MARQUEE RESOURCES LIMITED

Annual Report

for the year ended 30 June 2020

CONTENTS

CORPORATE INFORMATION

ABN 94 616 200 312

Directors

Mr Charles William Thomas	Executive Chairman
Mr George Henderson	Non-Executive Director
Mr John Daniel Moore	Non-Executive Director
Mr Mark Ashley	Non-Executive Chairman (resigned 24 October 2019)

Company secretary

Mrs Anna MacKintosh

Registered and Principal Office

22 Townshend Road
Subiaco WA 6008

Telephone: 08 6380 2470
Website: www.marqueeresources.com.au

Share register

Automic Pty Ltd
Level 2, 267 St. George's Terrace
Perth WA 6000

Solicitors

AGH Law
Level 2, 66 Kings Park Road
West Perth WA 6005

Bankers

NAB
100 St. Georges Terrace
Perth WA 6000

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Securities Exchange Listing

Marquee Resources Limited shares are listed on the Australian Securities Exchange (ASX: MQR)

DIRECTOR'S REPORT

Your directors present their report together with the financial statements of the Group consisting of Marquee Resources Limited ("the Company") and the entities it controlled during the year for the financial year ended 30 June 2020. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

Directors

The names of directors who held office during or since the end of the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Charles Thomas B.Com (Executive Chairman)

Experience and expertise	Mr Thomas holds a Bachelor of Commerce from UWA majoring in Corporate Finance. Mr Thomas is an Executive Director of GTT a boutique corporate advisory firm based in Australia. Mr Thomas has worked in the financial service industry for more than 16 years and has extensive experience in capital markets as well as the structuring of corporate transactions. Mr Thomas has significant experience sitting on numerous ASX boards spanning the mining, resources and technology space.
Other current directorships	Non-executive director of Viking Mines Ltd (ASX.VKA) Non-executive director Chase Mining Corporation Limited (ASX.CML)
Former listed directorships in last 3 years	None

Mr George Henderson (Non-Executive Director)

Experience and expertise	Mr Henderson is a corporate lawyer with AGH Law. George primarily works in mergers and acquisitions, capital raisings and regulatory compliance, and has particular experience in the resources sector. George graduated from the University of Western Australia with degrees in Law and Commerce (Corporate Finance and Financial Accounting).
Other current directorships	Nil
Former listed directorships in last 3 years	Nil

Mr John Daniel Moore (Non-Executive Director) appointed 5 September 2019

Experience and expertise	Mr John Daniel Moore has extensive experience in equity capital markets since 2004, previously with Wilson HTM and Morgan Stanley, focused on energy companies.
Other current directorships	Non-executive Director Koch Metals Ltd
Former listed directorships in last 3 years	Non-executive Director iCollege (ASX:ICT)

Mark J Ashley FMCA (Non-Executive Chairman) resigned 24 October 2019

Experience and expertise	Mr Ashley is a senior resource executive with an over 30-year career launching, turning around, and optimising internationally listed organisations mostly in Mining and Natural Resource Sectors. Mr Ashley has a wide ranging and in-depth knowledge of the technical, commercial and financial aspects of the Resource sector (precious metals, base metals and bulk commodities) having held senior executive roles of a number of internationally listed entities including Normandy Mining, Cluff Resources, LionOre Mining International, Kagara Zinc, Apex Minerals and many others. He has significant international experience having worked in London, Shanghai, Turkey, Africa, Australia and now the USA. Mr Ashley is a citizen of the USA, Australia and the UK and currently resides in California.
Other current directorships	Tonogold Resources Inc OTC (USA)
Former listed directorships in last 3 years	Vangold Resources Inc TSVX (Canada)

DIRECTORS' REPORT cont.

Company Secretary

Anna MacKintosh B.Com (UWA) CPA

Anna MacKintosh has over 30 years' commercial experience including 11 years with BHP, 10 years with AFSL holder Kirke Securities Ltd as Compliance Manager, Finance Manager and Responsible Executive. Since then Mrs MacKintosh has been the Company Secretary/CFO for listed entity Kalia Limited (formerly GB Energy Ltd) (ASX: KLH), Financial Controller for Force Commodities (ASX: 4CE) and previously XTV Networks Ltd (ASX: XTV) and Applabs Technologies Ltd (ASX: ALA). She is also currently Company Secretary of TAO Commodities Ltd (ASX.TAO) and Global Oil & Gas Limited Ltd (ASX.GLV)

Interests in the shares and options of the Company and related bodies corporate
The following relevant interests in shares and options of the Company or a related body corporate were held by the directors as at the date of this report.

Directors	Number of fully paid ordinary shares	Number of options over ordinary shares	Performance Rights
Mr Charles Thomas	1,000,000	6,583,333[(i)]	5,000,000
Mr George Henderson	10,000	500,000[(i)]	1,000,000
Mr John Daniel Moore	Nil	500,000[(i)]	Nil

There are no unpaid amounts on the shares issued.

The Company currently has 8 million listed options issued via a Non-renounceable Entitlement Offer in September 2017 (expire 30 September 2020) and 50 million unlisted options (exercise price $0.08, expiry 30 June 2023).

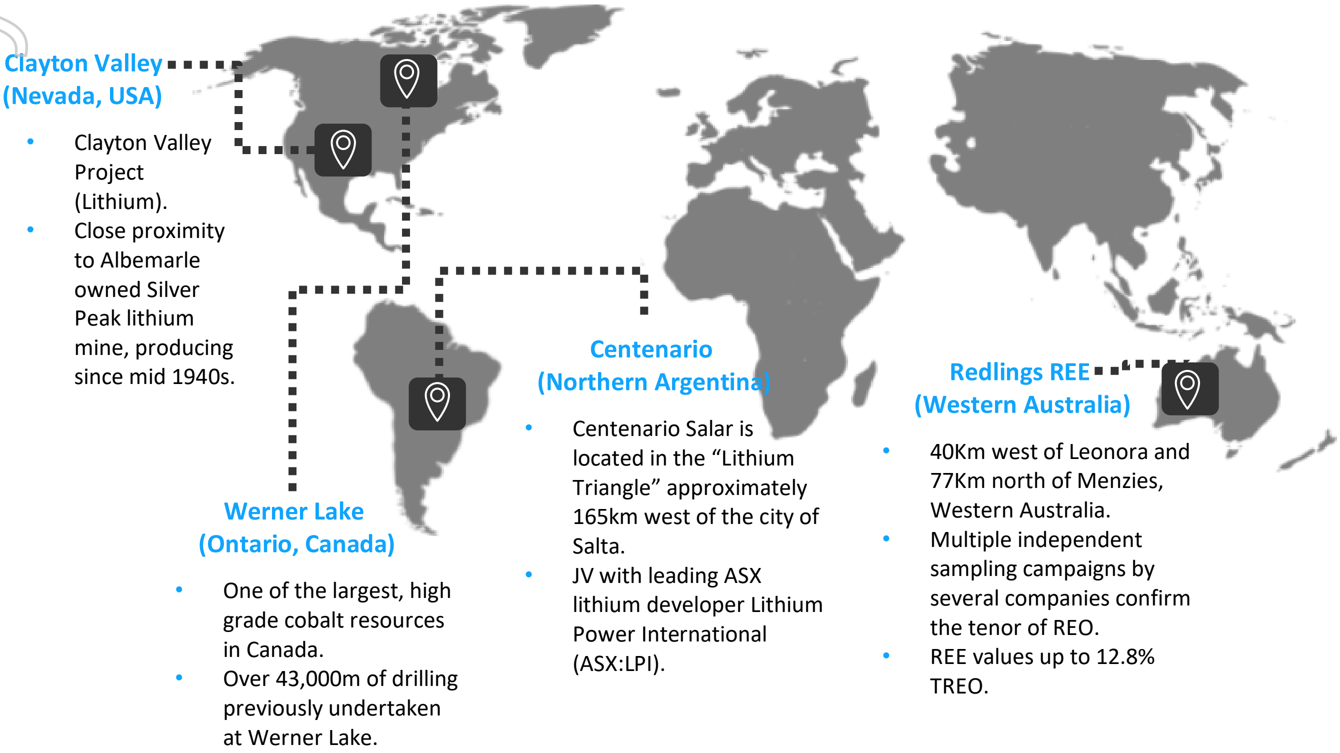
(i) Unlisted options were issued 1 Sep 2020

Dividends
No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

DIRECTORS' REPORT cont.

Principal Activities

Marquee Resources is a mineral explorer that has interests in the Ontario Cobalt Projects (Werner Lake 30%) , Clayton Valley Lithium Project (100%) (Nevada, USA) , Redlings REE project (100%) Western Australia and Centenario Lithium project (30%) Argentina.



Werner Lake Cobalt Project

On 21 February 2018, Marquee Resources and Global Energy Metals Corporation (TSXV:GEMC) finalised the strategic option agreement (initially announced on the ASX on 5 December 2017) which amongst other things outlined the terms by which Marquee would earn into the Werner Lake Project. The key terms from that agreement were that Marquee would incur expenditures of AUD$1,000,000 to earn a 30% interest in the Property within year one, and a further AUD $1,500,000 (for a total of AUD $2,500,000) to earn a 70% interest in the Property on or before year two.

Having incurred stage one expenditure commitments in excess of AUD $1,000,000, Marquee met the requirements to earn the company an initial 30% interest in Werner Lake; however, there was a shortfall in project expenditures required for the company to earn the next threshold of 70% ownership within the designated timeframe.

The Agreement's 24-month period for the Company to earn a 70% ownership at Werner Lake has now expired. MQR and GEMC have extensively discussed potential transactions that would allow for Marquee to end up as the 100% owner of the project but at this stage have been unable to settle on satisfactory terms for either party.
The companies have now made the mutual decision to let the Agreement lapse as a result of current market conditions. Both companies will continue to explore different ownership structures amongst themselves as well as searching for other parties that may wish to acquire the project in whole or part.

The current ownership of the Werner Lake Cobalt Project is Marquee holding 30% and GEMC holding 70%.

Marquee extensively tested the exploration potential at the Werner Lake project over the last two years and made significant expenditure in advancing the project to where it stands today. The work completed further confirmed the potential for significant exploration and potential future production at the past producing primary cobalt project.

Marquee's work program of roughly AUD $2 million in project expenditures over the past two years successfully achieved its objectives outlined below, and additionally, identified new areas of mineralisation that open the deposit along strike and at depth. Amongst other items the program completed the following:

DIRECTORS' REPORT cont.

