at 30 June	(57,784,389)	(48,852,061)

(c) Reserves

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

		2020 $	2019 $
Foreign currency translation reserve			
Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in Note 27(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.	Balance at 1 July	(106,231)	(102,618)
	Currency translation differences arising during the year	25,880	(3,613)
	Balance at 30 June	(80,352)	(106,231)

12. ISSUED CAPITAL (continued)

		2020 $	2019 $
Share-based payments reserve			
The share-based payments reserve is used to recognise: (a) the grant date fair value of options issued to employees and directors but not exercised; (b) the grant date fair value of market based performance rights granted to employees but not yet vested; and (c) the fair value non-market based performance and retention rights granted to employees but not yet vested.	Balance at 1 July	4,466,740	4,466,740
	Performance rights expense	1,062,340	-
	Balance at 30 June	5,529,081	4,466,740
Fair value through other comprehensive income reserve			
The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 8. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised	Balance at 1 July	(20,171)	-
	Movement during the year	(446,395)	(20,171)
	Balance at 30 June	(466,566)	(20,171)

13. SHARE-BASED PAYMENT TRANSACTIONS

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

	Note	2020 $	2019 $
As part of share-based payments expense:			
Performance rights issued	13(b)	836,813	-
As part of capital raising costs with equity:			
Options issued	13(a)	225,527	-
As part of administrative expense:			
Shares issued	13(c)	450,000	-
As part of exploration costs:			
Shares issued	13(c)	90,000	-
		1,602,340	-

13. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

(a) Share options

Ansila Energy NL share options are used to reward Directors, Employees, Consultants and Vendors for their performance and to align their remuneration with the creation of shareholder wealth through the performance requirements attached to the options. Options are granted at the discretion of the Board of Directors and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options granted to Directors are approval from the shareholders.

The options are not listed and carry no dividend or voting right. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares.

Set out below are summaries of options granted:

	2020		2019	
	Average exercise price per option	**Number of options**	**Average exercise price per option**	**Number of options**
Opening balance	$0.065	12,000,000	$0.065	12,000,000
Granted during the year	$0.040	20,000,000	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	$0.065	(12,000,000)	-	-
Closing balance	$0.040	20,000,000	$0.065	12,000,000
Vested and exercisable	$0.040	20,000,000	$0.065	12,000,000

				2020	2019
	Grant date [1]	**Expiry date**	**Exercise price**	**Number of options**	**Number of options**
(i)	30-Nov-17	30-Nov-19	$0.065	-	12,000,000
(ii)	14-Oct-19	31-Dec-22	$0.040	20,000,000	-
				20,000,000	12,000,000
Weighted average remaining contractual life of options outstanding at the end of the year:				2.5 years	0.42 years

1 *The securities issued during the year were approved on the 29 November 2019 at the Company's Annual General Meeting.*

The fair value of option issued is measured by reference to the value of the goods or services received. The fair value of services received in return for share options granted to Directors, Employees and Consultants is measured by reference to the fair value of options granted. The fair value of services received by advisors could not be reliably measured and are therefore measured by reference to the fair value of the equity instruments granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period.

13. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The model inputs for options granted during the year include:

Series	Exercise price	Expiry (years)	Share price at grant date (1)	Expected volatility (2)	Dividend yield	Risk free interest rate (3)	Option value
(ii)	$0.04	3.2	$0.021	104%	0%	0.70%	$0.0113

1 *The share price has been based upon the closing shares price on issue date.*

2 *The expected price volatility is based on historical volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.*

3 *Risk free rate of securities with comparable terms to maturity.*

The total capital raising costs arising from options issued recognised during the reporting period were as follows:

	2020 $	2019 $
Options issued under Incentive Option Scheme	225,527	-

(b) Performance rights

Performance Rights Plan

Performance rights are issued under the long-term incentive plan and will vest as an entitlement to one fully paid ordinary share provided that certain performance milestones are met. If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares.

During the year, the Company granted performance rights as a long-term incentive to Employees and Advisors which have been issued under the Company's Performance Rights Plans approved by shareholders on 2 September 2011 and 31 October 2014. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse and the eligible participant will have no entitlement to any shares.

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

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

Grant date	Expiry date	Exercise price	Balance at start of the year	Granted during the year	Converted during the year	Balance at year end	Vested at year end
02-Sep-19(1)	30-Sep-22	-	-	88,267,482	(23,422,491)	64,844,991	6,000,000
Total			-	88,267,482	(23,422,491)	64,844,991	6,000,000

1 *Performance rights granted to Directors, Employees and Advisors; the securities were approved on the 2 September 2019 at the Company's General Meeting*

13. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

Number granted	Exercise price	Expected vesting dates	Expiry date	Share price at grant date	Fair value per performance right	Total fair value
Grant date: 02-Sep-19 (1)						
88,267,482	-	17-Dec-19 to 30-Sep-22	30-Sep-22	$0.0185	$0.0185	$1,632,948

1. *Upon achieving either Milestone 1, Milestone 2, Milestone 3, Milestone 4, Milestone 5, Milestone 6 or Milestone 7, a third of the Performance Rights will be eligible to be converted into Shares upon exercise by the holder.*
2. *Milestones are as follows:*

Milestone 1 — *Completion of an initial feasibility study that derives a Net Present Value (NPV) (utilising a discount rate of 10%) of the Gora project of not less than based on a 2C Contingent Resource;*

