



SCORPION MINERALS LIMITED

ABN 40 115 535 030

Financial Report

For the year ended 30 June 2020

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CONTENTS

CORPORATE DIRECTORY	1
DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	22
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	23
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020	24
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020	25
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020	26
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	27
DIRECTORS' DECLARATION	44
INDEPENDENT AUDITOR'S REPORT	45
ADDITIONAL INFORMATION	49
TENEMENT	51
APPENDIX 4G	52

CORPORATE DIRECTORY

Directors

Bronwyn Barnes Non-Executive Director
Carol New Non-Executive Director
Craig Hall Non-Executive Director

Company Secretary

Carol New
Kate Stoney

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DIRECTORS' REPORT

Your Directors submit their report on the consolidated entity (referred to hereafter as the Group) consisting of Scorpion Minerals Limited and the entities it controlled at the end of or during the financial year ended 30 June 2020.

DIRECTORS

The names and details of the Group's Directors in office during the financial year and until the date of this report are as follows:

Bronwyn Barnes	Non-Executive Director – appointed 31 October 2018
Carol New	Non-Executive Director – appointed 1 February 2019
Craig Hall	Non-Executive Director – appointed 11 February 2019

INFORMATION ON DIRECTORS

Bronwyn Barnes

(appointed 31 October 2018)

Ms Barnes has had an extensive career in the resources sector, having worked with companies ranging from BHP Billiton to emerging juniors in directorship, executive leadership, and operational roles in Australia and internationally. Ms Barnes is a member of the Executive Council of the Association of Mining and Exploration Companies (AMEC) and has extensive experience in working across Africa and an extensive career in ASX listed company boards

Ms Barnes is currently a Non-executive director of ASX listed Indiana Resources Limited. Ms Barnes was previously a Non-executive director of MOD Resources Limited, Windward Resources Limited, Auris Minerals Ltd and JC International Group Ltd.

Carol New

(appointed 1 February 2019)

Ms New holds a Bachelor of Business Degree and is a Chartered Accountant and has over 20 years' experience working with public companies in director, accounting and secretarial roles.

Ms New is currently a Non-executive Director of ASX listed Horseshoe Metals Limited. Ms New was previously a Non-executive Director of Redbank Copper Limited and Target Energy Limited.

Craig Hall

(appointed 11 February 2019)

Mr Hall is an experienced geologist with over 30 years of mineral industry experience in exploration, development and production roles in a range of commodities, principally precious and base metals. He has held a variety of senior positions with mid-tier and junior sector resource companies within Australia and overseas.

Mr Hall is currently a Non-executive director of ASX listed Auris Minerals Limited and Horseshoe Metals Limited. Mr Hall was previously a Non-executive Director of Redbank Copper Limited, Eclipse Metals Limited and Target Energy Limited.

COMPANY SECRETARY

Carol New B.Bus, CA

(appointed 16 January 2019)

Ms New holds a Bachelor of Business Degree and is a Chartered Accountant and has over 20 years' experience working with public companies in director, accounting and secretarial roles.

Kate Stoney B Bus, CPA

(appointed 02 December 2019)

Ms Kate Stoney was appointed joint Company Secretary on 2 December 2019. Ms Stoney is a CPA qualified accountant with over 15 years' experience working in accounting, administration and company secretarial positions.

PRINCIPAL ACTIVITY

The principal activity of the Group is exploration for mineral resources.

INTERESTS IN SHARES AND OPTIONS

As at the date of this report, the interests of the Directors in the shares and options of Scorpion Minerals Limited were:

	Ordinary shares	Options over Ordinary Shares
Bronwyn Barnes	5,561,405	19,473,690

DIVIDENDS

There were no dividends declared or paid during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Apart from the above or as noted elsewhere in this report no significant changes in the state of affairs of the Group occurred during the financial year.

OPERATING AND FINANCIAL REVIEW

GOING CONCERN

The Group auditor has inserted an emphasis of matter in the audit report regarding going concern. The Directors believe it is appropriate to prepare the financial statements on a going concern basis as there are no matters that exist at the date of the report that indicate the Group will be unable to manage the matters referred to in the Note 1 for the next 12 months.

REVIEW OF OPERATIONS

PHAROS GOLD and BASE METALS PROJECT **Murchison, WA**

In November 2019, the Company acquired an Option to Acquire 100% of exploration tenement applications E20/948 and E20/953 from Element 25 (**ASX: E25**) (refer Figures 1 & 2); forming the basis for the Pharos Project- covering 384 km² of prospective ground contiguous with 58 km² of granted SCN tenure (E20/931), containing the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit. E20/948 was subsequently granted on the 17th January 2020, and E20/953 was recently granted on the 18th September 2020.

In March 2020 the Company also announced an agreement with local indigenous prospector Mr Terry Little for the acquisition of tenements P20/2252 and P20/2253 in proximity to the Company's existing prospects, which have historically produced significant occurrences of gold, mainly in the form of large alluvial nuggets. The most significant of these was a large nugget of around 800 grams (25oz.) from P20/2252. The Company is encouraged by the presence of both large alluvial nuggets and historical workings in the vicinity of the known prospects at the Pharos Project and considers them an obvious proxy for a highly relevant gold geochemical signature.

In May 2020, the Company also applied for exploration licence EL20/962 immediately west of application E20/953 (refer Figure 2) to cover an interpreted extension to the greenstone belt southwest of the Weld Range, containing several mafic intrusions that are of high interest. The application for EL20/962 (Choallie Creek) is approximately 200 km² and will bring the total contiguous package in this highly prospective region, including Mt Mulcahy, to over 640 km².

The Company noted several significant historical gold intercepts from Rotary Air Blast (RAB) drilling undertaken by previous companies on the tenements, including the following high grade intersections from the Lantern prospect on E20/948, following up on an original 3100 ppb (3.1 g/t) Au soil sample in the 1990's from Guardian Resources. A complete listing of historical significant results is listed in Table 2.

- **12 m @ 7.40 g/t Au from 44 m, including 2 m @ 42.4 g/t Au**
- **16 m @ 3.09 g/t Au from 0 m, including 2 m @ 16.8 g/t Au**

During the year the Company announced results of two reconnaissance rock-chip sampling programmes focussed upon outcrop and workings, including quartz veins of various orientations in high priority zones. Fifty-seven samples were taken for analysis by fire assay, with seventeen samples returning anomalous values above **150 ppb** (refer Table 1 for a complete list of results, and Figures 3, 4 & 5).

Highlights from rock chip sampling results include two high grade (**10.5 g/t Au and 10.0 g/t Au**) assays returned from undrilled workings 200m apart, at a prospect now named Salt Flat, 200m West of Cap Lamp (refer Figure 5 and photo 2), and newly discovered mineralised outcrop at Candle returning values of **2.5 g/t Au**, and **2.8 g/t Au**, on parallel lines of strike 100m apart (refer Figures 3, 4)

A line of workings at Cap Lamp returned multiple high grade values from channel sampling of veining in the only easily accessible area, with a maximum value of **7.5 g/t Au**, and an approximate average value of **2.1 g/t Au** over approximately 5m length (refer Figure 5 and photo 1). At Cap Lamp, the Company also compiled additional historical drilling results which include RAB drilling highlights of **2m @ 5.5 g/t Au** from 18m and various anomalous results

The historical RAB drilling in the vicinity of these workings was not overlapping and is considered to have not adequately tested this area (refer Figure 5). Additional anomalous results were returned from stoped quartz veins at Oliver's (maximum assay **3.0 g/t Au**), and from a working on P20/2253, where material returned a maximum value of **1.2 g/t Au**.

The Company completed a heritage clearance survey to cover priority areas in late July after the restriction of intra-state movements, and received Programme of Works (PoW) approval to allow RC Drilling, which commenced in late August 2020, with a planned 2500m Reverse Circulation ("RC") drilling programme targeting high-grade mineralisation previously identified at Lantern, and newly discovered zones at Candle and Beacon, along with selected workings within Oliver's Patch and workings along the 'Old Prospect' northern extension and Salt Flat Prospect (refer Photos 1 and 2). Results from this drilling are pending.

The Company considers that the Candle, Lantern and newly outlined prospects such as Cap Lamp and 'Salt Flat' areas contain multiple quartz vein targets similar to "Day Dawn" style mineralisation (refer Figure 1), and is highly encouraged by the open-ended nature of the current prospects.

General Discussion of Mineral Potential of Pharos Project

The Company has an Option to Acquire 100% of two exploration tenement applications (E20/948 and E20/953) from Element 25 (**ASX: E25**). E20/948 and application E20/953 - together the Pharos Project - cover 384 km², and are contiguous with 58 km² of granted SCN tenure (E20/931), which contains the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit, a zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag (refer SCN:ASX release 25 September 2014, also Figures 1 & 3) at the 'South Limb Pod' (SLP).

The Pharos Project tenements are considered prospective for a number of gold mineralisation types including:

1. Shear zone hosted lode style mineralisation hosted in mafic, ultramafic and felsic volcanics.
2. Banded Iron hosted "Hill 50" style replacement deposits.
3. High grade quartz vein "Day Dawn" style mineralisation hosted within dolerite and basalt.
4. Felsic porphyry hosted quartz stockwork and ladder vein mineralisation.

The Company considers that the Candle, Lantern and the Oliver's Patch areas within the Pharos Project contain multiple quartz-vein targets similar to "Day Dawn" style mineralisation (refer Figure 2) and is highly encouraged by the open-ended nature of the current prospects.

Table 1: Rock chip sample location and assay

Results released post-quarter end (9/7/2020)

Prospect	Sample ID	North MGA	East MGA	Au ppm
Salt Flat	A127240	7014097	576872	0.170
	A127241	7014097	576872	0.551
	A127242	7014097	576873	0.005
	A127243	7014049	576964	0.186
	A127244	7014049	576965	0.004
	A127245	7014233	576953	0.005
	A127246	7014233	576954	9.947
	A127247	7014342	576871	0.013
	A127248	7014342	576870	0.014
	A127249	7014401	576916	0.057
	A127250	7014401	576917	10.501
	A127251	7014401	576917	0.184
	PP004	7014404	576915	0.002
	A127252	7013758	577031	0.005
Cap Lamp	A127253	7013744	577022	0.006
	A127254	7013744	577022	0.006
	A127255	7013458	577425	0.005
	A127256	7013458	577426	0.003
	A127257	7014190	577212	0.002
	A127258	7014207	577200	0.018
	A127259	7014279	577143	0.002
	A127260	7014114	577154	0.910
	A127261	7014115	577155	5.136
	A127262	7014115	577156	1.898
	A127263	7014116	577157	0.751
	A127264	7014114	577153	1.856
	A127265	7014121	577157	7.472
	A127266	7014121	577158	0.334
PP003	7013456	577465	0.003	
Olivers Patch	A127270	7013857	573374	0.114
	A127271	7013860	573371	3.046
	A127272	7014104	573386	0.159
	A127273	7014097	573303	0.008
	A127274	7013925	573328	0.005
	A127275	7013769	573431	0.002
	A127276	7013752	573445	0.002
	A127277	7013744	573457	0.005
	A127278	7013933	573657	0.002
	A127279	7013966	573639	0.001
	A127280	7014004	573616	<0.001
	A127281	7014388	573310	0.001
	A127282	7013469	573463	0.001
	A127283	7013469	573464	<0.001
A127284	7013375	573489	0.001	
A127285	7013311	573515	0.001	
PP005	7014140	572837	0.001	
North Of Maguires	A127267	7013604	576220	0.045
	A127268	7013588	576202	0.334
	A127269	7013578	576232	0.006
Tank Light	A127286	7012423	573501	0.004
	A127287	7012423	573502	0.005
	A127288	7012389	573757	0.003
	A127289	7012392	573839	0.018
	A127290	7012393	573851	0.009
	A127291	7012398	573876	0.010
	A127292	7012372	573891	0.012
	PP002	7012355	573744	0.005
Terrys	PP001	7011718	574472	1.182