- Confirmed high grade cobalt mineralisation intersected in numerous drill holes during previous diamond drilling programs.
- Provided additional structural and geotechnical data for ongoing project development studies.
- Increased pierce points within the current block model to enhance the current mineral resource.
- Regained an understanding of the geological controls on mineralisation and advance interpretive theories from the detailed work in the mid 1990's.

The Phase 1 exploration campaign at Werner Lake was primarily focused on narrow spaced drilling, which has been designed to increase the existing resource, which remains open in all directions.

Phase 2 drilling was intended to extend mineralisation beneath the current resource area and test potential down dip and down plunge extensions to the mineralisation at Werner Lake. In addition to this exploration drilling, five drill holes for metallurgical purposes (452 m) were completed to create a composite bulk sample of approximately 150 kilograms that were sent for metallurgical testing at SGS Laboratories Canada.

The results from the programs are significant because they have intersected high-grade mineralisation within and beyond the constraints of the current Mineral Resource model. This continues to confirm the potential for significant exploration upside to Werner Lake's existing resource.

Clayton Valley Project (USA)

Clayton Valley covers 12 square kilometres of claims endowed with both lithium-rich brines and clays.

The Lithium Brine Project is located the north-east side of south end of the Clayton Valley Basin and to the south of the only producing lithium mine in North America. The location of the project is well suited to service the US domestic market with lithium brines exploited by scalable, staged development that can be expanded with increasing demand. The project is approximately 3.5 hours away from Tesla's Gigafactory 1, a large lithium-ion battery factory.

The results presented in the drilling reports released on 26 September 2017 opened up the South-Eastern Clayton Valley to an expanded potential and could potentially rewrite the geology of the area.

The company in conjunction with its consultant geologist has been assessing the best course of action for the Clayton Valley Project and are exploring alternative options for Clayton Valley in order to maximise value for shareholders. This includes the possibility of farm-in partners for the project or an outright sale. Activity in relation to this however has not yet reached a stage whereby there is certainty one way or another as to the direction that will eventuate. Should this process not result in a favourable outcome for shareholders, management will look to undertake further exploration to enhance results and the underlying value of the asset.

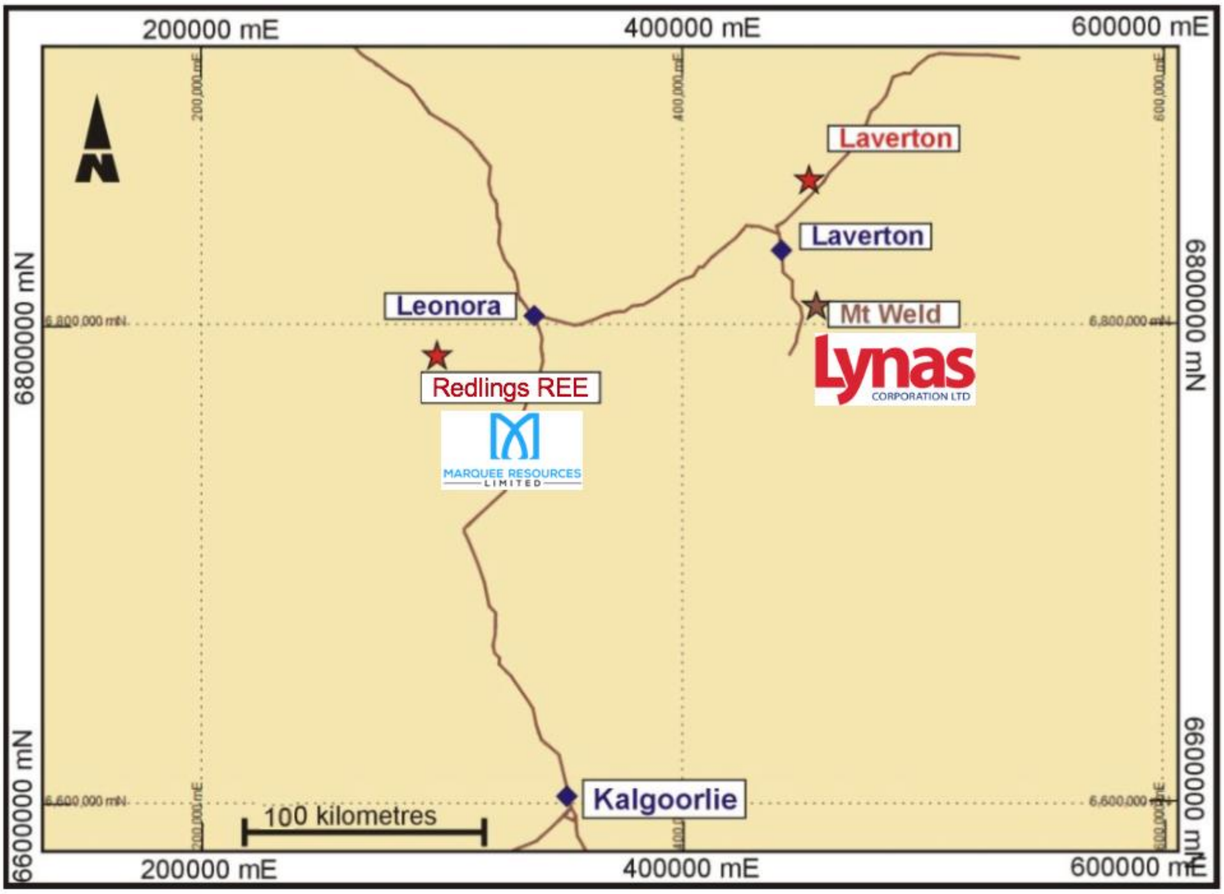
Clayton Valley Lithium Project

DIRECTORS' REPORT cont.

Redlings REE project (Western Australia)

Marquee Resources Limited acquired 100% ownership of the Redlings REE Project (E37/1311) in July 2019. The total area of the exploration licence 37/1311 is 39.06km^2 (13 blocks)

The Redlings Project (formally called the Jungle Well Project) comprises a single exploration licence (37/1311) which covers an area of 39.06 km2 (13 blocks; Table 1). The Project is located approximately 40Km west of Leonora, and 77Km north of Menzies (Figure 1 and 2). Lynas Corporation's Mt Weld Project lies approximately 150km east of the project. The Sturt Meadows pastoral lease encompasses the project, which is accessed via the Leonora-Mt Ida road and thence by station tracks.



The Redlings Project is confined to undefined Archaean metagranites of the Yilgarn Craton. It is bound by the Mt Ida Greenstone Belt and the Mt Ida Fault to the west and the Leonora Greenstone Belt to the east. Proterozoic-aged dolerite dyke swarms, striking generally east - west, are readily interpreted from aeromagnetic data but are not evident on the ground.

Several kimberlite dykes have been identified with three of these, known as Redlings 1, 2 and 3, located within the project area. The rare earth mineralisation identified to date is interpreted to be associated with a northwest-trending dyke, which may be ultramafic in composition. The juxtaposed northwest-trending dyke and kimberlite occurrences suggest both have exploited the same crustal weakness.

The project area is extensively covered by laterite.

Desktop Study

The Company implemented a desktop study of its recently acquired asset before commencing fieldwork. The study identified several discrepancies in the legacy exploration data that require validation via a simple ground program before a more detailed program begins. The inconsistencies include the disagreement between drill collar locations contained in the historical reports and other available public domain information, deep auger holes developed in unweathered, outcropping granite, and to confirm the extent of actual auger work within the southern parts of the tenure and fringing the strike of the kimberlite dyke.

DIRECTORS' REPORT cont.

The Company acquired the available high-resolution multiclient aeromagnetic data, which covers 75% of the tenement area with 50m line spaced data, as part of the study.

The detailed survey promoted a fresh interpretation of the target area and the development of new areas of investigation for further kimberlite and REE mineralization.

Auger Sampling program

MQR mobilised to site to conduct an auger soil programme over the primary target area. Infill/confirmatory samples were initially taken over the Redlings 2 and 3 prospects and the programme moved north-west to test extensions of the known mineralisation trend along a magnetic anomaly interpreted as representing the hosting structure of the Redlings Dyke. A total of 829 auger holes were drilled, which included 757 planned holes and the remainder as infill samples to improve definition or sample additional locations (Figure 1). Nine locations were abandoned due to outcropping granite. Four rock samples were also collected at points of interest (Figure 2).

Spacing of the auger holes was nominally 25 m along lines 200 m apart. All samples were taken from the bedrock interface and initially analysed by a portable X-ray fluorescence (pXRF) instrument to determine any significant REE anomalism. 526 samples were then submitted to Minanalytical Laboratory in Canning Vale for analysis. The northernmost auger samples were not submitted due to a lack of coherent REE anomalism detected by pXRF justifying the expense.