Milestone 2 — *Securing necessary funding to undertake the drilling of an additional well at the Gora project or Nowa Sol poject, including via equity or debt (or a combination of both) or other funding mechanism such as joint farm-out or forward payments on a supply venture, agreement;*

Milestone 3 — *The Company's VWAP over 10 consecutive trading days being at least $0.05;*

Milestone 4 — *The Company's VWAP over 10 consecutive trading days being at least $0.08;*

Milestone 5 — *Securing necessary funding to commence production at the Gora project or Nowa Sol project, including via equity or debt (or a combination of both) or other funding mechanism such as joint venture, farm-out or forward payments on a supply agreement;*

Milestone 6 — *Execution of a binding gas sale agreement on the Gora project or oil sale agreement on the Nowa Sol project with a third party; or*

Milestone 7 — *Successful completion of Fracking and/or Flow Testing on the Gora and Nowa Sol project, including flowing of oil and gas to surface and all necessary data acquisition for project evaluation.*

The Board determined that Milestone 1 was achieved in December 2019 and a third of the rights vested. As at 30 June 2020, management believe that the remaining performance and service hurdles will be met and accordingly have recognised a share-based payment expense over the respective vesting periods.

The total expense arising from performance rights transactions recognised during the year were as follows:

	2020 $	2019 $
Performance rights issued under the Performance Rights Plan	836,813	-
	836,813	-

(c) Share capital to vendors

During the financial year:

- On 1 October 2019, 5,000,000 shares were issued in consideration for facilitating and introducing the Gemini transaction. The value of the services received were unable to be reliably measured and as such the value of services were determined via the fair value of equity instruments granted. This was determined by the fair value of the equity instruments issued amounted to $90,000. This amount has been recognised in the Statement of Profit or Loss as an exploration cost.
- On 14 October 2019, 25,000,000 shares were issued to CPS Capital Investments Pty Ltd in consideration for advisory fees. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the fair value of the equity instruments issued amounted to $450,000. This amount has been recognised in the Statement of Profit or Loss under advisory fees.

13. SHARE-BASED PAYMENT TRANSACTIONS (continued)

Significant accounting estimates and assumptions

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and vendors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes or Monte-Carlo model taking into account the assumptions detailed within this note.

Probability of vesting conditions being achieved

Inputs to pricing models may require an estimation of reasonable expectations about achievement of future vesting conditions. Vesting conditions must be satisfied for the counterparty to become entitled to receive cash, other assets or equity instruments of the entity, under a share-based payment arrangement.

Vesting conditions include service conditions, which require the other party to complete a specified period of service, and performance conditions, which require specified performance targets to be met (such as a specified increase in the entity's profit over a specified period of time).

The Company recognises an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

The achievement of future vesting condition is reassessed every reporting period.

14. RECONCILATION OF GAIN/(LOSS) AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Note	2020 $	2019 $
(Loss)/Gain for the year		(8,932,328)	1,785,250
Add/(Less) non-cash items:			
Depreciation		85	159
Share-based payments	12	1,376,813	-
Share buy-back – partly paid shares	11	-	(47,250)
Unrealised foreign exchange gain		(64,013)	(102,740)
Add/(Less) items classified as invested/financing activities:			
Impairment of investment in associate		293,131	-
Changes in assets and liabilities during the financial year:			
Decrease in receivables		12,666	90,594
Decrease in payables		(185,024)	(3,431,199)
Decrease in employee provision		-	(18,295)
Net cash (outflow)/inflow from operating activities		(7,498,670)	(1,723,481)

15. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and items which are more likely to be materially adjusted. Detailed information about each of these estimates and judgements is included in the notes together with information about the basis of calculation for each affected line item in the financial statements.

Significant accounting estimates and judgements

The areas involving significant estimates or judgements are:

- recognition of deferred tax asset for carried forward tax losses – Note 4;
- income taxes – Note 4;
- classification of financial assets – Note 8;
- estimation of fair value of financial assets – Note 8;
- control assessment – Note 9;
- estimation of fair value of share-based payments – Note 13;
- estimation of probability of vesting conditions being satisfied – Note 13;
- disclosure of commitments – Note 19; and
- disclosure of contingencies – Note 20.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT

Overview

The financial risks that arise during the normal course of the Group’s operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

General objectives, policies and processes

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Chief Financial Officer and Executive Director in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Financial Instruments

The Group has the following financial instruments:

	2020 $	2019 $
Financial assets		
Cash and cash equivalents	1,889,593	5,794,861
Other receivables	204	3,730
	1,889,797	5,798,591
Financial liabilities		
Trade and other payables	553,234	764,138
	553,234	764,138

(a) Market Risk

Market risk can arise from the Group's use of interest-bearing financial instruments, foreign currency financial instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (currency risk) and fluctuations in commodity prices (commodity price risk).

(i) Interest rate risk

As at the year ended 30 June 2020, the Group has interest-bearing assets and liabilities being liquid funds on deposit and unsecure funds. As such, the Group's income and operating cash flows (other than interest income from funds on deposit and interest expense from the senior secured revolving credit facility) are somewhat dependent on changes in market interest rates. The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure.

Sensitivity analysis

Based on the financial instruments held at the reporting date, with all other variables assumed to be held constant, the table sets out the notional effect on consolidated profit after tax for the year and on equity at the reporting date under varying hypothetical changes in prevailing interest rates.