Previously released 13/2/2020

Prospect	Sample ID	North MGA	East MGA	Au ppm
Beacon	A127202	7015170	572182	0.841
	A127203	7015166	572183	0.382
	A127204	7015166	572183	0.068
	A127205	7015126	572138	0.003
	A127206	7015131	572134	0.002
	A127207	7015098	572159	0.001
	A127208	7015096	572153	0.001
	A127209	7015081	572254	0.003
	A127210	7015208	572046	0.002
	A127211	7015176	572007	<0.001
	A127212	7015236	572076	<0.001
	A127213	7015250	572084	0.001
	A127214	7015247	572086	0.001
	A127215	7015349	572039	0.003
	East of Beacon	A127216	7015416	572633
A127217		7015480	572661	<0.001
A127218		7015515	572680	0.001
A127219		7015401	572743	0.001
A127220		7015387	572767	0.001
A127221		7015386	572778	0.001
A127222		7015386	572794	0.001
Candle	A127223	7015617	573319	2.509
	A127224	7015618	573331	0.328
	A127225	7015462	573284	0.003
	A127226	7015451	573292	0.004
	A127227	7015636	573313	1.303
	A127228	7015640	573312	0.397
	A127229	7015657	573280	0.023
	A127230	7015673	573277	0.18
A127231	7015709	573401	0.011	
A127232	7015716	573401	2.794	
Regional	A127233	7015728	573940	0.017
	A127234	7015464	574530	0.004
	A127235	7015755	573920	0.006
	A127236	7015463	574528	0.007
	A127237	7014986	575847	0.001
	A127238	7014987	575846	0.002

Coordinate system MGA94 zone 50, sample sites located by GPS, accuracy +/- 3m
 Assay method, 50g Fire assay, lower detection limit 0.001 ppm

Table 2: Material Historical Results (= $>4m$ @ >0.2 g/t Au)- Reported intervals are downhole lengths, true width not known

Prospect	Hole ID	MGA Northing	MGA Easting	Assumed RL	MGA Azimuth	Dip	Max Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)	Drill Type	Company	
Candle	RYA99-035	7015952	573141	0	0	-90	95.00	62.00	72.00	10.00	0.24	Aircore	Newcrest	
Candle	RYA99-039	7015952	573541	0	0	-90	50.00	20.00	25.00	5.00	0.51	Aircore	Newcrest	
Candle	RYA99-047	7016188	573260	0	0	-90	55.00	0.00	2.00	2.00	0.41	Aircore	Newcrest	
Candle	WCR05	7016082	573277	0	270	-60	58.00	40.00	44.00	4.00	0.21	RAB	Hampton	
Lantern	WLR001	7015633	574164	0	315	-60	59.00	36.00	47.00	11.00	0.69	RAB	Guardian	
								51.00	59.00	8.00	0.59 EOH			
Lantern	WLR006	7015601	574159	0	315	-60	53.00	4.00	8.00	4.00	0.74	RAB	Guardian	
								24.00	28.00	4.00	0.23			
Lantern	WLR009	7015566	574124	0	315	-60	40.00	0.00	4.00	4.00	0.28	RAB	Guardian	
								8.00	12.00	4.00	0.36			
Lantern	WLR024	7015654	574143	0	135	-60	56.00	16.00	24.00	8.00	0.57	RAB	Guardian	
								28.00	36.00	8.00	0.83			
								40.00	44.00	4.00	0.42			
Lantern	WLR032	7015666	574169	0	270	-60	57.00	0.00	4.00	4.00	0.94	RAB	Hampton	
								52.00	57.00	5.00	0.64 EOH			
Lantern	WLR033	7015666	574149	0	270	-60	94.00	44.00	56.00	12.00	7.40	RAB	Hampton	
								<i>Including</i>	46.00	48.00	2.00	42.41		
									68.00	72.00	4.00	0.23		
Lantern	WOR005	7015674	574159	0	0	-60	44.00	40.00	44.00	4.00	0.51 EOH	RAB	Guardian	
Lantern	WOR006	7015633	574158	0	0	-60	27.00	0.00	16.00	16.00	3.09	RAB	Guardian	
								<i>Including</i>	8.00	10.00	2.00	16.80		
									20.00	24.00	4.00	0.37		
Candle	WOR008	7016072	573243	0	0	-60	32.00	28.00	32.00	4.00	2.65 EOH	RAB	Guardian	
Candle	WOR009	7016033	573243	0	0	-60	32.00	0.00	4.00	4.00	0.37	RAB	Guardian	
Mustang Sally	MS256-4	7016797	579630	0	117	-60	102.00	89.00	91.00	2.00	2.46	RAB	Equinox	
Mustang Sally	MS255-3	7016689	579607	0	117	-60	81.00	49.00	50.00	1.00	3.50	RAB	Equinox	
Mustang Sally	MS264-5	7016606	579558	0	117	-60	89.00	53.00	58.00	5.00	1.38	RAB	Equinox	
Laterite Hill	LWL100-4	7022651	581237	0	156	-60	55.00	28.00	32.00	4.00	1.36	RAB	Equinox	
Laterite Hill	LWN329-3	7022599	582096	0	117	-60	71.00	43.00	44.00	1.00	1.18	RAB	Equinox	
Laterite Hill	LWN330-4	7022716	582134	0	117	-60	54.00	29.00	30.00	1.00	1.35	RAB	Equinox	
Cap Lamp	OP 102-1	7013923	577175	0	90	-60	49.00	16.00	24.00	8.00	1.65	RAB	Newcrest	
								<i>including</i>	18.00	20.00	2.00	5.45		
Cap Lamp	OP 102-2	7013923	577140	0	90	-60	65.00	46.00	49.00	3.00	0.64	RAB	Newcrest	
Cap Lamp	OP 103-2	7014023	577105	0	90	-60	41.00	9.00	11.00	2.00	0.40	RAB	Newcrest	
Cap Lamp	OP 103-3	7014023	577075	0	90	-60	21.00	16.00	18.00	2.00	1.43	RAB	Newcrest	
Cap Lamp	OP 104-2	7014123	577105	0	90	-60	54.00	20.00	24.00	4.00	0.45	RAB	Newcrest	
Cap Lamp	OP 1015-2	7013873	577200	0	90	-60	71.00	16.00	28.00	12.00	0.27	RAB	Newcrest	
Cap Lamp	OP 1015-3	7013873	577170	0	90	-60	65.00	48.00	52.00	4.00	0.20	RAB	Newcrest	
Cap Lamp	OP 1035-3	7014073	577135	0	90	-60	26.00	8.00	12.00	4.00	0.20	RAB	Newcrest	

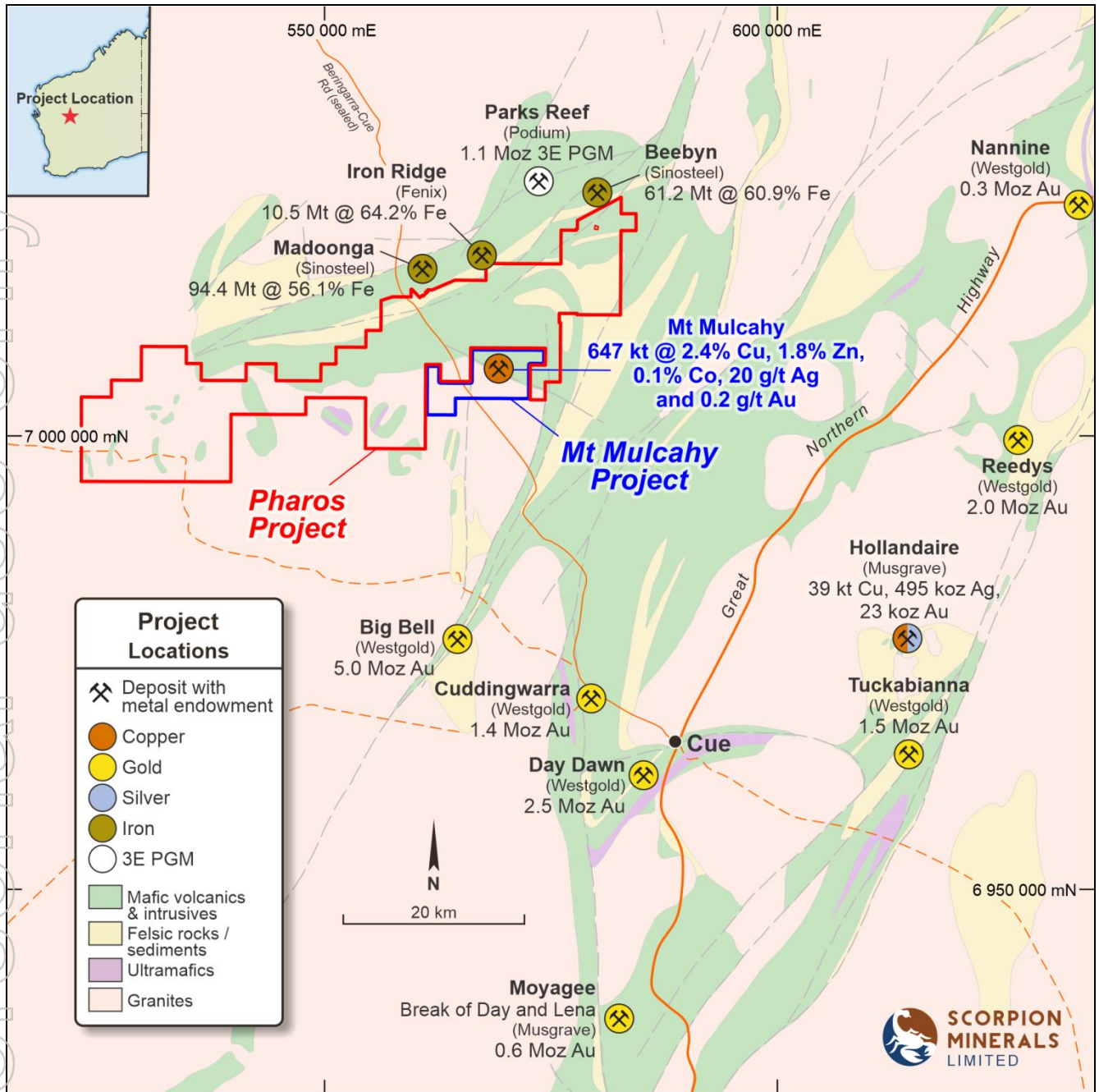


Figure 1 – Location of Pharos and Mt Mulcahy Project in Murchison area, WA, highlighting regional mineral endowment.

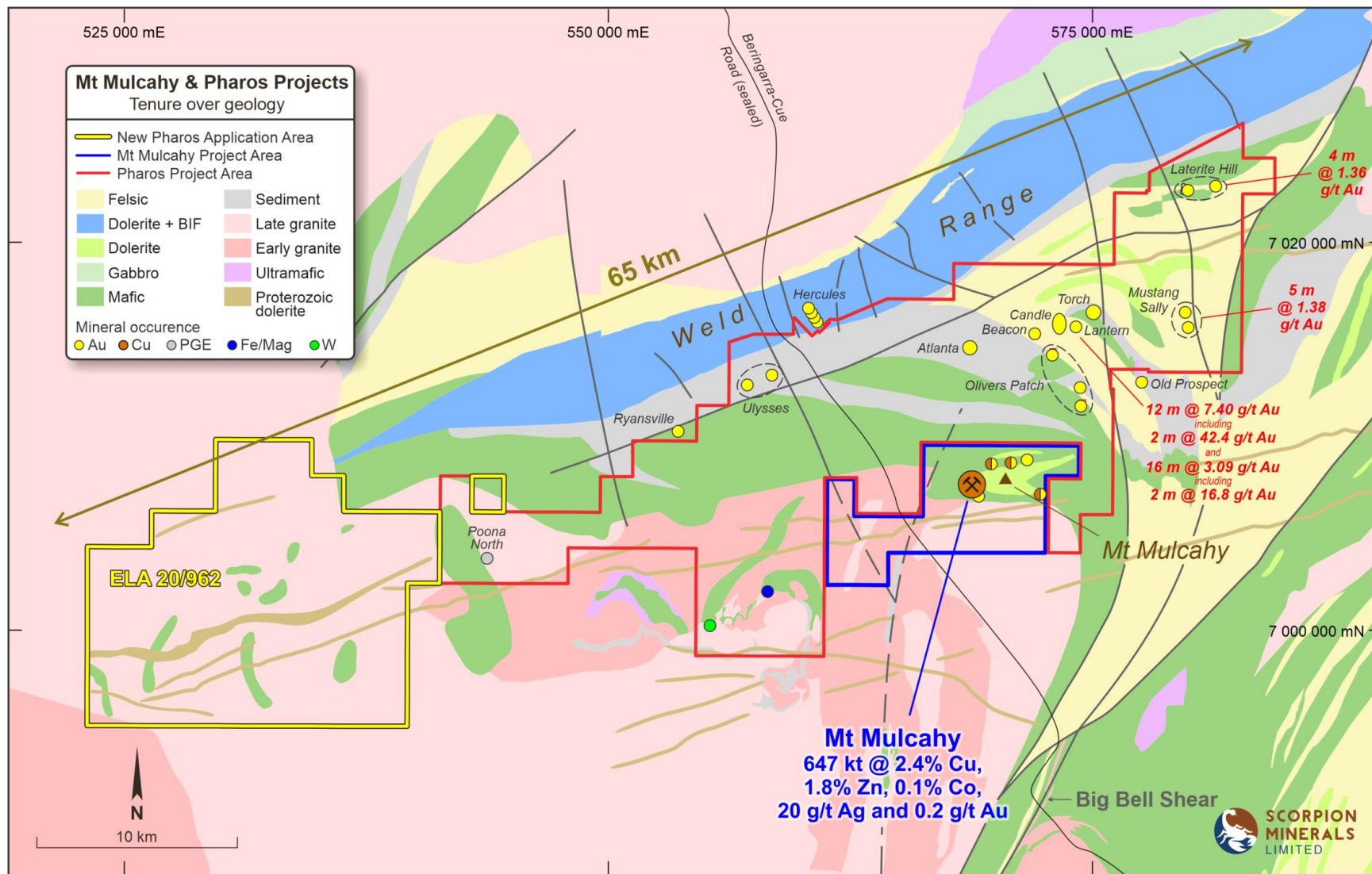


Figure 2 – Location of Pharos and Mt Mulcahy Project, with drilling highlights; demarcation of ELA20/962 within project in yellow.