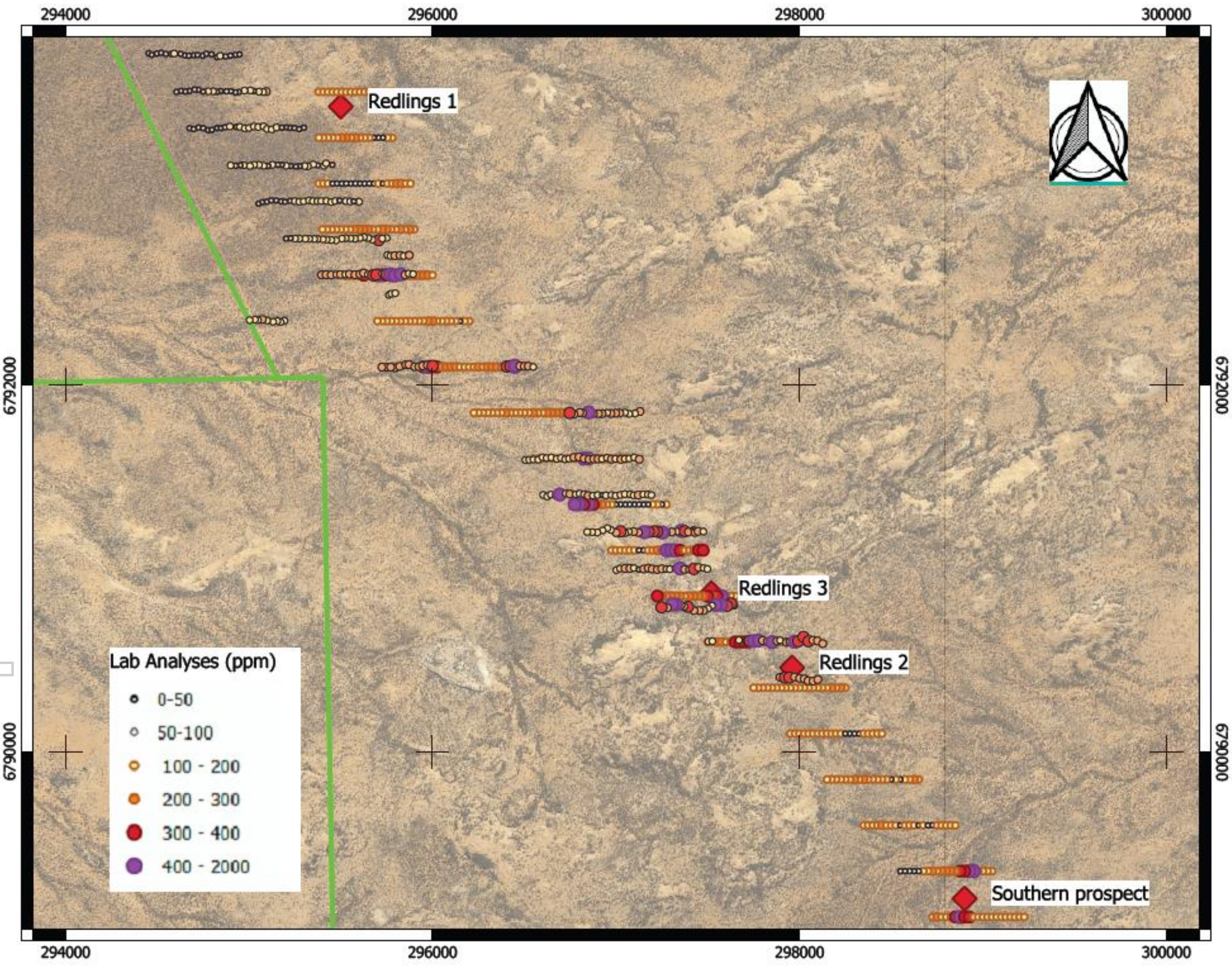


Figure 1: Laboratory results from the Redlings prospects area (TREE ppm)(MGA94_51).

DIRECTORS' REPORT cont.

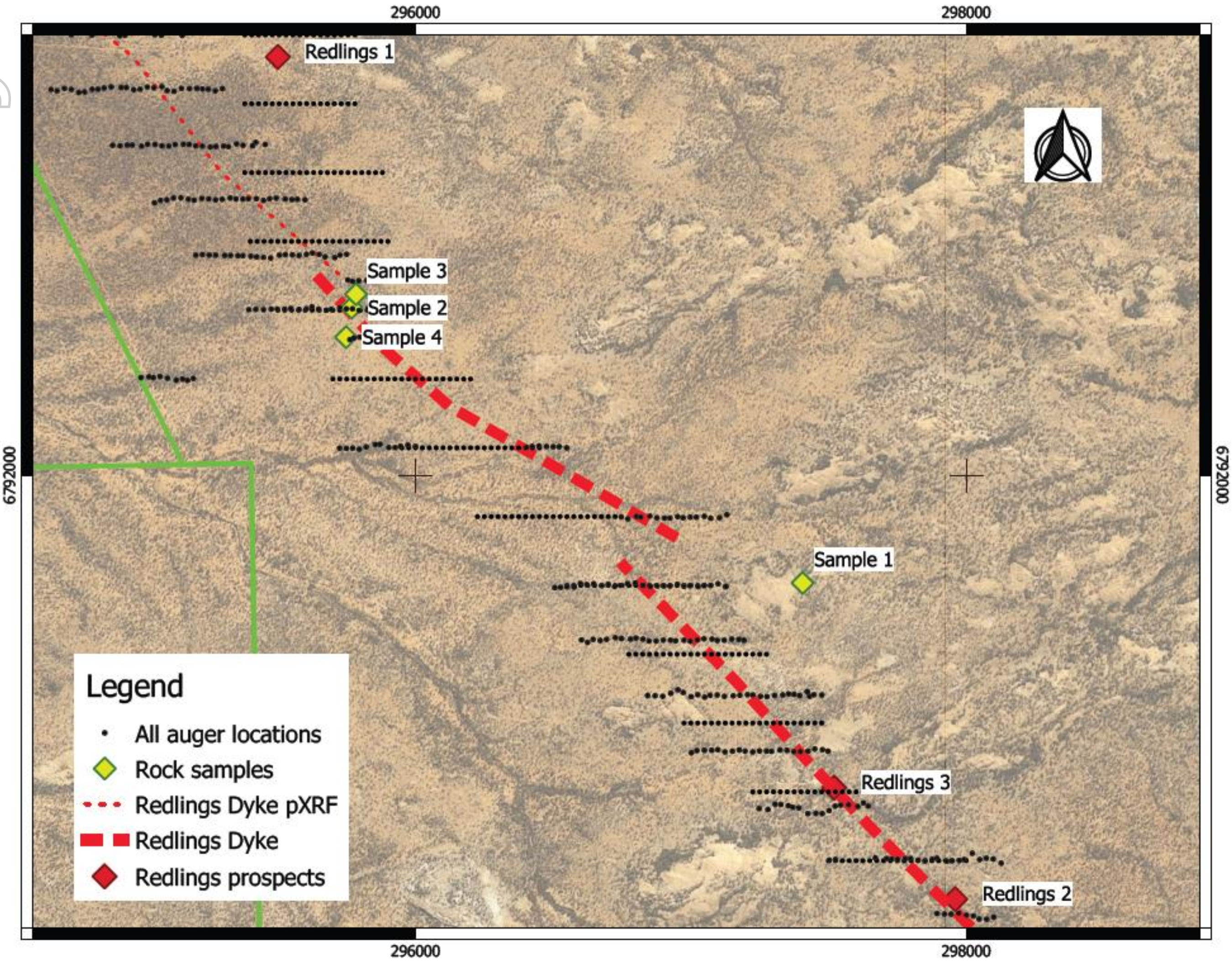


Figure 2: Location map of rock samples taken during the auger programme (MGA94_51).

There are several coherent multi-line anomalies through the Redlings prospects area that indicate the presence of strong REE mineralisation. The highest continuous concentrations of REE have been returned around the Redlings 3 prospect and to the north. This is to be expected given the exposure of the Redlings Dyke at this location, a 5 m drill-hole intersection of the dyke reported by Western Diamond Corporation NL also at this prospect and a shallow soil profile through the local area. This prospect provides the highest priority area for future drilling.

The 'Southern Prospect' generated by anomalous results from Victory Mines' previous auger programme remains untested in the current programme. The high REE values reported at the location require infill auger definition to confirm a target of sufficient size to consider drilling.

Marquee in consultation with its consulting geologists from RSC Global Pty Ltd will discuss the best course of action for the project. The Company has been granted an area adjacent to the current licence, E 37/1376. The intention is to amalgamate the two licences into one.

DIRECTORS' REPORT cont.

Centenario Lithium Project (30%) Argentina

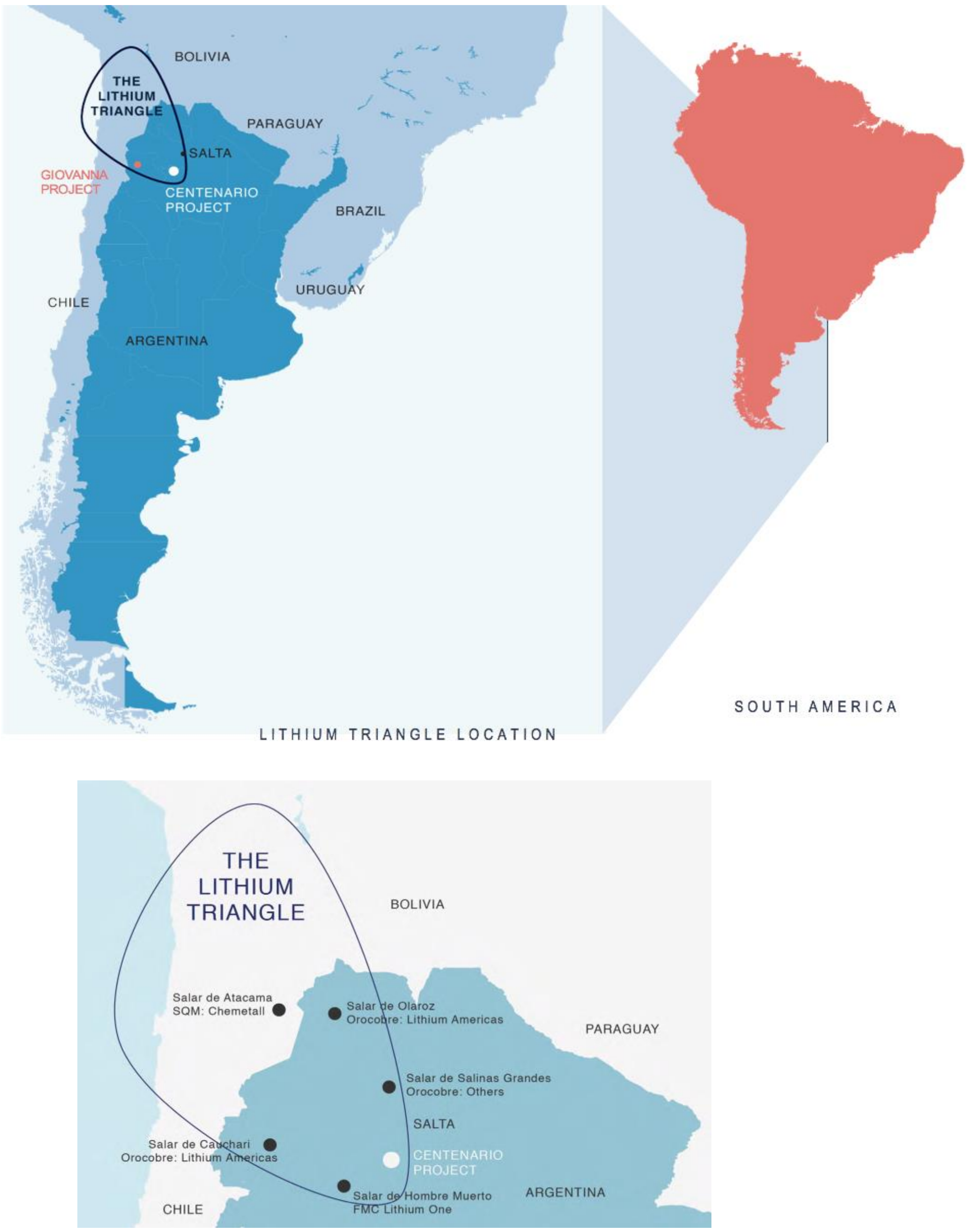
On September 5, 2019, the company completed the acquisition of Centenario Lithium Limited (CLL) a company incorporated in Australia, which holds a 30% interest in Lithium Power International Holdings (Argentina) Pty Ltd (**LPIH**). LPIH owns 100% of 7 leases in the Centenario Salar in Northern Argentina (**Tenements** or **Projects**). Lithium Power International Ltd, (ASX:LPI) (**LPI**) is the holder of the other 70% interest in LPIH.