	2020 $	2019 $
Impact on post-tax profits and equity		
Hypothetical basis points increase in interest	983	26,764
Hypothetical basis points decrease in interest	(983)	(26,764)

A hypothetical change of 50 basis points was used to calculate the Group's sensitivity to future interest rate movements as this figure approximates the movement in bond yields published by the Reserve Bank of Australia for bonds with a 12-month maturity (30 June 2019: 0.50%).

The weighted average effective interest rate of funds on deposit is 0.31% (30 June 2019: 0.75%).

(ii) Currency risk

The Group operates in Madagascar and Gabon however, maintains a corporate listing in Australia. As a result of various operating locations, the Group is exposed to foreign exchange risk arising from fluctuations in primarily the US dollar.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group's exposure to foreign currency risk at the end of the reporting year, expressed in Australian dollars, was as follows:

	GBP $	US $	Euro $	XAF $	Other $	Total $
At 30 June 2020						
Financial assets						
Cash	1,609,733	12,139	25	46,527	154	1,668,578
Financial liabilities						
Trade and other payables	32,229	2,143	-	-	-	34,442
At 30 June 2019						
Financial assets						
Cash	-	13,181	1,343	46,924	176	61,624
Financial liabilities						
Trade and other payables	-	438,241	141,741	-	49,259	629,241

Sensitivity analysis

The following table demonstrates the estimated sensitivity to a 10% increase/decrease in the GBP/Australian dollar exchange rate and a 10% increase/decrease in the US/Australian dollar exchange rate and a 10% increase/decrease in the Euro/Australian dollar exchange rate, with all variables held consistent, on post tax profit and equity. These sensitivities should not be used to forecast the future effect of movement in the Australian dollar exchange rate on future cash flows.

	2020		2019	
	%	$	%	$
Impact on post-tax profits and equity				
GBP/A$ + %	10	1,800	10	-
GBP/A$ - %	10	(1,800)	10	-
US$/A$ + %	10	29,847	10	30,743
US$/A$ - %	10	(29,847)	10	(30,743)
Euro/A$ + %	10	-	10	8,749
Euro/A$ - %	10	-	10	(8,749)

A hypothetical change of 10% in the GBP, US dollar and Euro dollar exchange rates was used to calculate the Group's sensitivity to foreign exchange rate movements as the Company's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility.

(iii) Commodity price risk

As the Group has not yet entered into production, the risk exposure to changes in commodity price is not considered significant.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with financial institutions, as well as trade receivables. Credit risk is managed on a Group basis. For cash balances held with bank or financial institutions, independently rated parties with a minimum rating of 'A' are preferred.

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised, none of which are impaired or past due.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2020 $	**2019 $**
Cash and cash equivalents	1,889,593	5,794,861
Other receivables	204	3,730
	1,889,797	5,798,591

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

	2020 $	**2019 $**
Cash at bank and short-term deposits		
Held with Australian banks and financial institutions		
AA S&P rating	1,830,745	5,733,235
A S&P rating	8,333	10,793
B S&P rating	46,527	46,924
Unrated	3,988	3,909
Total	1,889,593	5,794,861
Other receivables		
Counterparties with external credit ratings	28	170
Counterparties without external credit ratings(1)		
Group 1	-	-
Group 2	176	3,560
Group 3	-	-
Total	204	3,730

1 *Group 1 — new customers (less than 6 months).*
Group 2 — existing customers (more than 6 months) with no defaults in the past.
Group 3 — existing customers (more than 6 months) with some defaults in the past. All defaults were fully recovered.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months $	6 - 12 months $	1 - 5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount liabilities $
At 30 June 2020						
Trade and other payables	553,234	-	-	-	553,234	553,234
At 30 June 2019						
Trade and other payables	764,138	-	-	-	764,138	764,138

(d) Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from exploration.

(e) Fair value measurements

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

Fair value hierarchy

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

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

17. EARNINGS PER SHARE

	2020	2019
Basic (loss)/earnings per share		
Net (loss)/profit after tax attributable to the members of the Company	($ 8,932,328)	$ 1,785,250
Weighted average number of ordinary shares	447,913,769	263,608,596
Basic (loss)/earnings per share (cents)	(1.99)	0.68
Diluted earnings per share		
Net profit after tax attributable to the members of the Company	-	$ 1,785,250
Weighted average number of ordinary shares	-	263,608,596
Adjustments for calculation of diluted earnings per share		
Deferred shares	-	-
Weighted average number of ordinary shares and potential ordinary shares	-	-
Diluted earnings per share (cents)	- [(1)]	0.68

1 *No dilutive calculation has been performed for the current year. As a result of the loss position of the Group the diluted earnings per share is equal to the basic earnings per share.*

Information concerning the classification of securities

(i) Partly paid ordinary shares

Partly paid ordinary shares carry the right to participate in dividends and have been recognised as ordinary share equivalents in the determination of earnings per share.

(ii) Options

Options granted to employees and Directors under the Incentive Option Scheme are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 13.

(iii) Deferred shares

Rights to deferred shares granted to employees under the Performance Rights Plan are included in the calculation of diluted earnings per share assuming all outstanding rights will vest. The rights are not included in the determination of basic earnings per share. Further information about the rights is provided in Note 13.

18. DIVIDENDS

No dividend has been paid or is proposed in respect of the year ended 30 June 2020 (30 June 2019: Nil).