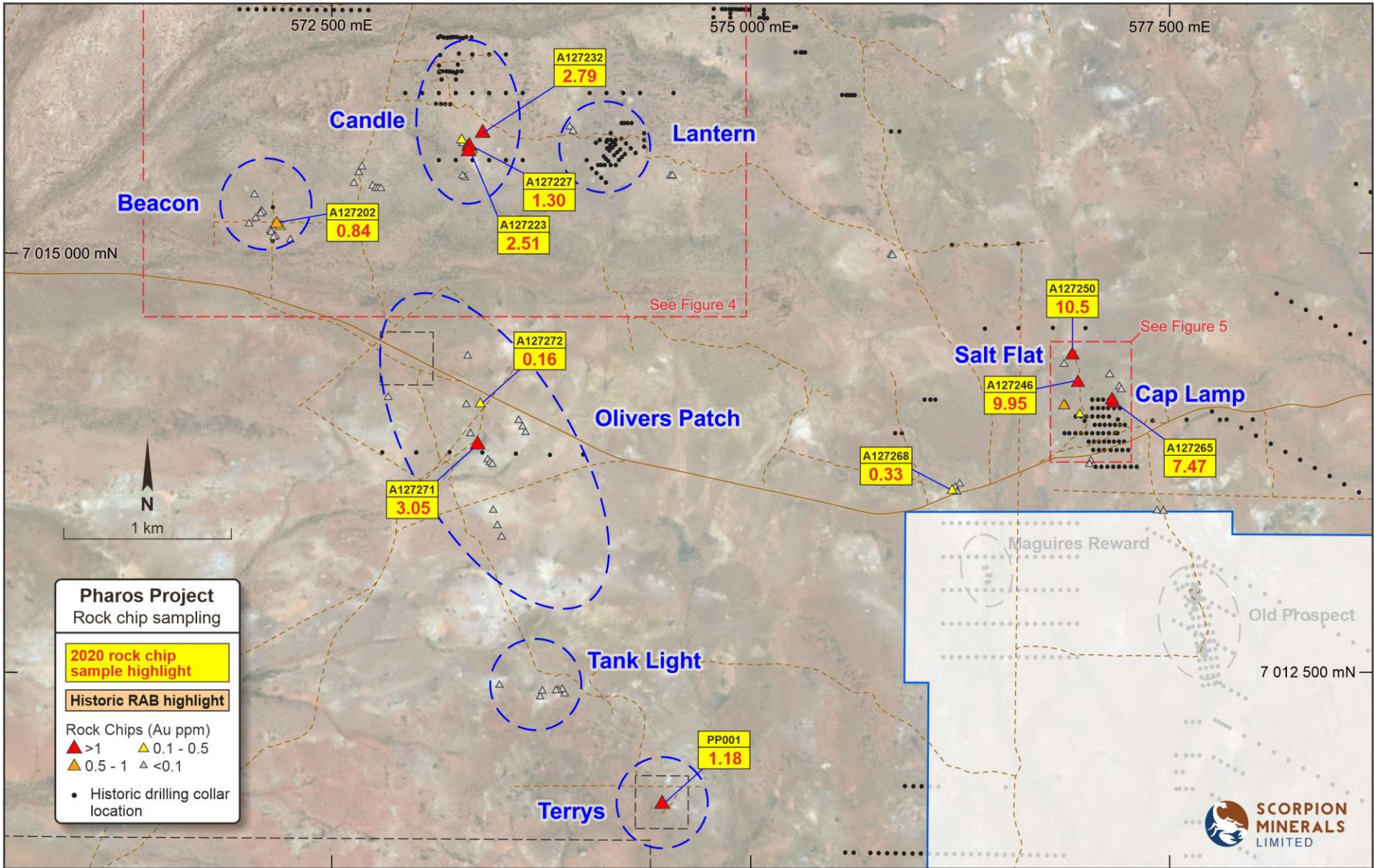


Figure 3 – Location of Pharos advanced prospects.

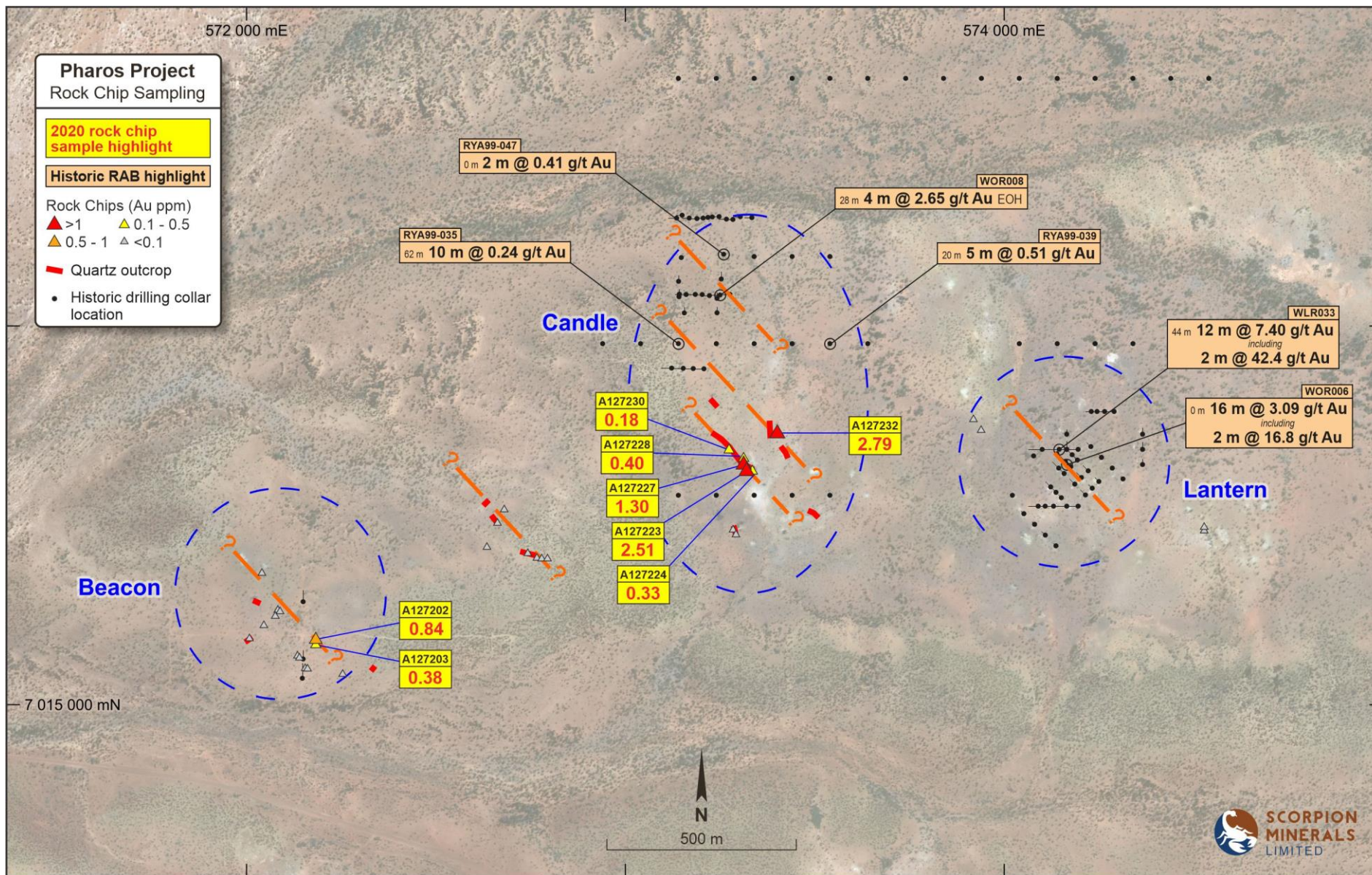


Figure 4 – Beacon, Candle and Lantern Prospects showing Significant Historic Drilling Results, with 2020 rock chip highlights in yellow. Interpreted NW mineralised trend in orange.

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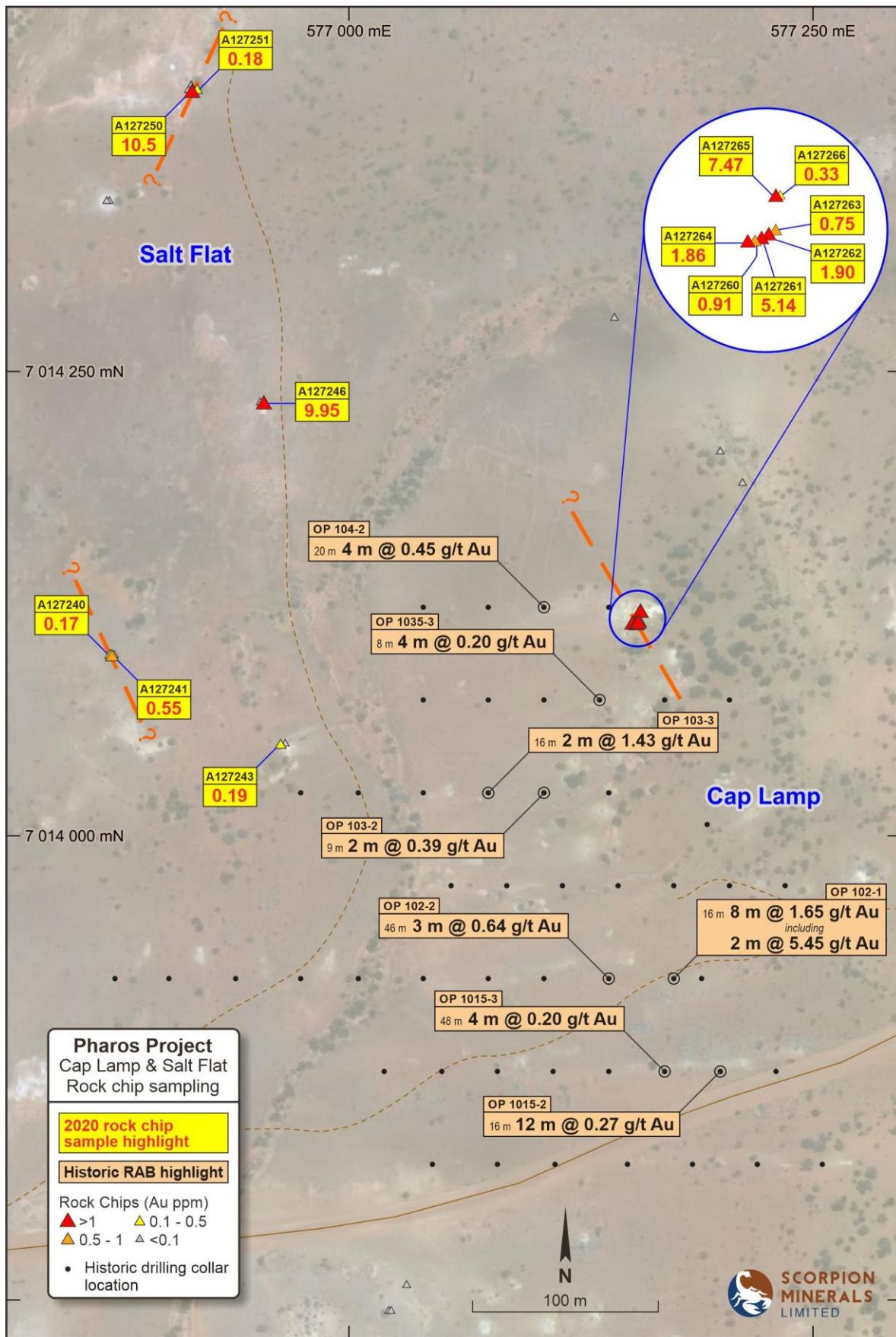
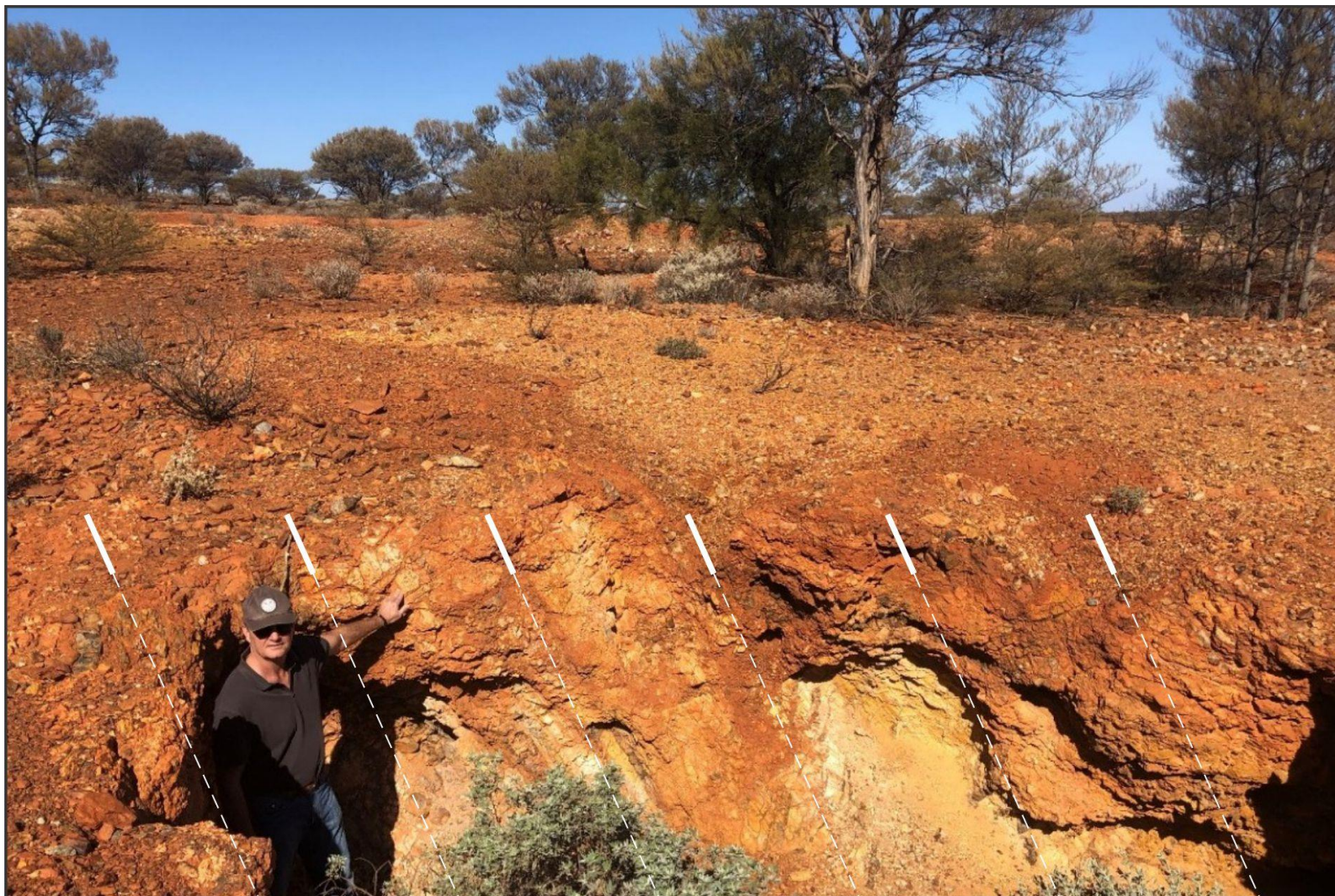