The Centenario Salar is positioned in the centre of "The Lithium Triangle" in the mining friendly Salta province. The leases cover an area of 68km^2 in the Centenario Lithium Brine Salar over seven adjoining leases. It is located approximately 165km west of the City of Salta which has an international airport, hotels and other facilities (population 535,000).

The Centenario Salar is approximately 60km in length, with a long axis trending north-south with the average surface elevation being 3,900m above sea level. The Project area which is a basin surrounded by mountains 500 to 800m in height and as such is a closed drainage system.

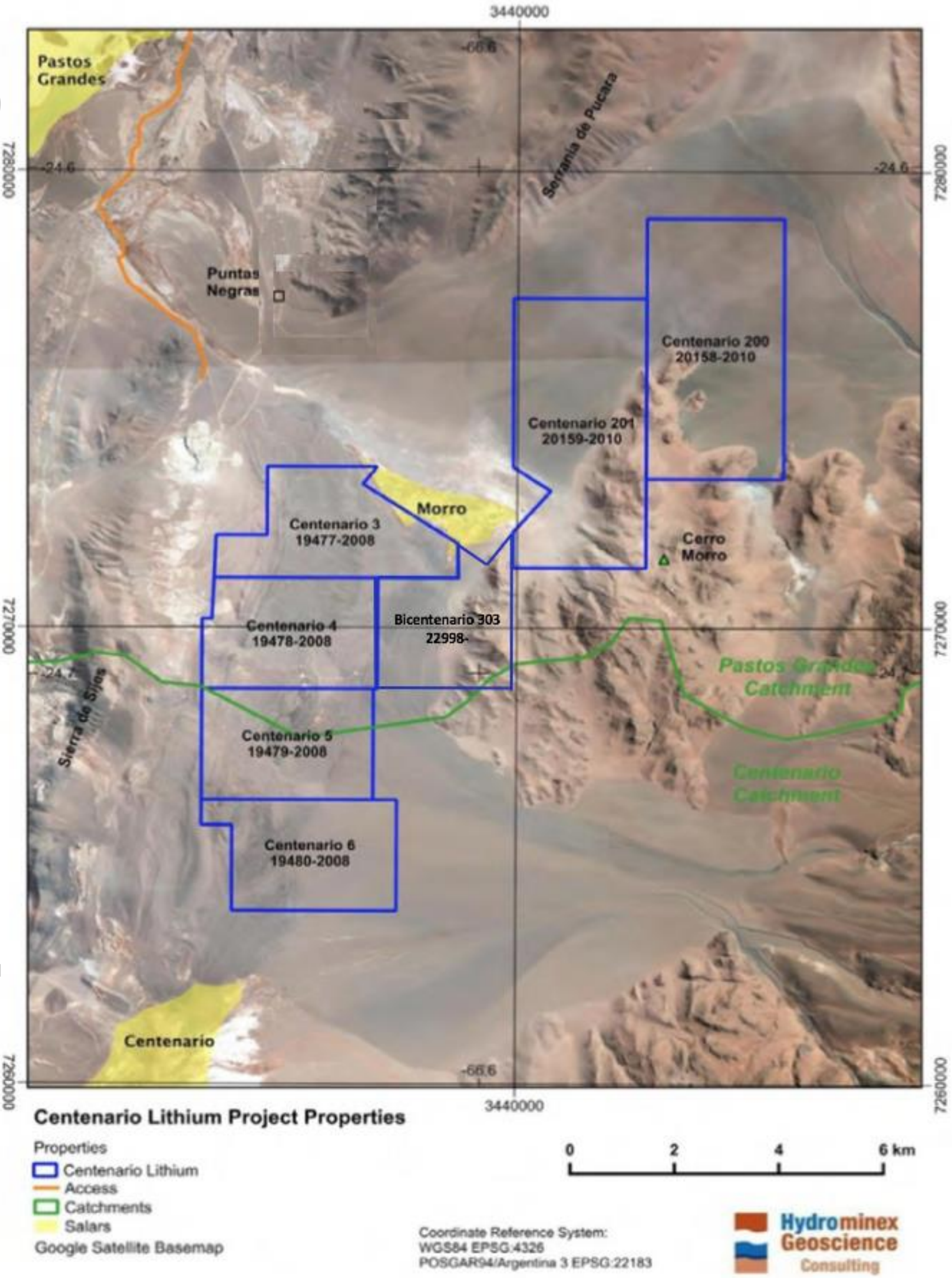
The extremely high evaporation rates have caused concentration of elements such as lithium, potassium, sodium and magnesium. The project areas climate favours the use of solar evaporation in the processing of ore due to arid conditions and intense solar radiation for around 9 months of the year.

Figure 1 and 2: The Centenario Project Location



DIRECTORS' REPORT cont.

Figure 3: Centenario Tenement Map



The Company did not conduct any on ground activities at Centenario since acquisition. The Company in conjunction with its partners at this project continues to explore the best way to unlock the significant potential.

DIRECTORS' REPORT cont.

Corporate

In July 2019 the Company issued 790,818 fully paid ordinary shares in consideration for the purchase of the Redlings Project.

A placement was conducted in August 2019 (in conjunction with the acquisition of the Centenario Lithium Ltd) with the issue of 10 million ordinary fully paid shares at 10 cents per share, to raise $1 million before costs. A further 10,075,000 fully paid ordinary shares were issued to the vendors of Centenario Lithium Ltd, as consideration for the purchase of 100% issued capital of Centenario lithium Ltd.

Marquee continues to review and conduct due diligence on numerous resource projects. See subsequent events section that follows.

Significant changes in the state of affairs.

Given the current travel restrictions that are in place due to Covid-19, Marquee's short-term focus is furthering its understanding of the Redlings REE project located near Leonora in Western Australia following the recent soil sampling program.

The company has particular focus on acquiring advanced gold and base metal projects located in Australia.

Significant events after reporting date

COVID -19

The COVID-19 pandemic has developed rapidly in 2020 with a significant number of cases. Measures taken by various governments to contain the virus have affected economic activity. We have taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for our people (such as social distancing and working from home).

We will continue to follow the various government policies and advice and in parallel we will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people.

West Spargoville gold and nickel Project

On the 6th July 2020 the company entered into an exclusive Option Agreement with Fyfehill Pty Ltd to acquire Exploration Licence Application E15/1743 known as the West Spargoville Project. The West Spargoville Project is continuous over a ~20km strike extent covering an area of ~80km².

The West Spargoville project is located between 60 to 80km south of Kalgoorlie in the Kambalda District of the Eastern Goldfields at the northern end of the Widgiemooltha Greenstone Belt which is synonymous for gold and nickel discoveries.

Marquee paid Fyfehill a non-refundable fee of AUD$200,000 in cash (**Option Fee**) and Fyfehill granted Marquee an exclusive option (**Option**) for Eighteen (18) months (**Option Period**) to buy the Project (free from any encumbrance) for: (i) $500,000 in cash; and (ii) a 2% net smelter royalty on the Project on terms consistent with those of a typical NSR Agreement.

During the Option Period, Fyfehill granted to Marquee exclusive access to conduct exploration on the Project (at Marquee's cost), and the right to bring such plant and machinery on to the Project as is necessary to enable Marquee to exercise its rights and perform its obligations contemplated by the Option Agreement.

The Company has in its own right made application for an area adjacent to this license E15/1781.

Placement

The Company successfully completed a Placement issue of 40,000,000 fully paid ordinary shares at an issue price of $0.04 per share to qualified sophisticated and professional investors, raising up to $1.6 million (before costs).

Tranche 1 of the Placement utilised the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A to issue 15,750,000 shares on 14 July 2020. Tranche 2 of the Placement (24,250,000 shares) was issued 1 September 2020 after shareholder approval at a general meeting held 28 August 2020.

The Company also issued 40,000,000 free attaching unquoted options ($0.08 strike, 30 June 2023 expiry) on a 1:1 basis to all Placement participants, which was approved by shareholders at the general meeting. A further 10 million options, on the same terms, were approved by shareholders at that meeting and issued to management, consultants and staff on 1 September 2020.

DIRECTORS' REPORT cont.

Likely developments and expected results

The company continues to review a number of potential resource acquisitions with a particular focus on brownfields exploration and production assets.

Environmental regulation

In the course of its normal exploration activities, the Group adheres to environmental regulations imposed on it by the various regulatory authorities, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna. The Group has complied with all material environmental requirements during the financial year. The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements as they apply to the Group.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

DIRECTORS' REPORT cont.

Remuneration report (Audited)

This report, which forms part of the directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of Marquee Resources Limited for the financial year ended 30 June 2020. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent Company.

Key Management Personnel

Directors

Mr Charles Thomas	Executive Chairman
Mr George Henderson	Non-Executive Director
Mr John Daniel Moore	Non-Executive Director (appointed 5 September 2019)
Mr Mark Ashley	Non-Executive Chairman resigned 24 October 2019

Remuneration philosophy

The performance of the Company depends upon the quality of the directors and executives. The Board has the authority and responsibility for planning, directing and controlling the activities of the company and the Group, including directors of the company and of the senior management. Compensation levels for directors and senior management of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives.

Remuneration levels are not dependent upon any performance criteria as the Company and the Group are not generating a profit.

Remuneration committee

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the directors and the executive team.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The aggregate level ($250,000) was set at the time of the company's incorporation and has not changed since.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The remuneration of non-executive directors for the year ended 30 June 2020 is detailed in page 17 of this report.