19. COMMITMENTS

(a) Capital commitments

Gabon, Nkembe block

The Group is currently in the first exploration phase of the Block, which initially covered a period of four years. On 3 November 2016, Ansila was granted a 12-month extension of the current exploration phase with no additional work commitments. A dispute has arisen with the Directeur Général des Hydrocarbures (DGH) as to whether the first exploration stage commenced when the Nkembe PSC was signed, on 11 January 2013 or on the date of issue of the Presidential Decree, 4 December 2014. As a consequence of this dispute Ansila has claimed force majeure in relation to the Nkembe PSC since 1 April 2018 until such time as the dispute is resolved. In the meantime, the Nkembe PSC remains on foot.

The work commitments for the first exploration stage under the Nkembe PSC includes the acquisition and processing of 3D seismic data and an exploration well. The Nkembe PSC included an estimate of US$17 million for the work commitments for the first exploration phase and Ansila has expended approximately US$1.4 million towards these work commitments. Separately to the committed work program an additional US$8.6 million of allowable costs have been incurred during the first exploration phase. The effect of the dispute with the DGH has meant that Ansila has been unable to make any progress with potential funding partners for an exploration well. Accordingly, until such time as the dispute is resolved it is not possible to quantify the likely commitment and/or payable (if any) in relation to the Nkembe PSC.

Ansila has received legal advice that its obligations to make the fund contributions (refer Note 20) under the Nkembe PSC commenced on the issue of the Presidential Decree, being 4 December 2014. Based on this advice, no fund contributions are outstanding. This issue, however, remains unresolved between Ansila and the DGH and accordingly until this matter is resolved the Board believe it is prudent to recognise a contingent liability.

Madagascar, Ambilobe block

The third phase of the Ambilobe block began in January 2017, the work commitments for the third phase includes drilling one exploration well (to be funded by a future farminee) prior to the expiry of the third phase which reached its anniversary in July 2019. The third phase may be extended, at Ansila 's option, to July 2021, a representative of the Company's subsidiary has presented the final relinquishment proposal to the Madagascan Government (OMNIS) and the Company has applied for the 2nd special two (2) year extension of the Ambilobe PSC. Discussions with OMNIS are ongoing and at the date of this report. The Company has not reached agreement with OMNIS on the terms of the 2nd special two (2) year extension of the Ambilobe PSC.

The Ambilobe PSC includes an estimate of US$2.5 million for the work commitments of the third phase. The remaining portion of the work commitment as at the reporting date has been included in the table below (30 June 2019: US$2.5 million).

The capital expenditure estimated within the PSC's noted above, less any amounts already spent, for the end of the reporting period but not recognised as a liability are as follows:

	2020 (1) **$**	**2019 (2)** **$**
Within one year	-	-
Later than one year but no later than five years	3,631,599	3,563,650
Later than five years	-	-
	3,631,599	3,563,650

1 *The US$ commitments have been translated at a rate of 0.6884 to AUD*

2 *The US$ commitments have been translated at a rate of 0.7015 to AUD*

20. CONTINGENCIES

(a) Contingent liabilities

Gabon, Nkembe block

A dispute has arisen with the Directeur Général des Hydrocarbures (DGH) as to whether the first exploration stage commenced when the Nkembe PSC was signed, on 11 January 2013 or on the date of issue of the Presidential Decree, 4 December 2014. As a consequence of this dispute Ansila has claimed force majeure in relation to the Nkembe PSC since 1 April 2018 until such time as the dispute is resolved. In the meantime, the Nkembe PSC remains on foot, which the DGH has recently confirmed.

Ansila has received legal advice that its obligations to make the fund contributions under the Nkembe PSC commenced on the issue of the Presidential Decree, being 4 December 2014. Based on this advice, no fund contributions are outstanding and consequently have not been provided for on the statement of financial position as at 30 June 2020. During a prior period, included within the other payables was an amount payable to the Directeur Général des Hydrocarbures (DGH) in Gabon in relation to fund contributions pursuant to the Nkembe PSC for approximately US$2.91 million, based on the liability for fund contributions commencing on the date on which the Nkembe PSC was signed, being 11 January 2013. This issue, however, remains unresolved between Ansila and the DGH. The potential undiscounted amount of the total payments that the group could be required to make if there was an adverse decision is estimated to be up to US$2.91 million.

Moroccan settlement

During a prior period, the Group completed a settlement agreement with Freeport-McMoRan and the Moroccan regulatory authorities which resulted in the Company receiving US$7 million and taking possession of surplus drilling inventory in January 2017. There is a potential liability attached to this payment however no provision has been booked at 30 June 2020 as the Company is currently seeking advice in relation to the matter.

The Group currently has no other contingent liabilities as at 30 June 2020.

(b) Contingent assets

The Group has no contingent assets as at 30 June 2020 (30 June 2019: Nil).

Significant judgments

Contingencies & commitments

As the Group is subject to various laws and regulations in the jurisdictions in which it operates, significant judgment is required in determining whether any potential contingencies are required to be disclosed and/or whether any capital or operating leases require disclosure (refer to Note 19).

22. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Parent entities

The ultimate parent entity and ultimate controlling party is Ansila Energy NL (incorporated in Australia) which at 30 June 2020 owns 100% of the issued ordinary shares of the subsidiaries set out in Note 23.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 23.