Figure 5 – Cap Lamp and Salt Flat prospects showing Significant Historic Drilling Results, with 2020 rock chip highlights in yellow. Interpreted NW and NE mineralised trends in orange.



Sample ID	A127263	A127262	A127261	A127260	A127264
Au ppm	0.75	1.90	5.14	0.91	1.86
	qtz vein	qtz stringers	qtz stringers	qtz stockwork	qtz vein

Photo 1 – Northernmost working at Cap Lamp (approx 7014116mN, 577157mE) view is approximately South confirming 330° strike and 60° dip to west.

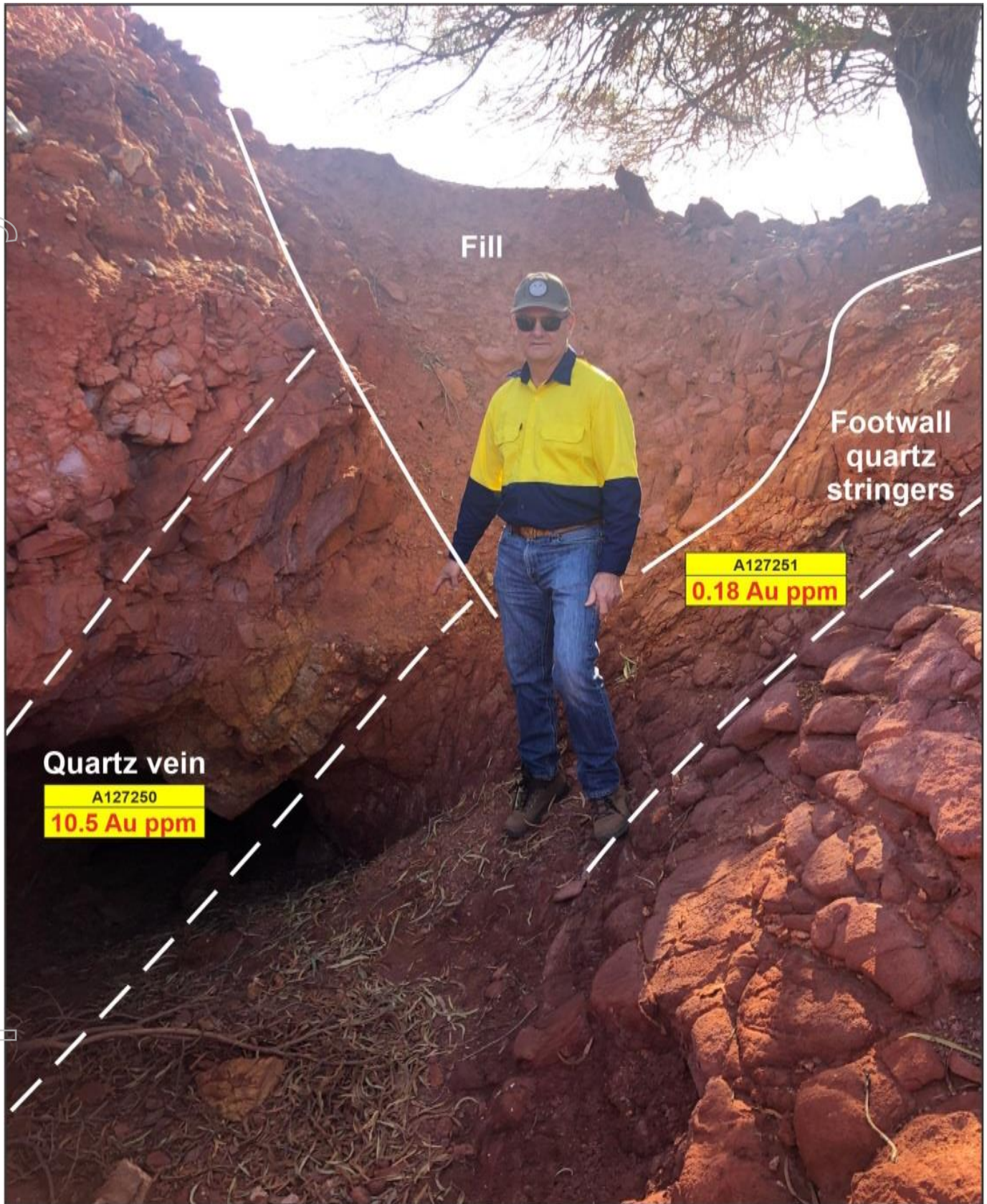


Photo 2 – Stopped mineralised quartz veining at Salt Flat (approx. 576916mE, 7014401mN), which returned a maximum assay of 10.5ppm Au. View is approximately North. Note backfilling above veining.

Planned systematic exploration will focus on interpreted structural controls for primarily gold mineralisation associated with NNW trending splay structures off the Big Bell Shear (refer Figure 1), a major regional structure associated with significant gold endowment, including the 5Moz Big Bell gold deposit (refer Figure 2). The Company believes that significant potential for new gold and base metal deposits exist within the expanded project area.

The stratigraphic sequence to the west of and adjacent to the Big Bell shear contains all the above rock types for the gold mineralisation styles targeted, and systematic exploration has not been undertaken historically where the NW-NNW trending splays off the Big Bell shear intersect these lithologies (refer Figure 1). Previous explorers have noted repeated observation of sericite-chlorite-carbonate alteration and pyrite-arsenopyrite mineralisation associated with gold mineralisation, which the Company believes indicative of large Archean gold hydrothermal systems.

Planned future exploration includes:

1. Reprocessing of existing air magnetics and completion of a regional geologic interpretation.
2. Detailed geological mapping and rock chip sampling of selected target areas.
3. Systematic geochemical sampling of the project initially focusing on high priority targets.
4. Follow up investigation and RC drilling of Mustang Sally, Ulysses and Laterite Hill.

MT MULCAHY COPPER PROJECT **Murchison, WA**

The Mt Mulcahy project in Western Australia (Refer Figures 1, 2 & 3) hosts the Mount Mulcahy copper-zinc deposit, a volcanic-hosted massive sulphide (VMS) zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag (refer PUN:ASX release 25 September 2014) at the 'South Limb Pod' (SLP). The tenement containing the SLP was granted in the second half of 2019 (refer ASX:SCN Mt Mulcahy Exploration Licence Granted, 16th September 2019). The Company noted the following highlights in that release:

Contained metal at the SLP resource of:

- **33.5M pounds (15,200 tonnes) of Cu**
- **26.3M pounds (11,800 tonnes) of Zn,**
- **1.35M pounds (600 tonnes) of Co,**
- **415,000 ounces of Ag, and**
- **5000 ounces of Au**
- **87% of tonnes & 91% of Cu, Zn and Ag metal content classified Measured + Indicated.**
- **Significant intercepts from the historic drilling at SLP include:**
 - 6.8m @ 4.9% Cu, 3.7% Zn, 0.16%Co, 39g/t Ag, and 0.19g/t Au*
 - 10.2m @ 4.5% Cu, 4.0% Zn, 0.17%Co, 33g/t Ag, and 0.18g/t Au*
 - 12.4m @ 3.1% Cu, 2.3% Zn, 0.10%Co, 28g/t Ag, and 0.21g/t Au*
 - 11.3m @ 4.9% Cu, 4.2% Zn, 0.16%Co, 44g/t Ag, and 0.57g/t Au*

The folded horizon hosting the SLP VMS mineralisation forms a regional keel, where the surface expression can be traced for a distance of at least 12 kilometres along strike and excellent potential exists for additional mineralisation to be discovered along this prospective horizon. Twenty untested targets have been identified along strike of this horizon using a combination of VTEM and soil geochemistry. These targets have characteristics similar to the SLP and are considered prospective for VMS base metal accumulations. The Company has plans for three extensional diamond tail holes targeting down-dip of the current resource.

Gold targets will also be pursued in tandem with the base metal exploration. A north-south trending Big Bell Shear splay is interpreted to pass through the western side of the licence area and auger soil geochemistry is planned to test for targets to be followed by RC drill testing of any anomalies defined by the programme. No field work was undertaken during the quarter.

Table 3: Current Mineral Resource Estimate, Mt Mulcahy Project

(refer ASX release 25/9/2014 "Maiden Copper - Zinc Resource at Mt Mulcahy", which also contains a list of significant drill intersections for the deposit, listed within this report at Table 2)

Mt Mulcahy South Limb Pod Mineral Resource Estimate											
Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	193,000	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	372,000	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	82,000	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
TOTAL	647,000	2.4	1.8	0.1	20	0.2	15,200	11,800	610	415,000	4,000

SCORPION MINERALS LIMITED

Dablo Pd-Pt-Au-Ni-Cu Project, Burkina Faso

Scorpion has previously announced (refer SCN:ASX announcement 10th January 2018) that it had entered into an agreement to acquire Scorpion Minerals Limited, which held the rights to enter a 70% joint venture interest in the Dablo exploration project in Burkina Faso, Africa, through a then-proposed joint venture with Newgenco Exploration (West Africa) Pty Ltd ("NEWA").