Executive director remuneration

Remuneration consists of fixed remuneration and share based payments detailed in the remuneration table.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices.

DIRECTORS' REPORT cont.

Remuneration report (Audited) cont.

Use of Remuneration Consultants

The Committee has access to external, independent advice where necessary. No consultants were engaged during the reporting year.

The remuneration of the Company Directors and executives is detailed in page 17 of this report.

Voting of shareholders at last year's annual general meeting

The Company received 99.3% of "Yes" votes on its remuneration report for the 2019 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Share based payment arrangements

Options

In the 2018 financial year, directors were granted options to purchase ordinary shares at an exercise price determined by the Board with regard to the market value of the shares when it resolved to offer the options.

Each share option converts into one ordinary share of the Company on exercise. No amounts were paid to the Company by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of expiry.

The options vested immediately upon grant. These options expired 10/03/2020.

Performance Rights

Directors were granted Performance Rights at a shareholders meeting held on 8 June 2018. These Performance Rights were granted to incentivise performance by linking the benefit to the share price of the company.

Each Performance Right is exercisable into a Share for $0.001 in the event that it vests within 3 years of being granted (8 June 2021). The vesting conditions are as follows:

Class A	The Company achieving a VWAP of $0.75 over a 20 trading day period
Class B	The Company achieving a VWAP of $1.00 over a 20 trading day period

The following Directors were granted Performance Rights as follows:

Director	Class A	Class B	Total	Valuation
Charles Thomas	2,500,000	2,500,000	**5,000,000**	**$1,592,500**
George Henderson	500,000	500,000	**1,000,000**	**$318,500**

Refer to Note 15c for assumptions in valuation.

DIRECTORS' REPORT cont.

Remuneration report (Audited) cont.

Employment Contracts

Charles Thomas –Executive Chairman
The key employment terms of Mr. Thomas's service contract are:

- Executive Director fee of $150,000 per annum plus statutory superannuation and approved employment expenses.
- Termination Notice 6 months by either party.

George Henderson – Non-Executive Director
The key employment terms of Mr Henderson's contract are:

- Director's fee of $36,000 per annum plus statutory superannuation and approved employment expenses
- No termination benefits

John Daniel Moore – Non-executive Director (appointed 5 September 2019)
The key employment terms of Mr Moore's contract are:

- Director's fee of $36,000 per annum plus statutory superannuation and approved employment expenses
- No termination benefits

Mark Ashley – Non Executive Chairman (resigned 24 October 2019)
The key terms of Mr Ashley's contract are:

- Chairman Fees of $60,000 per annum plus statutory superannuation. Any additional consulting work is charged at $150 per hour (excl GST).
- No termination benefits

Key Management Personnel remuneration for the year ended 30 June 2020 and year ended 30 June 2019

	Short-term employment benefits		Post-employment benefit	Equity		
	Salary & fees	Bonus	Superannuation	Share based payments	Total	Remuneration consisting of SBP%
30 June 2020	$	$	$	$	$	%
Directors						
M Ashley	23,150	-	2,200	-	25,350	0
C Thomas (i)	167,308	-	15,894	-	183,202	0
G Henderson (ii)	36,000	-	3,420	-	39,420	0
D Moore (iii)	24,000	-	1,853	-	25,853	0
Total	250,458	-	23,367	-	273,825	0

(i) Included in the above are amounts payable to C Thomas as at 30 June 2020 of $18,750 plus $1,781 in superannuation

(ii) Included in the above are amounts payable to G Henderson as at 30 June 2020 of $4,500 plus $428 in superannuation

(iii) Included in the above are amounts payable to D Moore as at 30 June 2020 of $4,500.

DIRECTORS' REPORT cont.

Remuneration report (Audited) cont.

30 June 2019	Short-term employment benefits Salary & fees $	Bonus $	Post-employment benefit Superannuation $	Equity Share based payments $	Total $	Remuneration consisting of SBP% %
Directors						
M Ashley	65,844(i)	-	6,241	-	72,085	0
C Thomas	150,000	-	14,250	-	164,250	0
G Henderson	36,000	-	3,420	-	39,420	0
Total	251,844	-	23,911	-	275,755	0

(i) The amount shown for salaries & fees for Mr Ashley includes consulting fee of $5,844

No member of key management personnel appointed during the year received a payment as part of his or her consideration for agreeing to hold the position.

Bonuses

No bonuses were granted during the year.

Shareholdings of Key Management Personnel

30 June 2020	Balance at beginning of year Number	Granted as remuneration Number	On Exercise of Options Number	Net Change Other Number	Balance at end of year Number
Directors					
Mr Charles Thomas	1,000,000	-	-	-	1,000,000
Mr George Henderson	10,000	-	-	-	10,000
Mr Daniel Moore	-	-	-	-	-
Mr Mark Ashley	-	-	-	-	-

All equity transactions with key management have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

DIRECTORS' REPORT cont.

Remuneration report (Audited) cont.

Option holdings of Directors

30 June 2020	Balance at beginning of year Number	Granted as remuneration Number	Options exercised Number	Net Change Other Number	Balance at end of year Number	Grant Value	Percentage vested
Directors							
Mr Mark Ashley Series 1	3,000,000	-	-	(3,000,000) (i)	-	$0.1290	100%
Mr Charles Thomas Series 1	5,000,000	-	-	(5,000,000) (i)	-	$0.1254	100%
Listed Options Charles Thomas	333,333	-	-	-	333,333	$0.001	100%
Mr George Henderson	-	-	-	-	-	-	-
Mr Daniel Moore	-	-	-	-	-	-	-

No Options were Exercised during 2020 financial year.

(i) Series 1 Options expired 11 March 2020

Performance Rights holdings of Directors

30 June 2020	Balance at beginning of year Number	Granted as remuneration Number	Options exercised Number	Net Change Other Number	Balance at end of year Number	Grant Value	Percentage vested
Directors							
Mr Mark Ashley							
Class A	500,000	-	-	(500,000) (i)	-	$0.331	0%
Class B	500,000	-	-	(500,000) (i)	-	$0.306	0%
Mr Charles Thomas							
Class A	2,500,000	-	-	-	2,500,000	$0.331	0%
Class B	2,500,000	-	-	-	2,500,000	$0.306	0%
Mr George Henderson							
Class A	500,000	-	-	-	500,000	$0.331	0%
Class B	500,000	-	-	-	500,000	$0.306	0%

(i) Performance Rights issued to Mark Ashley were cancelled subsequent to his resignation 24 October 2019

Other transactions with Key Management Personnel

Further payments to GTT Ventures Pty Ltd (a company of which Charles Thomas is a Director and shareholder) included the following:

- Consultancy Fees amounting to $126,000 (ex GST) pursuant to a Consultancy agreement ($10,500 per month).
- A sub lease for the rental of the office premises in Subiaco is in place with GTT Ventures Pty Ltd. Total rent paid to 30 June 2020 is $36,000 (ex GST).
- Capital Raising expenses $48,800 in respect of a Placement of shares completed in September 2019 and Public Relation services for a UK event $5,000

Payments to AGH Legal for legal services (a legal firm of which George Henderson is a Partner and shareholder) amounted to $35,420 (ex GST).

All transaction were made on normal commercial terms and conditions and made at market rates.

DIRECTORS' REPORT cont.

Loans to Key Management Personnel

There are no loans to key management personnel.

Shares under Option

Unissued ordinary shares in Marquee Resources Ltd under option at the date of this report are as follows:

	Grant date	Expiry date	Exercise price	Number
Listed Options	14/9/2017	30/9/2020	$0.20	8,000,000

End of Audited Remuneration Report

Directors' Meetings

The Directors regularly conduct teleconferences on all matters of business and approve transactions/management decisions via Circulating Resolutions regularly on a as is required basis.

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors meetings
Number of meetings held:	6
Number of meetings attended:	
Mr Charles Thomas	6
Mr George Henderson	6
Mr Daniel Moore	6
Mr Mark Ashley	-

Proceedings on behalf of the Company

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

Auditor's Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 22 and forms part of this directors' report for the year ended 30 June 2020.

Non-Audit Services

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

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The board of Directors has considered the position and is satisfied 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 auditor, as set out below did not compromise the auditors independence requirements of the Corporations act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

DIRECTORS' REPORT cont.

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

Auditors of the Group – BDO and related network firms	2020	2019
	$	$
Auditor of the parent entity		
Audit or review of the financial statements	34,187	34,220
	34,187	34,220
Taxation and other advisory services		
Taxation	7,725	6,180
Advisory Services	-	-
Total services provided by BDO	41,912	40,400

Signed in accordance with a resolution of the directors.

Dated: 30 September 2020

Charles Thomas
Executive Chairman

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF MARQUEE RESOURCES LIMITED

As lead auditor of Marquee Resources 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 Marquee Resources Limited and the entities it controlled during the period.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	**2020** $	2019 $
Continuing operations			
Interest income	2	**2,494**	7,129
ATO cashflow boost		**39,645**	-
Administrative expenses	2	**(456,574)**	(582,437)
Staff expenses		**(391,595)**	(419,870)
Depreciation expense		**(4,030)**	(5,142)
Amortisation of lease		**(32,678)**	-
Exploration impairment	11	**(789,800)**	(3,017,606)
Share Based Payment	15a	**(4,030)**	(60,500)
Finance Cost		**(4,775)**	-
Share (30%) loss investment in associate	10	**(79,872)**	-
Loss before income tax expense		**(1,717,184)**	(4,078,426)
Income tax benefit	3	**-**	-
Loss after income tax for the year		**(1,717,184)**	(4,078,426)
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		**(247,669)**	104,829
Other comprehensive loss for the year, net of tax		**(247,669)**	104,829
Total comprehensive loss for the year attributable to owners of the parent		**(1,964,853)**	(3,973,597)
Basic loss per share for the year attributable to the members of Marquee Resources Ltd (cents per share)	5	**(2.845)**	(9.543)

The above consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	6	**718,757**	782,086
Trade and other receivables	7	**39,505**	27,133
Prepayments	8	**-**	28,341
Total current assets		**758,262**	837,560
Non-current assets			
Property, plant and equipment	9	**12,886**	16,916
Right of use Asset		**24,507**	-
Investment in Associate (Centenario Project)	10	**770,491**	25,000
Deferred exploration and evaluation expenditure	11	**3,866,967**	4,391,721
Total non-current assets		**4,674,851**	4,433,637
Total assets		**5,433,113**	5,271,197
Liabilities			
Current liabilities			
Trade and other payables	12	**80,928**	89,961
Accruals	12	**64,162**	36,500
Lease liability		**25,960**	-
Total current liabilities		**171,050**	126,461
Total liabilities		**171,050**	126,461
Net assets		**5,262,063**	5,144,736
Equity			
Issued capital	13	**12,438,405**	10,356,226
Reserves	14	**3,879,022**	4,126,692
Accumulated losses	14	**(11,055,364)**	(9,338,181)
Total equity		**5,262,063**	5,144,736