22. RELATED PARTY TRANSACTIONS (continued)

(c) Key management personnel compensation

	2020 $	2019 $
Short-term employee benefits	853,530	430,500
Post-employment benefits	48,008	40,898
Long-term benefits	-	-
Termination benefits	-	-
Share-based payments	427,660	-
	1,329,198	471,398

Detailed remuneration disclosures are provided within the Remuneration Report.

(d) Transaction with other related parties

The following transaction occurred with related parties:

	2020 $	2019 $
Sale and purchase of services		
Purchase of legal services	78,912	62,737
Rent expense	12,714	58,094

Purchases from entities associated with key management personnel

Former Director, Mr. D Sanders, is an Employee of the firm Bennett + Co. During his period of Directorship, Bennett + Co has provided legal services to Ansila Energy NL on normal commercial terms and conditions. The legal services recognised as an expense during the year was $78,912 (excluding GST) (30 June 2019: $62,737).

A Director, Mr Nathan Lude, was a Director and shareholder of Advantage Ventures Pty Ltd (formerly Battler Corporate Pty Ltd), which has provided office space and shared office services per a leasing arrangement with the Company on normal commercial terms and conditions. The expenses recognised during the period of common directorship was $12,714 (ex GST) (30 June 2019: $58,094).

Payment of fees

Dr Andrew Matharu, Executive Director, is a Director of Firmitas Energy Advisers Limited, which received Dr Matharu's Director fees during the period. At year end the Company had an outstanding balance payable of $16,150 (30 June 2019: nil).

Mr Christopher Lewis, Executive Director, is a Director of Lewis Petroleum Consulting Limited which received Mr Lewis's Director fees during the period. At year end the Company had an outstanding balance payable of $16,150 (30 June 2019: nil).

Facilitation fee

On 1 October 2019, 5,000,000 shares were issued in consideration for facilitating and introducing the Gemini transaction. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the fair value of the equity instruments issued amounted to $ 90,000. This amount has been recognised in the Statement of Profit or Loss as an exploration cost. Dr Matharu and Mr Lewis were each issued 1,666,667 Shares in consideration for introducing and facilitating the Transaction.

22. RELATED PARTY TRANSACTIONS (continued)

Receipts from entities associated with key management personnel

A Director, Mr Lude, was a Director and shareholder of Advantage Ventures Pty Ltd (formerly Battler Corporate Pty Ltd), which during the period utilized shared office facilities. Income of $nil has been recognised in the statement of profit or loss (30 June 2019: $1,008).

There are no other outstanding loans or other transaction arising to or from with key management personnel during the year related parties (30 June 2019: Nil).

(e) Outstanding balances arising from sales/purchases of goods and services

There are no outstanding balances arising from sales/purchases of goods and services (30 June 2019: Nil).

(f) Loan to/from related parties

There are no outstanding loans arising to or from related parties (30 June 2019: Nil).

21. REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms:

	2020 $	2019 $
(a) BDO Australia		
Audit and assurance services		
Audit and review of financial statements	39,375	41,826
Taxation services		
Tax compliance services	8,755	5,610
International tax consulting and tax advice	1,545	1,450
Total remuneration for taxation services	10,300	7,060
Other services		
Valuation of performance rights for Notice of Annual General Meeting	4,635	-
Total remuneration for BDO Australia	54,310	48,886
(b) Network firms of BDO		
Audit and assurance services		
Audit and review of financial statements (1)	35,174	26,592
Total auditors remuneration	89,484	75,478

1 *Fees incurred from BDO Reviseurs d'Enterprises SCRL in relation to the audit of the Groups Belgium subsidiaries and BDO PLT in relation to the audit of the Groups Malaysian subsidiary.*

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects. The Board is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

23. CONSOLIDATED ENTITIES

(a) Investments in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 27(a):

Name of entity	Country of incorporation	2020 Equity holding	2019 Equity holding
Pura Vida Mazagan Pty Ltd	Australia	100%	100%
Pura Vida Nkembe Pty Ltd	Australia	100%	100%
Pura Vida Energy Sdn Bhd	Malaysia	100%	100%
PVD Exploration Morocco SARL AU	Morocco	100%	100%
PVD Belgium SA (1)	Belgium	-	100%
PVD Gabon SARL	Gabon	100%	100%
Pura Vida Africa Pty Ltd	Australia	100%	100%
Pura Vida Mauritius	Mauritius	100%	100%
Pura Vida Belgium SA (1)	Belgium	-	100%
Pura Vida Gabon SARL	Gabon	100%	100%

1 *Entity was divested on 30 October 2019.*

24. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Ansila Energy NL as at 30 June 2020. The information presented here has been prepared using consistent accounting policies as presented in Note 27.

(a) Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

(b) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2020 or 30 June 2019.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2020 or 30 June 2019.

(d) Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2020 or 30 June 2019.

	Company 2020 $	Company 2019 $
Financial position		
Current assets	1,844,568	6,215,922
Total assets	1,846,402	7,081,920
Current liabilities	548,144	763,630
Total liabilities	548,144	763,630
Equity		
Contributed equity	54,652,907	50,830,012
Reserves	5,062,515	4,446,569
Accumulated losses	(58,417,165)	(48,958,291)
Total equity	1,298,257	6,318,290
Financial performance		
(Loss)/Gain for the year	(9,458,873)	1,781,638
Total comprehensive (loss)/gain	(9,458,873)	1,761,467

25. EVENTS OCCURRING AFTER REPORTING DATE

As announced on 15 July 2020, a firm and contingent work program and budget for 2020 was presented by the Operator, GRL, which focuses on the planning and subsurface workstreams necessary to progress the Siciny-2 Rotliegendes interval test and the conventional prospect inventory across the Gora license.