On 31 December 2018, the Burkina Faso Government declared a State of Emergency in a number of provinces in northern and eastern Burkina Faso along the Mali, Niger, Togo and Benin borders due to security concerns, which has recently been extended by the Burkinabe Parliament for a further year, to be reviewed in January 2021. Scorpion had previously communicated to the market that no work was being undertaken in the field and planned work activity was on hold until the situation stabilises.

During the initial State of Emergency declaration, the Company's joint venture partner advised that it had terminated the Memorandum of Agreement (MOA) between NEWA and Scorpion; that it considers the period of exclusivity relating to the Dablo Project at an end and that they were continuing to seek and speak to potential new investors in the Dablo Project. Scorpion had subsequently advised NEWA that it expressly reserves all its right in regards to this matter and that it was considering, without limitation, potential legal remedies that may be available to the Company in relation to Scorpion's rights and interests under the MOA.

On the 22nd June 2020 the Company was advised of the appointment of a liquidator to NEWA on the 15th June 2020, through a creditor's voluntary liquidation, shortly after the Company advised NEWA on the 12th June 2020 that it demanded repayment of the sum of \$AUD1.07M, being the total amount contributed to the project by Scorpion, minus a non-refundable \$200,000 payment. Scorpion was not listed as a creditor of NEWA in its directors' report on company activities and property, and the Company subsequently submitted a Proof of Debt ("POD") in the liquidation of NEWA in the amount of \$AUD1.07M. The liquidator has since advised of their refusal to accept the POD, and although the Company initially instituted an appeal to the Federal Court of Australia against the rejection of the POD and application for orders in relation to the external administration of NEWA, the company has abandoned this approach on the basis of a lack of asset value within NEWA.

Previously the Company had been advised by legal representatives of NEWA that the Dablo Project tenements had lapsed; that no replacement tenements have been applied for; that there was no intention of re-applying for the tenements, and that the business operations of NEWA have ceased. As a result of enquiries made during the current quarter Scorpion understands that NEWA-associated entities have re-applied for two 'Dablo JV' tenements, being Dablo-3 and Perko.

Scorpion continues to expressly reserve all its right in regards to this matter and is considering, without limitation, all potential legal remedies against NEWA's subsidiaries and directors at the time.

Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a director and consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the information in the form and context in which it appears.

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Forward Looking Statements

Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Ltd, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.

LIKELY DEVELOPMENTS

Ongoing exploration at Mt Mulcahy is planned, following the grant of E20/931.

The Group will continue to assess the impact of COVID-19 on existing projects and operations. The duration and spread of the pandemic and regulations imposed by governments continue to be closely monitored to determine any future impact on the Group.

FINANCIAL RESULTS FOR THE PERIOD

The operating loss after income tax of the Group for the year ended 30 June 2020 was \$818,449 (2019: loss of \$2,644,232).

SHAREHOLDER RETURNS

	2020	2019
Basic and diluted loss per share (cents)	(0.43)	(1.51)

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

COVID-19

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

On 13 August 2020 the Company announced commencement of drilling at the Pharos Project. In doing so the Company signed a contract with iDrilling Australia to undertake a minimum of 5,000m of RC drilling to be completed during 2020, with an initial programme of 2,500m to commence from next week.

On 16 September 2020 2,500,000 fully paid ordinary shares were issued following the exercise of 2,500,000 unlisted options (expiry date 18 October 2020, exercise price \$0.05 per share).

On 28 September 2020 the Company announced to the ASX the initial results from its exploration program at the Pharos Project. High grade gold was confirmed at the Lantern prospect.

On 29 September 2020 the Company announced to the ASX a further letter of variation to the loan facility had been executed extending the repayment date to 31 December 2021.

Other than the above, there have not been any matters that have arisen since 30 June 2020 that have significantly affected, or may significantly affect, the operations of the Group, the results of the operations or the state of affairs of the Group in future years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The directors are not aware of any likely developments in the operations of the Group and the expected results of those operations that may have a material effect in subsequent years that are not already disclosed. Comments on certain operations of the Group are included in this annual report under the operating and financial review on activities on page 3.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are subject to environmental regulation in respect to its mineral tenements relating to exploration activities on those tenements. No breaches of any environmental restrictions were recorded during the financial year. The Group has not yet fully reviewed the reporting requirements under the Energy Efficient Opportunities Act 2006 or the National Greenhouse and Energy Reporting Act 2007, but believes it has adequate systems in place to ensure compliance with these Acts having regard to the scale and nature of current operations.

CORPORATE GOVERNANCE

The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd Edition) as published by the ASX Corporate Governance Council.

The 2020 Corporate Governance Statement is dated as at 30 June 2020 and reflects the corporate governance practices in place throughout the 2020 financial year. A copy of the Company's 2020 Corporate Governance Statement can be accessed at the Company's website.

REMUNERATION REPORT (AUDITED)

Directors and Key Management Personnel disclosed in this report (see page 2 for details about each Director). During the financial year there were no Key Management Personnel other than the Directors.

Name	Position
Bronwyn Barnes	Non-Executive Director
Carol New	Non-Executive Director
Craig Hall	Non-Executive Director

The information provided in this Remuneration Report has been audited as required under Section 308 (3C) of the Corporations Act 2001.

Assessing performance and claw-back of remuneration

The Remuneration Committee of the Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the Directors, the CEO and the executive team. The Board's policy for determining the nature and amount of remuneration for Board members and senior Executives of the Group (if any) is as follows:

Remuneration Policies for Non-Executive Directors

The Board will adopt remuneration policies for Non-Executive Directors (including fees, travel and other benefits). In adopting such policies, the Board will take into account the following guidelines:

- Non-Executive Directors should be remunerated by way of fees – in the form of cash, non-cash benefits or superannuation contributions;
- Non-Executive Directors should not participate in schemes designed for remuneration of executives;
- Non-Executive Directors should not receive bonus payments;
- Non-Executive Directors should not be provided with retirement benefits other than statutory superannuation.

The maximum aggregate annual remuneration is approved by shareholders.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is currently \$200,000 which was approved at a General Meeting held on 22 January 2008. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Group and are able to participate in employee option plans.

Remuneration Policies for Executive Directors and Executive Management

The Board will adopt remuneration policies for Executive Directors and Executive Management, including:

- Fixed annual remuneration (including superannuation) and short term and long-term incentive awards (including performance targets);
- Any termination payments (which are to be agreed in advance and include provisions in case of early termination); and
- Offers of equity under Board approved employee equity plans. Any issue of Company shares or options (if any) made to Executive Directors are to be placed before shareholders for approval.

The Board's objectives are that the remuneration policies:

- Motivate Executive Directors and Executive Management to pursue the long-term growth and success of the Company;
- Demonstrate a clear relationship between performance and remuneration; and
- Involve an appropriate balance between fixed and incentive remuneration, to reflect the short and long-term performance objectives appropriate to the Company's circumstances and goals.

Performance based remuneration

There was no performance-based remuneration paid to Directors during the financial year. Based upon the present stage of development of the Company, performance-based remuneration is not considered appropriate.

Group performance, shareholder wealth and Directors' and executives' remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and Directors and Executives' performance. Currently, this is facilitated through the issue of options to Executives to encourage the alignment of personal and shareholder interests. No market-based performance remuneration has been paid in the current year.

Voting and comments made at the Group's 2019 Annual General Meeting

At the Group's 2019 Annual General Meeting, the Company's Remuneration Report was passed on a show of hands. The Board remains confident that the Group's remuneration policy and the level and structure of its executive remuneration are suitable for the Company and its shareholders and hence it has not amended its overall remuneration policy.

Details of remuneration

The amount of remuneration of the Directors (as defined in AASB 124 Related Party Disclosures) is set out below. During the financial year there were no Key Management Personnel other than the Directors.

	Short-Term Salary & Fees \$	Post-Employment Superannuation \$	Share-based Payments Options \$	Total \$
Directors				
Bronwyn Barnes				
2020	30,000*	-	-	30,000*
2019	20,000*	-	-	20,000*
Craig Hall				
2020	30,000*	-	-	30,000*
2019	11,250*	-	-	11,250*
Carol New				
2020	48,000*	-	-	48,000*
2019	11,250*	-	-	11,250*
Michael Fotios (resigned 31 October 2018)				
2020	-	-	-	-
2019	12,000*	-	-	12,000*
Grant Osbourne (resigned 31 October 2018)				
2020	-	-	-	-
2019	7,500*	-	-	7,500*
Neil Porter (resigned 11 February 2019)				
2020	-	-	-	-
2019	17,500*	-	-	17,500*
Alan Still (resigned 31 October 2018)				
2020	-	-	-	-
2019	10,000*	-	-	10,000*
Total Key Management Personnel compensation				
2020	108,000*			108,000*
2019	89,500*			89,500*

* Salary or fees were all or partially accrued during the year and are outstanding where unpaid.

As at 30 June 2020 the following amounts owed to the directors remain unpaid:

- Craig Hall \$41,250
- Carol New \$59,250
- Bronwyn Barnes \$166,400

There are no cash bonuses or non-monetary benefits relating to any of the Directors and Key Management Personnel during the year.

Shareholdings of Key Management Personnel

	Balance 1 July 19	Granted as remuneration	On exercise of options	Net change Other	Balance 30 June 20
Bronwyn Barnes	5,561,405	-	-		5,561,405
	5,561,405	-	-		5,561,405

Option holdings of Key Management Personnel

	Balance 1 July 19	Granted as remuneration	Other	On lapsing of options	Balance 30 June 20
Bronwyn Barnes	29,210,535	-		(9,736,845)	19,473,690
	29,210,535	-		(9,736,845)	19,473,690

Service agreements

As at the date of this report there are no executives or Key Management Personnel, other than the Directors, engaged by the Company. Formal appointment letters are in place with Non-Executive Directors, each of which is entitled to a fee of \$30,000 per annum effective from 1 January 2017 (\$36,000 per annum previous year). There are no termination payments payable.

Share-based compensation

There were no options issued to Directors and Executives as part of their remuneration during the year (2019: nil).

Additional information

The table below sets out information about the Group's earnings and movements in shareholder wealth of the periods since listing:

	30 June 20	30 June 19	30 June 18	30 June 17	30 June 16
		\$	\$	\$	\$
Revenue	-	-	-	-	-
Net (loss)/profit before tax	(818,849)	(2,644,232)	(294,916)	(452,190)	(2,091,648)
Share price at year-end	0.045	0.004	0.024	0.030	0.043

There were no remuneration consultants engaged by the Group during the financial year.
This is the end of the audited remuneration report.

DIRECTORS' MEETINGS

Given the size and nature of the Company, the Non-Executive Directors meet frequently at a management level. These meetings are not recorded as board meetings. During the year the Group held two Board meetings. Board decisions were also undertaken via circular resolutions signed by all Directors entitled to vote.

Director	Eligible to Attend	Attended
B Barnes	2	2
C Hall	2	2
C New	2	2

SHARES UNDER OPTION

At the date of this report there are nil unlisted options outstanding.

	Number of options
Balance at the beginning of the year	69,000,000
Movements of share options during the year – Expiry of Options	(23,000,000)
Options exercised 16 September 2020 \$0.05	(2,500,000)
Total number of options outstanding as at the date of this report	43,500,000

PROCEEDINGS ON BEHALF OF THE COMPANY

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

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

INSURANCE OF DIRECTORS AND OFFICERS

The Company entered into a Directors and Officer's liability insurance policy for a 12-month period commencing 7 February 2020 for a total premium of \$15,000.00 (30 June 2019: \$17,325.00).

The Company has entered into Deeds of Access, Insurance and Indemnity with each of the Directors and Officers of the Company. Under the Deeds of Access, Insurance and Indemnity, the Company will indemnify those Officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as Directors and Officers of the Company or any related entities.

NON-AUDIT SERVICES

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Board of Directors would consider the position that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditors, would not compromise the auditors' independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services would be reviewed to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 11- Code of Ethics for Professional Accountants.

No non-audit services were provided by BDO Audit (WA) Pty Ltd during the current financial year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 22.

Signed in accordance with a resolution of the Directors, and on behalf of the Board by,



Craig Hall
Director

Perth, Western Australia
30 September 2020

DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF SCORPION MINERALS LIMITED

As lead auditor of Scorpion Minerals Limited 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 Scorpion Minerals Limited and the entities it controlled during the period.