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

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

Consolidated	Notes	Issued capital $	Option premium reserve $	Share-based payment reserve $	Foreign currency translation reserve $	Accumulated Losses $	Total equity $
Balance at 1 July 2018		10,295,726	1,471,000	2,548,000	2,863	(5,259,755)	9,057,834
Loss for the year		-	-	-	-	(4,078,426)	(4,078,426)
Exchange differences arising on translation of foreign operations		-	-	-	104,829	-	104,829
Total comprehensive loss for the year		-	-	-	104,829	(4,078,426)	(3,973,597)
Transactions with owners in their capacity as owner							
Issue of Shares (Consultant)		60,500	-	-	-	-	60,500
Balance at 30 June 2019		10,356,226	1,471,000	2,548,000	107,692	(9,338,181)	5,144,736
Balance at 1 July 2019		**10,326,226**	**1,471,000**	**2,548,000**	**107,692**	**(9,338,181)**	**5,144,736**
Loss for the year		**-**	**-**	**-**	**-**	**(1,717,184)**	**(1,717,184)**
Exchange differences arising on translation of foreign operations		**-**	**-**	**-**	**(247,669)**	**-**	**(247,669)**
Total comprehensive loss for the year		**-**	**-**	**-**	**(247,669)**	**(1,717,184)**	**(1,964,853)**
Transactions with owners in their capacity as owner							
Issue of Shares		**2,147,875**	**-**	**-**	**-**	**-**	**2,147,875**
Capital Raising Costs		**(65,696)**	**-**	**-**	**-**	**-**	**(65,696)**
Balance at 30 June 2020		**12,438,405**	**1,471,000**	**2,548,000**	**139,977**	**(11,055,364)**	**5,262,063**

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

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

	Notes	2020 $	2019 $
Cash flows from operating activities			
Payments to suppliers and employees		**(800,652)**	**(957,537)**
Interest received		**2,494**	**7,129**
ATO cashflow boost		**28,192**	**-**
Net cash outflows from operating activities	6	**(769,966)**	**(950,408)**
Cash flows from investing activities			
Exploration and evaluation expenditure		**(191,667)**	**(1,548,287)**
Payment for plant and equipment		**-**	**(2,872)**
Net cash outflows from investing activities		**(191,667)**	**(1,551,159)**
Cash flows from financing activities			
Proceeds from issue of shares		**1,000,000**	**-**
Payments for share issue costs		**(65,696)**	**-**
Repayment of lease		**(36,000)**	**-**
Net cash inflows from financing activities		**898,304**	**-**
Net (decrease) in cash and cash equivalents		**(63,329)**	**(2,501,567)**
Net foreign exchange difference		**-**	**10,216**
Cash and cash equivalents at the beginning of the year		**782,086**	**3,273,437**
Cash and cash equivalents at the end of the year	6	**718,757**	**782,086**

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This General Purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (including Australian Interpretations) and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Going Concern

COVID – 19

The COVID -19 pandemic has developed rapidly in 2020. The resulting impact of the virus on the operations and measures taken by various governments has not had a significant impact on the financial results for the 30 June 2020 reporting period. The only known impacts of COVID-19 on the group is the delay in some exploration activities due to travel and quarantine restrictions. The Company was able to obtain a 50% deferment in payment for staff and in some instances from Creditors.

For the period ended 30 June 2020 the Group made a loss of $1,717,184 (which includes exploration impairment amount of $789,800) and had cash outflows from operating activities of $769,967.

The Board believe that the measures it has taken, enables the Company to prepare the financial reports on a going concern basis. Subsequent to 30 June 2020, the Company successfully completed a Placement issue of 40,000,000 fully paid ordinary shares at an issue price of $0.04 per share to qualified sophisticated and professional investors, raising up to $1.6 million (before costs).

Historical Cost Convention
The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

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

Functional and presentation currency
The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment that the parent operates.

(b) Adoption of new and revised standards

Standards and Interpretations applicable to 30 June 2020
In the year ended 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting year.

A number of new or amended standards became applicable for the current reporting period and the Group has changed its accounting policies as a result of the adoption of the following standards:

- AASB 16 *Leases*

The impact of the adoption of these standards and the new accounting policies are disclosed below. The impact of these standards, and the other new standards and amended standards adopted by the Group, has not had a material impact on the amounts presented in the Group's financial statements.

The group has chosen the modified retrospective application of AASB 16. Consequently the group has not restated the comparative information.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont.

Impact of new definition of a Lease

The Group has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with AASB 117 and Interpretation will continue to apply to those leases entered or modified before 1 July 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset: and
- The right to direct the use of that asset.

The Group has applied the definition of a lease and related guidance set out in AASB 16 to all lease contracts entered into or modified on or after 1 July 2019. The directors have determined that the new definition in AASB 16 will not change significantly the scope of contracts that meet the definition of a lease for the Group.

Operating leases

AASB 16 has changed how the Group accounts for leases previously classified as operating leases under AASB 117, which were off- balance sheet.

On initial application of AASB 16 for all leases the group has:

a) Recognised Right-of-Use assets (“ROU Assets”) and lease liabilities in the consolidated statement of financial position, initially measured at the present value of future lease payments:

b) Recognised depreciation of ROU Assets and interest on lease liabilities in the consolidate statement of profit or loss; and

c) Separated the total amount of cash paid into a principal; portion (presented within financing activities) and interest (presented within operating activities) in then consolidated cash flow statement.

Under AASB 16 ROU Assets will be tested for impairment in accordance with AASB 136 Impairment of Assets. This replaces the previous requirement to recognize a provision for onerous lease contracts.

For short term leases (lease term of 12 months or less) and leases of low value assets, the Group opted to recognize a lease expense on a straight line basis as permitted by AASB 16.

The Group has recognized ROU Assets with a net book value of $57,186 and a corresponding lease liability of $57,186 as at 1 July 2019. After accounting for depreciation and lease principal payments during the half year the balances as at 30 June 2020 were ROU Assets with a net book value of $24,507 and lease liabilities of $25,960.

The impact on the consolidated statement of profit or loss (increase/decrease) for the period is:

Expense	$	Notes
Tenancy and operating	36,000	Rent expense on previously recognised operating lease
Depreciation expense	(32,678)	Depreciation of lease asset recognized under AASB 16
Finance costs	(4,775)	Interest on lease recognized under AASB 16
Net impact on loss for the period	(1,453)	

Under AASB 117, the lease payments from operating leases were included in cash flows from operating activities. Under AASB 16 lease repayments are included in cash flows from financing activities. The impact on cash flows for the period from adopting AASB 16 is to increase cash flows from operating activities by $36,000 and to reduce cash flows from financing activities by $36,000.

There is no impact on other comprehensive income and EPS.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont.

Determination of the appropriate rate to discount the lease payments

The Group estimated the incremental borrowing rate applicable to its lease as the rate of interest that a lessee would have to pay to borrow over a similar term and with similar security the funds necessary to obtain an asset of a similar value to the ROU Asset. The estimate was based on a risk adjusted rate and considered the materiality of the impacts of applying a range of interest rates. The incremental borrow rate applied is 12.5%

The following is a reconciliation of total operating lease commitments at 30 June 2019 to the lease liabilities recognized at 1 July 2019:

	$
Operating lease commitments at 30 June 2019	63,000
Less: discount applied using incremental borrowing rate	(5,814)
Lease liability recognised 1 July 2019	57,186
Right-of-Use asset (value determined solely with reference to the lease liability value)	57,186

The recognised ROU Asset relates to office premises.

Summary of new accounting policies

Right-of-use Assets

The group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any reimbursement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercise by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset

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.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont.

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.

(c) Statement of compliance
The financial report was authorised for issue by the directors on 30 September 2020.The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

(d) Basis of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Marquee Resources Limited ('Company' or 'parent entity') as at 30 June 2020 and the results of all subsidiaries for the period then ended. Marquee Resources Limited and its subsidiaries are referred to in this financial report as the Group.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit or losses resulting from intra-Group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(e) Critical accounting estimates and judgements
The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associate
Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries. A holding of 20% or more of the voting power will indicate significant influence. They are accounted for using the equity method. The carrying amount of the investment in associates is increased or decreased to recognise the group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the group.

Asset Acquisition:
When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Asset's acquired during the period were exploration expenditure.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model. For equity instruments with market based vesting conditions, a Barrier 1 Valuation model is used.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the consolidated entity's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Impairment of exploration expenditure
The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. When assessing impairment of exploration and evaluation assets, the carrying amount of exploration and evaluation is compared to its recoverable amount. The estimated recoverable amount is used to determine the extent of the impairment loss (if any).

As at 30 June 2020 the Directors reviewed the Group's exploration portfolio for indicators of impairment. As a result of this review, the Board made that decision that impairment of exploration expenditure was required in the current year's accounts. Refer to Note 11.

(f) Revenue recognition
Revenue is measured at fair value of the consideration received or receivable.

Interest income
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Marquee Resources Limited.

(h) Foreign currency translation

The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment that the parent operates.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

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

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

As at the reporting date the assets and liabilities of this subsidiary are translated into the presentation currency of Marquee Resources Limited at the rate of exchange ruling at the reporting date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity.

(i) Income tax

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(j) Goods and Services taxes

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(k) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(l) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are 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.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(m) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days. The Group has applied the simplified approach to measuring expected credit

losses, which uses a lifetime expected loss allowance. Other receivables are recognised at amortised cost less an allowance for expected credit loss.

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

(n) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment	3 - 5 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For plant and equipment, impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the cost of sales line item.

Derecognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(q) Trade and other payables
Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(r) Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

s) Share-based payment transactions
Equity settled transactions
The Group in a previous financial year provided benefits to employees of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). During the 2018 financial year, share based payment in the form of Performance Rights were granted to Directors and the Company Secretary. Refer to Note 15c for further information.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Marquee Resources Limited (market conditions) if applicable.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share. Refer Note 5.