Additional, unapproved (non-AFE) expenditure relating to the completed Siciny-2 appraisal operations of c.£200K (net to Ansila) was incurred by the Operator in excess of the Gora funding cap of A$3.91 million thereby implying a gross cost of £2.7 million vs an AFE budgeted cost of £2.16 million. All approved costs and expenditure in excess of the Siciny-2 appraisal funding cap would be apportioned according to the respective equity interests of Gemini (65%) and Ansila (35%) in Gora. Ansila currently reserve their rights with respect to any liability relating to unapproved costs incurred by the Operator. Ansila has requested further information from the Operator relating to the non-AFE expenditure and will provide a further update to investors on receipt of the financial details of the cost over-run. Ansila has also requested a financial audit of Gora Energy for the period October 2019 to date.

On 7 September 2020, the Company announced that the UK Oil & Gas Authority had provisional award of five contiguous blocks in the Southern North Sea (SNS), offshore United Kingdom, to Hartshead Resources Limited (Hartshead) on 3 September 2020. The Company holds a 21.6% equity interest in Hartshead. The blocks under provisional award to HRL are 48/15c, 49/6c, 49/11c, 49/12d and 49/17b and contain four gas fields and two drill-ready exploration prospects.

On 3 September 2020, the Company requested ASX halt trading in its securities pending release of an update regarding the application by Hartshead for exploration blocks in the UK North Sea, and that update was released on 7 September 2020. The Company's securities were then voluntarily suspension on 7 September 2020 pending release of an announcement regarding a potential capital raising and material investment by the Company. The Company's securities remain voluntarily suspended as at the date of this report.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not impacted financially on the Company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

In the opinion of the Directors, no other event of a material nature or transaction has arisen since year-end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs in subsequent financial years.

26. CHANGES IN ACCOUNTING POLICIES

This note explains the changes in the Group's accounting policies as a result of the adoption of AASB 16 Leases, the prior year financial statements did not have to be restated as a result.

New and amended standards adopted by the Group

(a) AASB 16 Leases ("AASB 16")

AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its Statement of Financial Position in a similar way to how existing finance leases are treated under AASB 117. An entity be required to recognise a lease liability and a right of use asset in its Statement of Financial Position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases.

Lessor accounting remains largely unchanged from AASB 117.

The Group had no lease obligations at the date of adoption of AASB 16 and has not entered into any leases during the reporting period. The Group has adopted a modified retrospective approach. The adoption of this standard has had no impact on the current or previous reporting period and as such there have been no adjustments to the opening balance of retained earnings.

27. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Ansila Energy NL (**Company** or **Ansila**) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Ansila is the ultimate parent entity of the Group.

The consolidated financial statements of Ansila Energy NL for the year ended 30 June 2020 comprise the Company and its controlled subsidiaries (together referred to as the **Group** and individually as **Group entities**).

Statement of compliance

This general-purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Company Interpretations and the *Corporations Act 2001*. Ansila is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of the Company also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis of preparation

The financial statements of the Group are presented in Australian dollars, which is the Company's functional currency.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates and significant judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 15.

New and amended standards adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the first time for the annual reporting period commencing 1 July 2019 that are relevant to the Group include:

- AASB 16 Leases
- AASB 2017-6 Amendments to Australian Accounting Standards — Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards — Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards — Annual Improvements 2015- 2017 cycle
- AASB 2018-2 Amendments to Australian Accounting Standards — Plan Amendment, Curtailment or Settlement
- Interpretation 23 Uncertainty over Income Tax Treatments.

The group had to change its accounting policies and make certain retrospective adjustments following the adoption of AASB 16. This is disclosed in Note 26. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior years. However, the above standards have affected the disclosures in the notes to the financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2020 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and in the foreseeable future.

Accounting policies

In order to assist in the understanding of the accounts, the following summary explains the principle accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

(a) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company at the end of the reporting period. Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where a subsidiary has entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of subsidiaries is contained in Note 23 to the financial statements.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Going concern

The Directors have prepared the financial report on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

During the year the Group incurred cash outflows from operating activities of $7,498,670;

As at 30 June 2020 Pura Vida Mauritius (a subsidiary of the Company) had commitments with an estimated value of $3.63 million (US$2.5 million) pertaining to the current exploration phase of the Ambilobe PSC. The third phase ended in July 2019 and may be extended to July 2021, and the company is continuing its discussions with OMNIS regarding the 2nd special two (2) year extension of the PSC to July 2021; and

Ansila is currently in a dispute with the Gabonese Government with regards to the Nkembe PSC, (refer to Note 19 for details on the dispute). Until such a time as the dispute is resolved it is not possible to quantify the likely commitments and/or payable (if any) in relation to the Nkembe PSC.