Neil Smith
Director

BDO Audit (WA) Pty Ltd
Perth, 30 September 2020

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

	Notes	2020 \$	2019 \$
REVENUE			
Other income		-	-
Director fees		(75,000)	(89,500)
Exploration expenses		(373,833)	(94,894)
Impairment expense		-	(1,622,768)
Occupancy expenses		(36,000)	(32,000)
Other expenses	2	(281,511)	(724,263)
Operating loss		(766,344)	(2,563,425)
Finance income		-	139
Finance costs		(52,105)	(80,946)
Finance costs - net		(52,105)	(80,946)
Loss before income tax		(818,449)	(2,644,232)
Income tax benefit/(expense)	3	-	-
Loss after income tax for the year		(818,449)	(2,644,232)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(818,449)	(2,644,232)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO OWNERS OF SCORPION MINERALS LIMITED	10	(818,449)	(2,644,232)
Loss per share for loss attributable to ordinary equity holders of the Group:			
Basic loss per share (cents per share)	12	(0.43)	(1.51)
Diluted loss per share (cents per share)	12	N/A	N/A

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

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

	Notes	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	4	167,205	4,750
Trade and other receivables	5	188,176	133,025
TOTAL CURRENT ASSETS		<u>355,381</u>	<u>137,775</u>
NON-CURRENT ASSETS			
Capitalised exploration expenditure	6	2,060,027	2,060,027
TOTAL NON-CURRENT ASSETS		<u>2,060,027</u>	<u>2,060,027</u>
TOTAL ASSETS		<u>2,415,407</u>	<u>2,197,802</u>
CURRENT LIABILITIES			
Trade and other payables	7	(2,282,933)	(1,859,933)
Borrowings	8	(1,299,854)	(1,099,199)
TOTAL CURRENT LIABILITIES		<u>(3,582,787)</u>	<u>(2,959,132)</u>
TOTAL LIABILITIES		<u>(3,582,787)</u>	<u>(2,959,132)</u>
NET ASSETS / (LIABILITY)		<u>(1,167,379)</u>	<u>(761,330)</u>
EQUITY			
Contributed equity	9	20,234,964	19,822,564
Accumulated losses	10	(21,866,636)	(21,048,187)
Reserves	11	464,293	464,293
TOTAL EQUITY		<u>(1,167,379)</u>	<u>(761,330)</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

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

	Note	Contributed Equity	Accumulated Losses	Share- based Payments Reserve	Total Equity
CONSOLIDATED					
Balance 30 June 2019		19,822,564	(21,048,187)	464,293	(761,330)
Loss for the-year	10	--	(818,449)	-	(818,449)
Total comprehensive loss for the year		-	(818,449)	-	(818,449)
Transactions with owners in their capacity as owners					
Shares issued during the year	9	412,400	-	-	412,400
Options issued during the year		-	-	-	-
Balance 30 June 2020		20,234,964	(21,866,636)	464,293	(1,167,379)

	Note	Contributed Equity	Accumulated Losses	Share- based Payments Reserve	Total Equity
CONSOLIDATED					
Balance 1 July 2018		18,814,564	(21,033,576)	2,629,621	410,609
Loss for the-year	10	-	(2,644,232)	-	(2,644,232)
Total comprehensive loss for the year		-	(2,644,232)	-	(2,644,232)
Transactions with owners in their capacity as owners					
Shares issued during the year	9	1,008,000	-	-	1,008,000
Options issued during the year	11	-	-	464,293	464,293
Transfer on expiry of options		-	2,629,621	(2,629,621)	-
Balance 30 June 2019		19,822,564	(21,048,187)	464,293	(761,330)

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

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

	Notes	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Research and development tax refund		-	-
Payments to suppliers and employees		(28,715)	(195,683)
Payments for exploration		(373,832)	-
Interest paid		34,113	-
Interest received		-	176
Net cash outflow from operating activities	22	(368,434)	(195,507)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash on acquisition of subsidiary		-	2,630
Investment in new opportunity		-	-
Net cash inflow from investing activities		-	2,630
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares	9	412,400	-
Proceeds from share applications not yet issued		-	-
Proceeds from borrowings		118,489	169,163
Net cash inflow from financing activities		530,889	169,163
Net increase/(decrease) in cash and cash equivalents		162,455	(23,714)
Cash and cash equivalents at the beginning of the year		4,750	28,464
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	4	167,205	4,750

The above Consolidated Statement of Cash Flows should be read
in conjunction with the Notes to the Consolidated Financial Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial information included in this report have been set out below.

a) Basis of preparation of historical financial information

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Boards, Australian Accounting Interpretations and the *Corporations Act 2001*. These financial statements have been prepared on a historical cost basis. Scorpion Minerals Limited is a for-profit entity for the purpose of preparing financial statements.

The financial report complies with Australian Accounting Standards which include International Financial Reporting Standards as adopted in Australia. Compliance with these standards ensure that the consolidated financial statements and notes as presented comply with International Financial Reporting Standards (IFRS).

Going Concern

The Group incurred a loss before tax of \$818,449 (2019: loss of \$2,644,232) and incurred cash outflows from operating activities of \$368,434 (2019: \$195,507) for the year ended 30 June 2020. At that date the Group had a working capital deficiency of \$3,227,406 (2019: \$2,821,357) and net liabilities of \$1,167,379 (2019: \$761,330). This included current liabilities of \$2,282,933 (trade and other payables), and \$1,299,854 (borrowings).

From the \$2,282,933 in trade and other payables outstanding at year end, \$1,408,175 are owed to related parties, \$406,445 relates to Companies in Liquidation, and \$468,313 are owed to external creditors. With \$472,107 being overdue or outside agreed payment terms.

From the \$1,299,854 in borrowings outstanding at year end, \$985,421 are owed to related parties and \$314,434 is owed to Investmet Limited & Whitestone Mining Pty Ltd, who are currently in liquidation.

At 29 September 2020, the Group had a cash balance of \$21,107.

These conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due, and realise its assets and extinguish its liabilities in the normal course of business at amounts stated in the financial report.

The Directors believe that there are sufficient funds available to continue to meet the Group's working capital requirements as at the date of this report. The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Company has executed a loan facility agreement with associated entities. The loan facility with associated entities is to be repaid in cash within 7 days of the successful completion of a capital raising. Prior to a capital raising, any lender may convert all or some of the outstanding balance of the loan in ordinary shares at the price at which the capital raising is to be completed. Conversion of the loan to ordinary shares is subject to compliance with the applicable laws and regulations including the requirement to seek shareholder approval for a related party transaction. The loan bears interest of 8% p.a. The undrawn loan balance available to the Company as at 30 June 2020 from related entities amounts to \$904,000.
- In addition, the current lenders (excluding Investmet Limited who are currently in Liquidation) have confirmed unconditionally that they will not call on or demand any repayment of the advances made to the Company up to 31 December 2021 until such time as the Group's financial position improves.
- The Company currently has 20,000,000 options on issue with an exercise price of \$0.05 expiring on 18 October 2020 and a further 500,000 at \$0.05 expiring 26 October 2020. The company has received confirmations from the holders of 19,500,000 options that indicate the holder's intent to exercise these options. Therefore, the Company is confident that it will be in receipt of \$975,000 in option proceeds within the timeframes detailed above.
- The Company expects to raise additional funds through the Equity market.

- The Directors have also prepared a cash flow forecast that further indicates the Company's ability to continue to operate as a going concern. This assumes the ability to continue to defer payment of creditors and for the directors to continue to defer payment of fees or accept part of their fees in shares.

In the Directors' opinion, at the date of signing the financial report there are reasonable grounds to believe that the matters set out above will be achieved and have therefore prepared the financial statements on a going concern basis.

Should the Directors not achieve the matters set out above, there is material uncertainty whether the Group will be able to continue as a going concern. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, or to the amounts or classification of liabilities, which might be necessary should the Group not be able to continue as a going concern.

b) Revenue Recognition

Interest

Revenue is recognised as interest accrues using the effective interest method. This method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipt over the expected life of the financial asset.

c) Income Tax

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

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction.

Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit. Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

d) Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined and impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of 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. Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

e) Cash and Cash Equivalents

"Cash and cash equivalents" includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

f) Fair value estimation

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures.

Fair values for financial instruments traded in active markets are based on quoted market prices at statement of financial position date. The quoted market price for financial assets is the current bid price and the quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at reporting date. The fair value of long-term debt

instruments is determined using quoted market prices for similar instruments. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments.

The fair value of trade receivables and payables is their normal value less estimated credit adjustments due to their short-term nature.

g) Borrowing costs

Borrowing costs are capitalised that are directly attributable to the acquisition, construction or production of qualifying assets where the borrowing cost is added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

h) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 days payment terms. They are recognised initially at fair value and subsequently at amortised cost.

i) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of statement of financial position date are recognised in respect of employees' services rendered up to reporting date and measured at amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefits Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected future projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at reporting date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Retirement Benefit Obligations

The Group does not have a defined contribution superannuation fund. All employees of the Group are entitled to receive a superannuation guarantee contribution required by the government which is currently 9.5%.

j) Exploration and evaluation expenditure

Exploration and evaluation expenditure encompass expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation expenditure incurred by the Group is accumulated for each area of interest and recorded as an asset if:

- 1) the right to tenure of the area of interest are current; and
- 2) at least one of the following conditions is also met:
 - a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
 - b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing. Exploration and evaluation incurred by the Group are expensed in the year they are incurred.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition. Exploration and evaluation incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred. During the financial year, no amounts have been capitalised, as the relevant tenement was in the process of being renewed, and all expenditure was recorded in Profit and Loss.

The recoverable amount of each area of interest is determined on a bi-annual basis and the provision recorded in respect of that area adjusted so that the net carrying amount does not exceed the recoverable amount. For areas of interest that are not considered to have any commercial value, or where exploration rights are no longer current, the capitalised amounts are written off against the provision and any remaining amounts are charged to profit or loss. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

k) Contributed Equity

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

l) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except where 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. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financial activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

m) Leases

From 1 January 2019 AASB 16 replaces the existing guidance in AASB 117 Leases. For lessees, all leases other than short term leases and low value leases will be recognised on the balance sheet. The new standard is effective for annual reporting periods commencing on or after 1 January 2019. The standard will see all leases, held by a lessee, record obligations as a liability and a corresponding right of use asset, both current and non-current, for the term of the lease.

It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Group.

n) Provisions

Provisions for legal claims are recognised when the Group has a legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value 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 interest expense.

o) Share based payments

The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or options over shares ("equity-settled transactions").

The fair value of options is recognised as an expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the holder becomes unconditionally entitled to the options. Fair value is determined by an independent valuer using a Black-Scholes option

pricing model. In determining fair value, no account is taken of any performance conditions other than those related to the share price of Scorpion Minerals Limited ("market conditions").

The cumulative expense recognised between grant date and vesting date is adjusted to reflect the director's best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the Group until vesting date, or such that employees are required to meet internal sales targets. No expense is recognised for options that do not ultimately vest because a market condition was not met. Where the terms of options are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Where options are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to the Statement of Profit or Loss and Other Comprehensive Income. However, if new options are substituted for the cancelled options and designated as a replacement on grant date, the combined impact of the cancellation and replacement options are treated as if they were a modification.

p) Earnings per Share

(i) Basic Earnings per Share

Basic earnings per share is determined by dividing the operating loss after income tax by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of partly paid shares or options outstanding during the financial year.

q) Segment Reporting

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

r) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowing. Interest calculated using the effective interest rate method is accrued over the period it becomes due and increases the carrying amount of the liability.

s) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Scorpion Minerals Limited. Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Changes

in Equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

t) Changes in Accounting Policies

In the year ended 30 June 2020, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020.

As a result of this review, the Group has adopted AASB 16 Leases. AASB 16 replaces the existing guidance in AASB 117 Leases. For lessees, all leases other than short term leases and low value leases will be recognised on the balance sheet. The new standard is effective for annual reporting periods commencing on or after 1 January 2019. The standard will see all leases, held by a lessee, record obligations as a liability and a corresponding right of use asset, both current and non-current, for the term of the lease.

It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Group. It has been determined that there is no material impact of the new and revised Standards and Interpretations on the financial position or performance of the Group.

u) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2020. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the consolidated entity has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the consolidated entity may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the consolidated entity's financial statements. The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2020. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

v) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and 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.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of capitalised exploration and evaluation expenditure

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

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

Leases

When a contract is entered into, the Group assesses whether the contract contains a lease. A lease arises when the Group has the right to direct the use of an identifiable asset that is not substitutable and to obtain substantially all economic benefits from the use of the asset throughout the period of use.