(t) Issued capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(u) Loss per share
Basic loss per share is calculated as net loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as net loss attributable to members of the parent, adjusted for:
- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(v) Exploration and evaluation expenditure
Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  - 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 assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Parent entity financial information

The financial information for the parent entity, Marquee Resources Limited, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the parent entity's financial statements.

(x) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave, when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

(y) Investment in Associate

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment. After application of the equity method, the company determines whether it is necessary to recognise any additional impairment loss with respect to the company's net investment in the associate.

The company's share of the associate post-acquisition profits or losses is recognised in the statement of profit or loss and other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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

NOTE 2: OTHER INCOME AND EXPENSES

	2020 $	2019 $
Other Income		
Interest income	2,494	7,129
ATO cashflow Boost	39,645	-
	42,139	7,129

	2020 $	2019 $
Administrative Expenses		
Legal Fees	35,420	18,533
Consultancy Fees	128,000	144,595
Travel & Accommodation	57,310	47,336
ASX/ASIC fees	31,605	53,498
Investor Relations	38,857	65,917
Development	6,703	9,506
Other	158,679	243,052
Total administrative expenses	456,574	582,437

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

NOTE 3: INCOME TAX

Income tax recognised in profit or loss
The major components of tax expense are:

	2020	2019
	$	$
Current tax expense/(income)	**-**	-
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	**-**	-
	-	-

The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:

	2020	2019
	$	$
Accounting loss before tax from continuing operations	**(1,717,184)**	(4,078,426)
Gain before tax from discontinued operations	**-**	-
Accounting loss before income tax	**(1,717,184)**	(4,078,426)
Income tax benefit calculated at 30% (2019: 30.0%)	**(515,155)**	(1,223,528)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenditure/(Non-assessable income)	**409,063**	1,126,594
Difference in overseas tax rates		
Effect of unused tax losses/temporary differences not recognised as deferred tax assets	**106,093**	96,934
Income tax benefit reported in the consolidated statement of comprehensive income	**-**	-
Income tax attributable to discontinued operations	**-**	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

Unrecognised deferred tax assets
Deferred tax assets have not been recognised in respect of the following items:

	2020	2019
	$	$
Tax losses – revenue	**537,228**	406,631
Tax losses – capital	**-**	-
Leases	**436**	-
Deductible temporary differences	**60,281**	73,780
	597,945	480,411
Off-set of deferred tax liabilities	**(63,866)**	(65,075)
Net unrecognised deferred tax assets	**534,079**	415,336

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

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

NOTE 4: SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

Information reported to the Group's Board of Directors for the purposes of resource allocation and assessment of performance is more specifically focused on the exploration and development of mineral resource projects. The Group's reportable segments under AASB8 are therefore as follows:

- Exploration and evaluation - USA
- Exploration and evaluation – Canada
- Exploration and evaluation – Australia
- Exploration and evaluation - (Centenario Argentina)
- Other sector

Exploration and evaluation – Nevada refers to the Clayton Valley Project Exploration licenses (EL's) held in Nevada USA. The Group holds a 100% interest in these licences through Sovereign Gold Nevada Inc, a wholly owned subsidiary of Marquee Resources Limited.

Exploration and evaluation – Canada refers to the project in Canada, Werner Lake. Refer to review of operations in the Director's Report for further information.

Exploration and evaluation – Australia refers to the Redlings Project

Exploration and evaluation – Centenario

The other sector relates to head office operations, including cash management. Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Segment information

The following table presents revenue and profit information and certain asset and liability information regarding business segments for the period ended 30 June 2020 and 30 June 2019.

30 June 2020	Exploration and evaluation - USA	Exploration and evaluation - Canada	Exploration and evaluation - Australia	Exploration and evaluation– Argentina	Other	Consolidated
	$	$	$	$	$	$
Segment revenue	-	-	-	-	30,686	30,686
Segment results	(91)	(793,157) (i)	-	(79,872)	(844,064)	(1,717,184)
Segment assets	1,011,155	2,719,736	256,245	770,491	675,487	5,433,113
Segment Liabilities	-	-	-	-	171,050	171,050

(i) Includes impairment relating to Werner Lake of $789,800

Cashflow information						
Net cash flow from operating activities	-	(3,357)	-	-	(766,609)	(769,966)
Net cash flow from investing activities	(26,702)	(8,720)	(156,245)	-	-	(191,667)
Net cash flow from financing activities	-	-	-	-	(898,304)	(898,304)

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

Note 4 segment reporting cont.

30 June 2019	Exploration and evaluation - Nevada	Exploration and evaluation - Canada	Exploration and evaluation - Australia	Investment in Associate – Argentina	Other	Consolidated
	$	$	$	$	$	$
Segment revenue	-	-	-	-	7,129	7,129
Segment results	-	(3,035,459)(i)	-	-	(1,042,967)	(4,078,426)
Segment assets	984,452	3,551,943(i)	-	-	734,802	5,271,197
Segment Liabilities	-	20,885	-	-	105,576	126,461

Cashflow information						
Net cash flow from operating activities	-	(17,853)	-	-		
Net cash flow from investing activities	(112,310)	(1,390,761)	-	-	(48,088)	(1,551,159)
Net cash flow from financing activities	-	-	-	-	-	-

(i) Includes $1.58 million relating to the issue of 11 million shares to the sellers of Canadian CO27 Pty Ltd and accompanying projects This has been impaired by 64.1% from the previous financial year (2019 $4,400,000)

NOTE 5: LOSS PER SHARE

	2020	2019
Basic loss per share	Cents per share	Cents per share
Continuing operations	(2.845)	(9.543)

	2020	2019
Diluted loss per share	Cents per share	Cents per share
Continuing operations	(2.845)	(9.543)

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

Note 5. Loss per share cont.

Basic loss per share

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

	2020 $	2019 $
Loss	(1,717,184)	(4,078,426)
Loss from continuing operations	(1,717,184)	(4,078,426)

	2020 Number	2019 Number
Weighted average number of ordinary shares for Basic earnings per share	60,348,561	42,738,601
Diluted earnings per share	60,348,561	42,738,601

The Company's potential ordinary shares, being its options and performance rights granted, are not considered dilutive as the conversion to these would result in a decrease in the net loss per share.

NOTE 6: CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Cash at bank and on hand	718,757	782,086

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Reconciliation of loss for the year to net cash flows from operating activities

	2020 $	2019 $
Loss for the period	(1,717,184)	(4,078,426)
Depreciation and amortisation	36,708	5,143
Other non-cash items	(6,058)	18,949
Exploration impairment	789,800	3,017,606
Share based payment	-	60,500
LPI share of loss	79,872	-
(Increase)/decrease in assets:		
Trade and other receivables	(12,373)	28,884
Other current assets	28,341	(2,272)
Increase/(decrease) in liabilities:		
Trade and other payables	30,927	(792)
Net cash from operating activities	(769,967)	(950,408)

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

NOTE 7: TRADE AND OTHER RECEIVABLES

	2020 $	2019 $
Other receivables	11,453	-
GST/HST receivables	28,053	27,133
	39,506	27,133

NOTE 8: PREPAYMENTS AND OTHER FINANCIAL ASSETS

	2020 $	2019 $
Current		
Prepayments – D&O Insurance/ directors fees	-	28,341

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	2020 Consolidated Plant and equipment $	2019 Consolidated Plant and equipment $
Gross carrying amount		
Open Balance	24,387	21,515
Additions	-	2,872
Disposals	-	-
Balance at 30 June	24,387	24,387
Accumulated depreciation and impairment		
Open Balance	7,471	2,328
Depreciation expense	4,030	5,143
Disposals	-	-
Balance at 30 June	11,501	7,471
Carrying value		
30 June	12,886	16,916

The useful life of the assets was estimated as follows for 2020:

Plant and equipment 3 years

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

NOTE 10: Investment in Associate

On the 5th September 2019, Marquee Resources Ltd acquired 100% of the issued shares of Centenario Lithium Ltd ,with the only key asset being its retained 30% interest in a Lithium exploration project in the Centenario-Ratones, an area of the Andes in the north-west of Argentina. (ASX:LPI hold 70%) with no infrastructure or personnel. This is via Centenario's 30% interest in Lithium Power International Holdings (Argentina) Pty Ltd the holder of the 7 leases. As the acquisition of Centenario Lithium Ltd is not deemed a business acquisition, the transaction must be accounted for as a share based payment for the net assets acquired.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

The consideration payable was $25,000 cash option fee plus 10,075,000 MQR shares at an issue price of $0.105. In addition, deferred consideration shares in the form of Class A and Class B Performance Rights (as detailed below) were granted and are subject to certain performance milestones to be met before 4 September 2021.

The performance rights will have the following milestones and vesting conditions attached to them:
Class A Performance Rights will vest and convert to a Share upon the delineation of JORC-compliant Resource of 250,000 tonnes of lithium carbonate equivalent with a minimum grade of 200mg/l lithium across the Centenario Project within 2 years of completion having a value of $1,000,000 and a deemed issue price based on the higher of:

(i) a 10% discount to the 5 day volume weighted average price of the Marquee's shares traded on the ASX immediately prior to the vesting period date to a maximum value of 25c; and
(ii) $0.10

Class B Performance Rights will vest and convert to a share upon the delineation of JORC-compliant Resource of 500,000 tonnes of lithium carbonate equivalent with a minimum grade of 200mg/l lithium across the Centenario Project within 2 years of completion having a value of $1,000,000 and a deemed issue price based on the higher of:

(i) a 10% discount to the 5 day volume weighted average price of the Marquee's shares traded on the ASX immediately prior to the vesting period date to a maximum value of 25c; and
(ii) (ii) $0.10

As at the reporting date, the achievement if the milestones has been assessed as not probable, hence no value has been attributed to the performance rights. The probability is assessed again at each reporting date.

Details of the fair value of the assets and liabilities acquired as at 5 September 2019 are as follows:

Purchase consideration comprises:	$
Option fee	25,000
10,075,000 MQR shares (issue price $0.105)	1,057,875
Total consideration	1,082,875

Net asset acquired:	$
Investment in Lithium Power International Holdings (Argentina) Pty Ltd	1,081,411
Trade and other receivables	1,315
Intercompany receivable	329
Other payables	(180)
	1,082,875

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

NOTE 10: INVESTMENT IN ASSOCIATE CONT.