In the event the Company is unable to secure funding to complete the current exploration phase in Madagascar and resolve the dispute with the Gabonese Government the Group may be unable to realize its assets and discharge its liabilities in the normal course of business. These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its asset and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the consolidated entity's working capital requirements at the date of this report for the following reasons:

- at 30 June 2020 the consolidated entity had $1.9 million of cash and a current working capital position of $1.2 million;
- the Company is progressing realisation of the value of the consolidated entity's assets in Madagascar through ongoing discussions with potential farm-in partners to secure the remaining funding required to complete the current exploration phase; and
- the Company is progressing realisation of the value of the consolidated entity's assets in Poland with a focus on the conventional prospectivity within the Rotliegendes formation.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the consolidated entity not continue as a going concern.

(c) Joint arrangements

Under AASB 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group only has joint operations.

Joint operations

The Group recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated into the financial statements under the appropriate headings. Details of joint operations are set out in Note 7.

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

No dividends were paid or proposed during the period.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(e) Segment reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision marker, which has been identified by the Group as the Executive Director and other members of the Board.

(f) Revenue recognition

Revenue is measured as the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured it is probable that future economic benefits will flow to the entity.

Revenue for other business activities is recognised on the following basis:

Recharge income

Revenue from consulting services is recognised in the accounting period in which the services are rendered.

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Settlement income

Revenue from settlement is recognised in the accounting period in which the settlement occurred.

(g) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's values in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the re-valued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(h) Inventory

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss comprehensive income during the reporting period in which they are incurred.

Depreciation is calculated using the diminishing value or straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

- Office furniture and equipment 4 - 15 years
- Computer software and equipment 2 - 4 years

Assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset carrying amount is written down immediately to its recoverable amount if the assets carrying value is greater than its estimated recoverable amount (Note 24(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statements of profit or loss.

(j) Income tax and other taxes

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Group may be entitled to claim special tax deductions for investments in qualifying assets (investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

(k) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(l) Exploration and evaluation expenditure

The Group expenses exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

Exploration and Evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource.

Exploration and evaluation expenditure are expensed to the profit or loss as incurred except when existence of a commercially viable oil and/or gas reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

(m) Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

(n) Investments and other financial assets

Classification

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

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

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

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Investments in equity instruments

The Group subsequently measures all equity investments at fair value.

Fair value in active market (Level 1)

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and listed equity securities) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. These include the use of a recent share price from capital raising and option pricing models that provides a reliable estimate of prices obtained in actual market transactions.

Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

Recognition and de-recognition

Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method and available for sale assets are carried at fair value.

(o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

(p) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including short-term incentive payments, non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Other long-term employee benefits

Provision is made for long service leave and annual leave estimated to be payable to employees on the basis of statutory and contractual requirements. The liability for long service leave and annual leave which is not expected to be settled within twelve months after the end of the period in which the employees render the related service is recognised in the provision for employee entitlements and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

Share-based payments

The Group has provided benefits to its employees (including key management personnel) in the form of share-based payments, whereby services were rendered partly or wholly in exchange for shares or rights over shares. The Remuneration Committee has also approved the grant of options, retention rights or performance rights as incentives to attract executives and to maintain their long-term commitment to the Company. These benefits were awarded at the discretion of the Board or following approval by shareholders.

The costs of these equity settled transactions are measured by reference to the fair value of the equity instruments at the date on which they are granted. Retention rights and performance rights granted under the Ansila performance rights plans are determined at their fair value and can be valued by either using the share price of the Company as at the date of grant, a Monte-Carlo simulation valuation model, or other appropriate valuation methodologies. The fair value of options granted is determined by using the Black-Scholes option pricing technique. Further details of options and performance rights granted are disclosed in Note 13.

The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

At each subsequent reporting date until vesting, the cumulative charge to the profit or loss is the product of: (i) the fair value at grant date of the award; (ii) the current best estimate of the number of equity instruments that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to the profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an equity instrument has vested, any amounts recorded are contingent and will be adjusted if more or fewer equity instruments vest than were originally anticipated to do so. Any equity instrument subject to a market condition is valued as if it will vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the recipient of the award, as measured at the date of modification.

If an equity-settled transaction is cancelled (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new equity instrument is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new equity instrument are treated as if they were a modification of the original award, as described in the preceding paragraph.

The dilutive effect, if any, of outstanding performance rights and options is reflected as additional share dilution in the computation of diluted earnings per share (refer Note 17).

(q) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the operating loss attributable to the equity holders of the Company after income tax by the weighted average number of ordinary shares outstanding during the period.

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.

(r) Trade and other receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less loss allowances. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months.

(s) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(t) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in profit or loss.

Transaction costs are included in borrowings and measured at amortised cost using the effective interest rate method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset, and, therefore are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

(u) Parent entity financial information

The financial information for the parent entity, Ansila Energy NL, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements, except as set out below:

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the financial statements, and accompanying notes set out above, are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   (b) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2020 and its performance for the financial year ended on that date.

2. there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable; and

3. the financial statements and accompanying notes are presented in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board, as stated in Note 27 to the financial statements.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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

On behalf of the Directors

Bevan Tarratt
Non-Executive Chairman

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30 September 2020

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Ansila Energy NL

Report on the Audit of the Financial Report

Qualified opinion

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

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, 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 ended on that date; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for qualified opinion

As disclosed in Note 19(a) and 20(a) to the financial statements, there is a dispute over the commencement date of Ansila Energy NL's obligations under the Nkembe Production Sharing Contract (PSC), which has prevented Ansila Energy NL from progressing funding discussions to meet its obligations under the PSC and has therefore resulted in force majeure being claimed by the Company. The Company has stated that until such time as the dispute is resolved, it is not possible to quantify the likely commitment and/or payable (if any) under the PSC. As such management were unable to provide support as to its commitment or obligation under the PSC as at 30 June 2020 and we were unable to obtain sufficient appropriate audit evidence to determine whether any adjustments to the commitments or other payables note disclosure was necessary.