Coronavirus (COVID-19)

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. Currently there is no significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

NOTE 2: EXPENSES

	2020	2019
	\$	\$
Other expenses		
Accounting and secretarial fees	104,239	65,266
Audit fees	34,086	48,353
Consultants and advisors	49,955	40,000
Corporate costs	37,084	41,422
Fines & penalties	694	154
Legal fees	37,219	37,230
Share Based Payments – see Note 21	-	464,293
Insurance	16,780	7,339
Other expenses	1,454	20,206
	281,511	724,263

NOTE 3: INCOME TAX

	2020	2019
(a) Reconciliation of income tax expense to prima facie tax payable		
Loss before income tax	(818,449)	(2,644,232)
Prima facie income tax at 27.5% (2019: 27.5%)	(225,073)	(727,164)
Non-deductible expenses	(191)	(43)
Movement in unrecognised temporary differences	(5,043)	(16,089)
Effect of tax loss not recognised as deferred assets	230,307	743,296
Income tax (expense)/benefit	-	-
(b) Unrecognised deferred tax assets arising on timing differences and losses		
Unrecognised deferred tax asset – tax losses	3,827,153	4,218,820
Unrecognised deferred tax asset – timing	65,670	24,675
	3,892,823	4,243,795

NOTE 4: CASH AT BANK

	2020	2019
Cash at bank and on hand	167,205	4,750
	167,205	4,750

Information about the Group's exposure to interest rate risk is provided in Note 13

NOTE 5: TRADE AND OTHER RECEIVABLES

	2020	2019
Current		
GST receivable	174,205	131,055
Other receivables	13,971	1,970
	<u>188,176</u>	<u>133,025</u>

As at 30 June 2020, trade receivables that were past due to impaired was nil (2019: nil). Information about the Group's exposure to credit risk is provided in Note 13.

NOTE 6: CAPITALISED EXPLORATION EXPENDITURE

	2020	2019
Capitalised tenement acquisition costs		
Opening net book amount	2,060,027	2,060,027
Closing net book amount	<u>2,060,027</u>	<u>2,060,027</u>

The ultimate recoverability of the Group's areas of interest is dependent on the successful discovery and commercialisation of the project. The Group follows the guidance of AASB 6 Exploration for and Evaluation of Mineral Resources to determine when capitalised exploration and evaluation expenditure is impaired.

Refer to Note 1(u) for further details.

NOTE 7: TRADE AND OTHER PAYABLES

	2020	2019
Trade payables	1,882,182	828,430
Director and former director related entities creditors	123,013	810,375
Accrued expenses	10,500	32,228
Accrued director fees and remuneration	255,500	177,500
Payroll liabilities – accrued superannuation	11,400	11,400
Other payable	338	-
	<u>2,282,933</u>	<u>1,859,933</u>

Details about the Group's exposure to risks arising from current and non-current liabilities are set out in Note 13.

NOTE 8: BORROWINGS

On 14 March 2014, the Group entered into a loan agreement with the lenders (entities associated with Mr Michael Fotios) to the amount of \$1,000,000 or such other greater sum as the parties may agree in writing. The loan is provided by a syndicate of lender the details of which are provided in Note 19 The purpose of the loan facility is to provide working capital to the Group to fund its immediate operational requirements is at an interest rate of 8% per annum. The loan facility limit does not refresh if debt is converted to equity. This agreement was superseded by the variations and agreement described below.

	2020	2019
Reconciliation of carrying amount of loans from related parties		
Opening amount	1,090,247	354,297
Reclassified as other borrowings	118,489	(8,952)
Drawdowns during the year	-	167,164
Loans assumed on acquisition of subsidiary	-	868,982
Interest accrued	85,872	80,946
Interest repaid in shares during the year	-	(28,017)
Repayments in shares during the year	-	(344,173)
Closing drawdown balance	1,294,608	1,090,247
Loans from non-related parties	5,246	8,952

From the \$1,294,608 drawdown balance, \$985,421 are owed to related parties and \$309,188 relates to Investmet Limited who are currently in Liquidation. This latter balance has been called upon on behalf of the Liquidators and is not bound by the most recent Loan Variation announced on 29 September 2020.

On 27 October 2017, the Company announced it had entered into an agreement with Investmet Limited and Delta Resource Management Pty Ltd to provide funding of up to \$1,000,000 to the Company.

As per the ASX Announcement dated 27 September 2018, a Letter of Variation was executed to increase the loan facility limit from \$1,000,000 to \$2,000,000.

On 16 October 2018, a revised agreement incorporating all previous variations was signed.

As per the ASX Announcement dated 13 March 2020, a Letter of Variation was executed to increase the loan facility limit from \$2,000,000 to \$2,500,000. As at 30 June 2020 the company had \$904,000 available redraw on the loan facility (see June Quarterly Activities and Cashflow announced on ASX 3 August 2020).

On 29 September 2020 the Company announced to the ASX a further letter of variation had been executed extending the repayment date to 31 December 2021.

There are no covenants in connection to the Loan Facility.

Details about the Group's exposure to risks arising from current and non-current borrowings are set out in Note 13.

NOTE 9: CONTRIBUTED EQUITY

	2020	
Issued Capital	Number	\$
Fully paid ordinary shares (a)	177,024,525	17,622,564
Shares to be issued (b)(i)	11,000,000	2,200,000
Shares issued	27,493,334	412,400
Total Contributed Equity	215,517,859	20,234,964

Issued Capital	2019	
	Number	\$
Fully paid ordinary shares (a)	177,024,525	17,622,564
Shares to be issued (b)	11,000,000	2,200,000
Total Contributed Equity	188,024,525	19,822,564

- (i) The above shares to be issued represents the deferred consideration payable under the Mt Mulcahy Tenement Sale Agreement

(a) Movements in fully paid ordinary shares	2020	
	Number	\$
Details		
Balance 1 July 2018	135,024,525	16,554,564
Issued during the year	42,000,000	1,068,000
Balance 30 June 2019	177,024,525	17,622,564
Issued during the year	27,493,334	412,400
Balance 30 June 2020	204,517,859	18,034,964

(b) Movements in shares to be issued	2020	
	Number	\$
Details		
Balance 1 July 2018	13,000,000	2,260,000
Issued Placement shares	(2,000,000)	(60,000)
Balance 30 June 2019	11,000,000	2,200,000
Issued Placement shares	-	-
Balance 30 June 2020	11,000,000	2,200,000

NOTE 10: ACCUMULATED LOSSES

	2020	2019
Accumulated losses at beginning of year	(21,048,187)	(21,033,576)
Net loss for the year	(818,449)	(2,644,232)
Transfer on expiry of options	-	2,629,621
Accumulated losses at end of year	(21,866,636)	(21,048,187)

NOTE 11: SHARE BASED PAYMENT RESERVE

	2020	2019
Balance at the beginning of the year	464,293	2,629,621
Transfer on expiry of options	-	(2,629,621)
Issue of unlisted options	-	464,293
Balance at end of year	464,293	464,293

Nature and purpose of reserves

The share-based payments reserve is used to recognise the fair value of shares issued to employees, to Directors and for the acquisition of assets.

NOTE 12: LOSS PER SHARE

	2020	2019
Loss attributable to the members of the Company used in calculating basic and diluted loss per share	(818,449)	(2,644,232)
Basic loss per share (cents)	(0.43)	(1.51)
Diluted loss per share (cents)	N/A	N/A
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share)	192,092,653	175,337,767

The loss for the year means that the potential ordinary shares on issue are anti-dilutive.

NOTE 13: FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This Note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the cash and cash equivalents.

Trade and other receivables

As the Group operates in the mining explorer sector, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables. Presently, the Group undertakes exploration and evaluation activities exclusively in Australia. At the reporting date there were no significant concentrations of 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:

	Carrying Amount	
	2020	2019
	\$	\$
Cash and cash equivalents	167,205	4,750
Other receivables	188,176	133,025
	355,381	137,775

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
	\$	\$
<i>Financial assets – counterparties without external credit rating</i>		
Financial assets with no default in past	188,176	1,970
Cash at bank and short-term bank deposits		
AA-S&P rating	167,205	4,750
	355,381	6,720

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity and to sell surplus assets to fund exploration and evaluation activities. The Group monitors the level of funding from related parties and the reliance of such funding on the basis of the gearing ratio.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting. Neither the Company nor its subsidiary is subject to externally imposed capital requirements.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

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. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2020

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	2,282,933	2,282,933	2,282,933	-	-	-	-
Borrowings	1,299,854	1,299,534	-	1,299,534	-	-	-
	<u>3,582,787</u>	<u>3,582,787</u>	<u>2,282,933</u>	<u>1,299,534</u>	<u>-</u>	<u>-</u>	<u>-</u>

30 June 2019

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	1,859,933	1,859,933	1,859,933	-	-	-	-
Borrowings	1,099,199	1,099,199	-	1,099,199	-	-	-
	<u>2,959,132</u>	<u>2,959,132</u>	<u>1,859,933</u>	<u>1,099,199</u>	<u>-</u>	<u>-</u>	<u>-</u>

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Sensitivity analysis

If the interest rates had weakened/strengthened by 10% (based on forward treasury rates) at 30 June 2020, there would be no material impact on the statement of profit or loss and other comprehensive income. There would be no effect on the equity reserves other than those directly related to statement of profit or loss and other comprehensive income movements.

Interest rate risk

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Group intends to hold fixed rate assets and liabilities to maturity. Interest rate risk is not considered to be material.

2020	Fixed Interest	Floating Interest	Non-Interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	-	167,205	-	167,205
Trade and other receivables	-	-	188,174	188,174
Weighted Average Interest Rate	-	-	-	-
Net Financial Assets	-	167,205	188,174	355,379
Financial Liabilities				
Trade and other payables and borrowings	1,299,854	-	2,294,333	3,594,187
	1,299,854	-	2,294,333	3,594,187

2019	Fixed Interest	Floating Interest	Non-Interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	-	4,750	-	4,750
Trade and other receivables	-	-	1,970	1,970
Weighted Average Interest Rate	-	-	-	-
Net Financial Assets	-	4,750	1,970	6,720
Financial Liabilities				
Trade and other payables and borrowings	1,099,199	-	1,859,933	2,959,132
	1,099,199	-	1,859,933	2,959,132

Fair values

The Group does not have any financial instruments that are subject to recurring fair value measurements. Due to their short-term nature, the carrying amounts of the current receivables and current trade and other payables are assumed to approximate their fair value.

NOTE 14: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group does not have any operating segments with discrete financial information. The Group does not have any customers, and all the Group's assets and liabilities are located within Australia.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

NOTE 15: COMMITMENTS

Exploration commitments

The Group has certain obligations to perform minimum exploration work and to spend minimum amounts on exploration tenements. The obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group.

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature and amount of future expenditure beyond the next year. Expenditure may be reduced by seeking exemption from individual commitments, by relinquishing of tenure or any new joint venture agreements. Expenditure may be increased when new tenements are granted.

Commitment contracted for at balance date but not recognised as liabilities are as follows:

	2020	2019
	\$	\$
Within one year	234,000	50,000
	234,000	50,000

NOTE 16: EVENTS OCCURRING AFTER THE REPORTING PERIOD

COVID-19

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

On 13 August 2020 the Company announced commencement of drilling at the Pharos Project. In doing so the Company signed a contract with iDrilling Australia to undertake a minimum of 5,000m of RC drilling to be completed during 2020, with an initial programme of 2,500m to commence from next week.

On 16 September 2020 2,500,000 fully paid ordinary shares were issued following the exercise of 2,500,000 unlisted options (expiry date 18 October 2020, exercise price \$0.05 per share).

On 28 September 2020 the Company announced to the ASX the initial results from its exploration program at the Pharos Project. High grade gold was confirmed at the Lantern prospect.

On 29 September 2020 the Company announced to the ASX a further letter of variation to the loan facility had been executed extending the repayment date to 31 December 2021.

There have been no matters that have arisen since 30 June 2020 that have significantly affected, or may significantly affect, the operations of the Group, the results of the operations or the state of affairs of the Group in future years.

NOTE 17: AUDITOR'S REMUNERATION

	2020	2019
	\$	\$
Amount paid or payable to BDO Audit (WA) Pty Ltd for assurance services	34,086	48,353
	34,086	48,353

NOTE 18: DIVIDENDS

There were no dividends declared or paid during the current and prior years.

NOTE 19: RELATED PARTY TRANSACTIONS

	2020	2019
	\$	\$
(a) Summarised Compensation of Key Management Personnel		
Short-term employee benefits	108,000	89,500
Post-employment benefits	-	-
	108,000	89,500

(b) Other Transactions with Key Management Personnel

The entities referred to below were related parties while Mr Michael Fotios was a director of the Company and also a director of each of the entities. Mr Fotios ceased to be a director of the Company on 31 October 2018 and of each entity on 30 April 2019.

Related party creditors

The Group has entered into an administrative services management agreement with Delta Resource Management Pty Ltd (Delta). No Amounts were settled through the issue of shares to Delta Resource Management Pty Ltd for the year (2019: \$373,488); As at 30 June 2020, there is a balance of \$1,037,524 excl. of GST outstanding (2019: \$597,370).