Consequently, we were unable to determine whether any adjustments might have been necessary in respect of the carrying amount of other payables as at 30 June 2020, and the elements making up the statement of profit or loss and other comprehensive income.

Our 30 June 2019 Audit Report was also qualified with respect to this matter.

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 Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (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 qualified opinion.

Material uncertainty related to going concern

We draw attention to note 27(b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. Other than the matters described in the Basis for qualified opinion and Material uncertainty related to going concern sections, we have determined that there are no other key audit matters to be communicated in our report.

Other information

The directors are responsible for the other information. The other information comprises the information 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 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 has 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 (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 21 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Ansila Energy NL, for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Jarrad Prue

Director

Perth, 30 September 2020

ADDITIONAL INFORMATION

The following additional information is required by ASX in respect of listed public companies only.

Information as at 18 September 2020

1 Distribution of shareholders

	Ordinary Shares		Partly Paid Shares		Performance Rights		Options ($0.04, 31/12/2022)	
Category	**Holders**	**% of securities in class**	**Holders**	**% of securities in class**	**Holders**	**% of securities in class**	**Holders**	**% of securities in class**
1 - 1,000	102	0.00	-	-	-	-	-	-
1,001 - 5,000	205	0.12	-	-	-	-	-	-
5,001 - 10,000	170	0.27	-	-	-	-	-	-
10,001 - 100,000	1,170	9.46	2	2.96	-	-	1	0.25
100,001 and above	529	90.15	10	97.04	13	100	18	99.75
Total	**2,176**	**100**	**12**	**100**	**13**	**100**	**19**	**100**

The number of shareholdings held in less than marketable parcels is 728.

2 Voting rights

The voting rights attached to each class of equity security are as follows:

Fully paid ordinary shares	Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
Partly paid shares	The holder will be entitled to exercise any vote attaching to a partly paid share at general meetings of members in accordance with the Constitution of the Company. Under the Constitution, on a poll, partly paid shares have a vote pro rata to the proportion of the total issue price paid up. Amounts paid in advance of a call will be ignored when calculating the proportion.
Options	There are no voting rights attached to any class of options on issue.
Performance rights	There are no voting rights attached to any class of performance right on issue.

3 20 largest shareholders - ordinary shares as at 18 September 2020

	Name	Nº of ordinary fully paid shares held	% held of issued ordinary capital
1	J & TW DEKKER PTY LTD <J & TW DEKKER FAMILY A/C>	25,285,701	4.97
2	CITICORP NOMINEES PTY LIMITED	18,212,121	3.58
3	MR RODNEY JAMES WELLSTEAD	15,700,000	3.09
4	MR STEVEN PANOMARENKO	14,100,000	2.77
5	MS EVI MEISA	11,153,821	2.19
6	THORNBURY NOMINEES PTY LTD <THE STEVENS FAMILY S/F A/C>	9,890,000	1.94
7	MR RICHARD DAVID SIMPSON	8,793,372	1.73
8	MR JASON KEVIN SMITH	7,792,213	1.53
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	7,001,000	1.38
10	MR CORBIN JEFFREY TALBOT	6,493,038	1.28
11	MRS LEANNE SUSAN VIDOVICH	6,197,573	1.22
12	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,100,370	1.20
13	MR TRISTAN LOURIE COOPER	6,100,000	1.20
14	ADVANTAGE MANAGEMENT PTY LTD <ADVANTAGE MANAGEMENT A/C>	6,053,357	1.19
15	HOLDSWORTH BROS (HOLDINGS) PTY LTD	5,800,000	1.14
16	MR CHRISTOPHER LEWIS	5,711,247	1.12

	Name	Nº of ordinary fully paid shares held	% held of issued ordinary capital
17	DR ANDREW MATHARU	5,711,247	1.12
18	MR CORBIN JEFFREY TALBOT + MR JEFFREY IAN TALBOT <TALBOT SUPERFUND A/C>	5,120,000	1.01
19	ROCKY M SUPERFUND PTY LTD <ROCKY M SUPERFUND A/C>	4,814,617	0.95
20	W I G PTY LTD <GOLD TREE A/C>	4,510,201	0.89
	Total	180,539,878	35.49
	Balance of register	328,232,249	64.51
	Grand total	508,772,127	100.00

4 Unquoted securities

1. 5,703,550 partly paid shares with an issue price of $0.20 of which $0.01 was paid upon issue

5 Unquoted equity securities holders with greater than 20% of an individual class

As at 18 September 2020, the following classes of unquoted securities had holders with greater than 20% of the class on issue.

Partly paid shares

Holder	Nº securities held	% held
David Ormerod <Ormerod Family Inv A/C>	2,225,000	39.01

***Options** – exercise price $0.04*

Expiry date	Holder	Nº securities held	% held
31 December 2022	BATTLER INVESTMENT CORPORATION PTY LTD	4,547,715	22.74

6 Other

The Company is not currently conducting an on-market buy-back. There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed. No securities were purchased on-market during the reporting period in respect of an employee incentive scheme. There are no holders with a substantial holding in the Company.