	2020	2019
	\$	\$
Delta Resource Management Pty Ltd	1,141,276	657,107
Investment Limited (in liquidation)	93,018	93,018
	1,234,294	750,125

The above transactions are based on normal commercial terms and conditions and at arm's length.

Loans from related parties

The purpose of the loans with related parties is to provide working capital to the Group to fund its immediate operational requirements. The proceeds from the loans have been used to meet short-term expenditure needs. The following balance is outstanding at the end of the reporting period. Further information relating to loan from Michael Fotios Family Trust is set out in Note 8.

	2020	2019
	\$	\$
<i>Interest-bearing loans</i>		
Azurite Corporation	347,348	324,570
Delta Resource Management Pty Ltd	163,288	37,856
Michael Fotios Family Trust	474,784	442,099
Investmet Limited (in liquidation)	309,188	285,722
	1,294,608	1,090,247

The above loans (other than the portion relating to Investmet Limited, who are currently in Liquidation) are not expected to be repaid until such a time that the Company has received the necessary funds for repayment and such a repayment would not impair the ability for the Company to continue as a going concern.

NOTE 20: INVESTMENT IN CONTROLLED ENTITIES

Name of Entity	Equity Holding		Cost of Parent Entity's Investment	
	2020	2019	2020	2019
Parent Entity	%	%	\$	\$
Scorpion Minerals Limited				
Controlled Entity				
Placer Resources Pty Ltd	100	100	700,000	700,000
LESS Impairment Costs			(700,000)	(700,000)
Scorpion Metals Limited	100	100	168,000	168,000
LESS Impairment Costs			(168,000)	(168,000)
			-	-

Scorpion Metals Limited, Scorpion Minerals Limited and Placer Resources Pty Ltd are domiciled in and incorporated in Australia.

NOTE 21: SHARE BASED PAYMENTS

For the year ending 30 June 2020 there was no share based payments.

On 2 October 2018, and as part of acquisition of Scorpion Metals Limited, shareholders approved the issue of 12,000,000 shares at a deemed issue price of \$0.03 as consideration for the acquisition of all of the capital of the subsidiary Scorpion Metals Limited. The shares were issued on 18 October 2018 and recorded in the accounts at the share price \$0.018 being the fair value of the shares on the date of issue.

Shareholders also approved the issue of a total of 45,000,000 options to the directors of Scorpion Metals Limited.

The options were issued 18 October 2018 on the following terms:

Director	3 cents Expiry 18/10/2019	5 cents Expiry 18/10/2020	10 Cents Expiry 18/10/2021	Total
Bronwyn Barnes	9,736,845	9,736,845	9,736,845	29,210,535
Grant Osborne	3,421,051	3,421,051	3,421,051	10,263,153
John Dixon	1,842,104	1,842,104	1,842,104	5,526,312
Total	15,000,000	15,000,000	15,000,000	45,000,000

On 2 October 2018, shareholders also approved the issue of 26,666,666 shares at an implied price of \$0.03 per share and a total of 22,500,000 options to Investmet Limited and Delta Resource Management Pty Ltd as consideration for the agreement to revised loan terms as detailed in the Notice of Meeting.

The options were issued 18 October 2018 on the following terms:

Company	3 cents Expiry 18/10/2019	5 cents Expiry 18/10/2020	10 Cents Expiry 18/10/2021	Total
Investment Limited	3,750,000	3,750,000	3,750,000	11,250,000
Delta Resources Management Pty Ltd	3,750,000	3,750,000	3,750,000	11,250,000
Total	7,500,000	7,500,000	7,500,000	22,500,000

The fair value of these options granted was calculated by using the Black-Scholes option valuation methodology and applying the following inputs:

Input Data	3 cents Expiry 18/10/2019	5 cents Expiry 18/10/2020	10 Cents Expiry 18/10/2021	Total
Share Price	\$0.018	\$0.018	\$0.018	-
Current Exercise Price of Option	\$0.030	\$0.050	\$0.100	-
Periods to Exercise in years	1.00	2.00	3.00	-
Expiry Date	26/10/2019	26/10/2020	26/10/2021	-
Expected share price volatility	118%	118%	118%	-
Risk-free interest rate	4%	4%	4%	-
Value per option	\$0.0057	\$0.0071	\$0.0074	-
Total	\$2,827	\$3,547	\$3,719	\$10,093

NOTE 22: STATEMENT OF CASH FLOWS

	2020	2019
	\$	\$
Reconciliation of cash and cash equivalents		
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows		4,750
Operating loss after tax	(818,449)	(2,644,232)
Interest	52,105	
Impairment expenses	-	1,622,768
Share based payment expenses	-	464,293
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(54,811)	464,800
Increase/(decrease) in borrowings	82,166	(20,187)
Increase/(decrease) in trade and other payables	370,555	(82,949)
Net cash (used in) operating activities	(368,434)	(195,507)

There were no non-cash financing and investing activities (2019: nil)

NOTE 23: SCORPION MINERALS LIMITED PARENT COMPANY INFORMATION

	2020	2019
	\$	\$
ASSETS		
Current assets	354,593	137,013
Non-current assets	2,060,027	2,645,446
TOTAL ASSETS	2,414,620	2,782,459
LIABILITIES		
Current liabilities	2,173,145	1,719,321
Borrowings	297,756	164,544
TOTAL LIABILITIES	2,470,901	1,883,865
EQUITY		
Contributed equity	20,234,964	19,822,564
Reserves	464,293	464,293
Accumulated losses	(20,755,537)	(19,388,263)
TOTAL EQUITY	(56,280)	(898,594)
FINANCIAL PERFORMANCE		
(Loss) for the year	(763,636)	(984,309)

GUARANTEES ENTERED INTO BY THE PARENT ENTITY

As at 30 June 2020 and 2019, the Company has not provided any financial guarantees in relation to the debts of its subsidiaries.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying consolidated notes, are in accordance with the Corporations Act 2001 and:
 - (a) Comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) Give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the Group.
2. In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. The Directors have been given the declarations by the Managing Director required by section 295A.
4. The Group has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

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



Craig Hall
Director

Perth, Western Australia
30 September 2020

INDEPENDENT AUDITOR'S REPORT

To the members of Scorpion Minerals Limited

Report on the Audit of the Financial Report

Opinion

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

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the 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 opinion.

Material uncertainty related to going concern

We draw attention to Note 1 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.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
<p>At 30 June 2020 the Group held a significant carrying value of Exploration and Expenditure Assets as disclosed in Note 1 (j) & Note 6.</p> <p>As the carrying value of these Exploration and Evaluation Assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular:</p> <ul style="list-style-type: none"> • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. <p>As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining from management a schedule of areas of interest held by the Group and assessing whether rights to tenure of those areas of interest remained current at balance date; • Holding discussions with management with respect to the status of ongoing exploration programmes in the area of interest and assessed the Group's cash flow forecast for the level of budgeted spend on the project; • Considering whether the area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; and • Considering whether any facts or circumstances existed to suggest impairment testing was required. • We also assessed the adequacy of the related disclosures in Note 1 (j) & Note 6 to the Financial Statements.

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 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 18 to 20 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Scorpion Minerals Limited, 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



Neil Smith
Director

Perth, 30 September 2020

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ADDITIONAL INFORMATION

Additional Information for Listed Public Companies

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is current as at 28 September 2020.

Distribution of quoted security holders

Range	Holders	Units	Percentage
1 - 1,000	33	6,858	0.00%
1,001 - 5,000	83	262,694	0.13%
5,001 - 10,000	85	701,324	0.34%
10,001 - 100,000	270	11,579,835	5.54%
Over 100,000	177	196,467,148	93.99%
TOTAL	628	206,517,859	100%

Voting rights

All ordinary shares carry one vote per share without restriction.

Unquoted securities

Nil.

On-market buy-back

There is no current on-market buy-back.

Securities Exchange listing

Quotation has been granted for the Company's Ordinary Shares on ASX Limited (Code: SCN).

Shareholder Name	Units	Percentage
Investmet Ltd	31,092,735	14.9%
Delta Resource Management Pty Ltd	13,831,033	6.7%

Less Than Marketable Parcel

Parcel	Holders	Units	Percentage
Total unmarketable parcel 1-5050 shares	117	274,553	0.13%

Twenty largest shareholders – Ordinary Shares

	Shareholder Name	Units	Percentage
1	INVESTMET LTD C/- McGRATH NICOL	17,009,402	8.14%
2	INVESTMET LTD	14,083,333	6.74%
3	DELTA RESOURCE MANAGEMENT PTY LTD	13,831,033	6.62%
4	WYLLIE GROUP PTY LTD	6,596,465	3.16%
5	BARNES STUART C & B < S & B BARNES FAMILY A/C>	5,561,405	2.66%
6	PERTH SELECT SEAFOODS PTY LTD	5,000,000	2.39%
7	FOTIOS MICHAEL GEORGE <MICHAEL FOTIOS FAMILY A/C>	4,341,893	2.08%
8	MR ANTHONY HAROLD FOTIOS <FOTIOS FAMILY ACCOUNT>	4,281,937	2.05%
9	MR JOHN JANSEN + MRS DALE JANSEN <JJ RETIREMENT A/C>	4,189,229	2.00%
10	BLACK RAVEN MINING PTY LTD	4,000,000	1.91%
11	SHARIC SUPERANNUATION PTY LTD <FARRIS S/F A/C>	3,500,000	1.67%
12	PEAK BODY PTY LTD <PEAK BODY UNIT A/C>	3,451,725	1.65%
13	ORANGE CORPORATION PTY LTD <SAINT GEORGE A/C>	3,333,334	1.61%
14	MS BETTY JEANETTE MOORE & MR PHILIP COLIN HAMMOND <BJM SUPERANNUATION FUND A/C>	3,300,000	1.58%

15	MR PHILIP COLIN HAMMOND & MS BETGTY JEANETTE MOORE <MGB SUPERANNUATION FUND A/C>	3,300,000	1.58%
16	MS BETTY JEANETTE MOORE & MR PHILIP COLIN HAMMOND <BJM SUPER FUND A/C>	3,200,000	1.53%
17	MR PHILIP COLIN HAMMOND & MRS BETTY JEANETTE MOORE <MGB SUPER A/C>	3,074,962	1.47%
18	LACLOS PTY LTD <LACLOS LIFESTYLE A/C>	3,000,000	1.43%
19	SPENCER ANDREW WILLIAM <AJ FAMILY A/C>	2,925,570	1.40%
20	MR ERIC PETER MURPHY + MRS KIM LEA MURPHY <MURPHY FAMILY S/F A/C>	2,600,000	1.24%
	TOTAL	110,580,288	52.90%

Corporate Governance Statement

The Company's Corporate Governance Statement for the 2020 financial year can be accessed on the Company's website.

TENEMENT

TENEMENT No.	LOCATION	STATUS	INTEREST %	HOLDER
E20/931	WA	Granted	100	Scorpion Minerals Ltd
P51/3016	WA	Granted	100	Scorpion Minerals Ltd
P51/3017	WA	Granted	100	Scorpion Minerals Ltd
E20/962	WA	Application	100	Scorpion Minerals Ltd
E20/948	WA	Granted	0% ¹	Element 25
E20/953	WA	Granted	0% ¹	Element 25
P20/2252	WA	Granted	0% ²	T.H. Little
P20/2253	WA	Granted	0% ²	T.H. Little

¹As per the 'Pharos Project (Yallon and Sunday Well) Call Option Agreement Summary' SCN has commenced a 9 month option period for E20/948, with payment of \$75,000 to earn 100% due to Element 25 before 21st October 2020; and a 9 month option period for recently granted E20/953, with payment of \$75,000 to earn 100% due to Element 25 before 22nd July 2021.

²Company is in receipt of transfer papers from T.H. Little.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

Name of entity

Scorpion Minerals Limited

ABN / ARBN

40 115 535 030

Financial year ended:

30 June 2020

Our corporate governance statement² for the above period above can be found at:³

- These pages of our annual report:
 This URL on our website:

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 30 September 2020

Name of Director or Secretary authorising lodgement:


Carol New

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable. Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

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Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at www.scorpionminerals.com.au</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			

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Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.5	<p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.6	<p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY		
<p>3.1 A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>... our code of conduct or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at www.scorpionminerals.com.au</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING		
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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Appendix 4G

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Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at www.scorpionminerals.com.au	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at www.scorpionminerals.com.au	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at www.scorpionminerals.com.au	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable

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Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and a copy of the charter of the committee: <input type="checkbox"/> at <i>[insert location]</i> ... and the information referred to in paragraphs (4) and (5): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> [If the entity complies with paragraph (b):] ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

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Appendix 4G

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Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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Appendix 4G

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Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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Appendix 4G

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Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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