Reconciliation to carrying amounts:

	$
Opening net assets (as acquired on 5 September 2019)	1,081,411
Foreign Exchange movement during the year	(231,048)
Loss for the period (30% share)	(79,872)
Closing Net assets at 30 June 2020	770,491

NOTE 11: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2020 $	2019 $
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at beginning of period	4,381,721	5,966,453
Asset acquired (ii)	100,000	-
Exploration expenditure	175,046	1,409,321
Foreign Exchange	-	23,553
Impaired exploration expenditure (i)	(789,800)	(3,017,606)
Total exploration and evaluation expenditure	3,866,967	4,381,721

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

(i)The exploration assets satisfy AASB 6 and remain as exploration assets in the statement of financial position. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas. The Board undertook a review of all Exploration and Evaluation assets. The total impairment for the year as a result amounted to $789,800.

(ii) This amount relates to acquisition cost of the Redlings project

NOTE 12: TRADE AND OTHER PAYABLES (CURRENT)

	2020 $	2019 $
Trade payables (*i*)	24,740	26,415
Credit Card	6,804	1,863
Accruals	64,162	36,500
Payroll provisions/payables	49,384	61,683
	171,050	126,461

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms.

Information regarding the interest rate, foreign exchange and liquidity risk exposure is set out in Note 16.

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

NOTE 13: ISSUED CAPITAL

	Number	2020 $	Number	2019 $
Ordinary shares issued and fully paid	63,610,102	12,438,405	42,744,284	10,356,226
Total	63,610,102	12,438,405	42,744,284	10,356,226

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.
On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Movement in ordinary shares on issue

	2020		2019	
	Number	$	Number	$
Balance at beginning of year	42,744,284	10,356,226	42,571,428	10,295,726
Share based payment	-	-	172,856	60,500
Redlings Project acquisition shares (i)	790,818	90,000	-	-
Centenario acquisition shares (ii)	10,075,000	1,057,875	-	-
Placement	10,000,000	1,000,000	-	-
Capital Raising Costs	-	(65,696)	-	-
Balance at end of year	63,610,102	12,438,405	42,744,284	10,356,226

(i) Issue of 790,818 MQR shares at a deemed issue price of $0.1138 cents per share for acquisition of Redlings Project.
(ii) Issue of 10,075,000 MQR shares as consideration for the acquisition of Centenario Lithium Ltd at a deemed issue price of $0.105

Share options
There were no share options issued in the current financial year.

	2020		2019	
	Number	$	Number	$
Balance at beginning of year	17,000,000	1,471,000	22,785,714	1,471,000
Expired Options June 2019	-	-	(5,785,714)	-
Expired Options Mar 2020	(9,000,000)		-	-
Balance at end of year	8,000,000	1,471,000	17,000,000	1,471,000

Performance Rights
The Company during the 2018 financial year granted 8 million Performance Rights to Directors and Company Secretary. The movement in Performance Rights in the current financial year were as follows:

	2020		2019	
	Number	$	Number	$
Balance at beginning of year	8,000,000	2,548,000	8,000,000	2,548,000
Cancelled Performance Rights (i)	(1,000,000)	-		
Balance at end of year	7,000,000	2,548,000	8,000,000	2,548,000

(i) Performance Rights issued to Mark Ashley were cancelled due to his resignation on 24 October 2019

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

NOTE 14: RESERVES AND ACCUMULATED LOSSES

Reserves

Movements in reserves were as follows:

2020	Option premium reserve $	Equity based payment reserve $	Foreign currency translation reserve $	Total $
Balance at beginning of year	1,471,000	2,548,000	107,692	4,126,692
Equity based payment shares	-	-	-	-
Equity based payment (performance rights)	-	-	-	-
Currency translation differences	-	-	(247,669)	(247,669)
Balance at end of year	1,471,000	2,548,000	(139,977)	3,879,023

Movements in reserves were as follows:

2019	Option premium reserve $	Equity based payment reserve $	Foreign currency translation reserve $	Total $
Balance at beginning of year	1,471,000	2,548,000	2,863	4,021,864
Equity based payment shares	-	-	-	-
Equity based payment (performance rights)	-	-	-	-
Currency translation differences	-	-	104,829	104,829
Balance at end of year	1,471,000	2,548,000	107,692	4,126,692

Nature and purpose of reserves

Share based payment and option premium reserve

The share based payment reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration. The option premium reserve arises on the grant of share options for consideration.

Foreign currency translation reserve

Exchange differences relating to the translation from the functional currencies of the Group's foreign controlled entities into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

Accumulated Losses

Movements in accumulated losses were as follows:

	2020 $	2019 $
Balance at beginning of period	(9,338,181)	(5,259,755)
Net loss for the period	(1,717,184)	(4,078,426)
Balance at end of period	(11,055,364)	(9,338,181)

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

NOTE 15: SHARE BASED PAYMENT PLANS

15.a Expenses arising from share based payments
There were no expenses arising from share based payments transactions recognised during the period as part of employee benefit expense. The share based payment to consultants were recognised as follows:

	2020 $	2019 $
Shares issued to consultants in lieu of fees, offset to equity	-	60,500

15.b Employee Share Options
Options issued to Directors are not issued under an Employee Share Option Plan and are subject to approval by shareholders.

The following share-based payment arrangements were in place during the current year and expired 10 March 2020:

Series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
<u>Directors</u>					
1. Options issued 14/3/2017	4,000,000	14/3/2017	10/3/2020	$0.30	$0.1290
2. Options issued 16/6/2017	5,000,000	22/4/2017	10/3/2020	$0.30	$0.1254

	2020		2019	
	Number	Weighted average exercise price $	Number	Weighted average exercise price $
Outstanding at the beginning of period	9,000,000	$0.30	9,000,000	-
Granted during the period	-	-	-	$0.30
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	(9,000,000)	($0.30)	-	-
Outstanding at the end of period	-	-	9,000,000	$0.30
Vested and exercisable at the end of period	-	-	9,000,000	-

No options were exercised during the period

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

.

15.c Performance Rights

Performance Rights issued to Directors and the Company Secretary were approved by shareholders (8 June 2018).

The following Performance Rights were in place during the current period:

Series	Number	Grant date	Expiry date	Vesting Hurdle (20 day VWAP)	Fair value
Directors/Company Secretary					
1. Class A Performance Rights	3,500,000	08/06/2018	01/05/2021	$0.75	$0.331
2. Class B Performance Rights	3,500,000	08/06/2018	01/05/2021	$1.00	$0.306

The weighted average remaining contractual life of performance rights that were outstanding at 30 June 2020 was 0.94 years (2019: 1.94).

Due to the resignation of Director Mark Ashley, 500,000 Class A and 500,000 Class B Performance Rights were cancelled during the 2020 financial year.

The Company at the time of issue, engaged an expert to determine a value for the Performance Rights using the *Barrier1* valuation model developed by Hoadley Trading & Investment Tools, which uses a trinomial lattice calculation. Inputs to determine the valuation are as follows:

Item	Class A	Class B
Valuation date	08/06/2018	08/06/2018
Spot price	$0.385	$0.385
Exercise price	$0.001	$0.001
Vesting hurdle (20-day VWAP)	$0.75	$1.00
Expiry date	08/06/2021	08/06/2021
Expected future volatility	100%	100%
Risk free rate	2.23%	2.23%
Dividend yield	Nil	Nil

NOTE 16: FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents (no debt) and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, and general administrative outgoings.

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

Categories of financial instruments

	2020 $	2019 $
Financial assets		
Cash and cash equivalents	718,757	782,086
Receivables	39,506	27,133
Financial and lease liabilities		
Trade and other payables	80,928	89,961
Lease Liabilities	25,960	-

Financial risk management objectives
The Group is exposed to market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Market risk
The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, commodity prices and exchange rates.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Liquidity Risk

Management monitors rolling forecasts of the Group's cash reserves on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to pay debts as and when they become due and payable

Foreign Exchange Risk
The consolidated group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant group company. The consolidated group's borrowings and deposits are largely denominated in US dollars. Currently there are no foreign exchange hedge programmes in place. However, the consolidated group treasury function manages the purchase of foreign currency to meet operational requirements.

As at 30 June 2020 the consolidated group's net exposure to foreign exchange risk was as follows:

	Currency	**2020 $000s**	**2019 $000s**
Functional currency of individual entity: AUD			
Net Foreign Currency Financial Assets			
Cash & cash equivalents	CAD	106	135

The effect of a 10% strengthening of the CAD against the AUD at the reporting date on the CAD-denominated assets carried within the AUD functional currency entity would, all other variables held constant, have resulted in an increase in post-tax loss for the year and decrease of net assets of AUD 11,267 (2019: 14,701)

Interest rate risk management
The Group's exposures to interest rates on financial assets and financial liabilities are confined to variable interest rates on its cash holdings of $718,757 at reporting date.

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

Interest rate risk sensitivity analysis
The sensitivity analysis below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the impact on the net loss and equity would be:
Net loss would decrease by $3,594 and equity would increase by $3,594

Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Fair Values

The carrying amount of the Group's financial assets and liabilities approximates their carrying amounts at reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS cont.
FOR THE PERIOD ENDED 30 JUNE 2020

NOTE 17: COMMITMENTS AND CONTINGENCIES

a) *USA minerals exploration program*

As at 30 June 2020, Sovereign Gold Nevada Inc (100% subsidiary of Marquee Resources) held Exploration licences in Nevada USA. The annual financial commitment is as follows;

Licence	**Annual Commitment**
106 Claims Nevada	$32,567 (USD 22,507)
	$32,567

b) *Canada minerals exploration program*

Project	**Annual Commitment**
Werner Lake Project	USD 2,040

c) *Redlings minerals exploration program*

Project	**Annual Commitment**
Redlings Project	$8,170 annual rent $36,000 minimum spend due 8/9/2022

d) *Centenario investment (30%)* –minimal expenditure commitment

e) *Contingent Liability*

Deferred Consideration

- the company has an obligation under the Share Sale Deed with **Force Commodities Ltd** (previously Sovereign Gold Company Ltd) to issue 35,000,000 fully paid MQR shares or $175,000 upon confirmation of JORC Code compliant inferred lithium carbonate resource of at least 300,000 tonnes on the Clayton Valley Claims. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.

- the company has a deferred consideration under the share purchase agreement to the sellers of **Canadian CO27 Pty Ltd** of a 1.5% net royalty smelter on Werner Lake. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.

- the company has a deferred consideration under the Project Agreement - Werner Lake with **GEMC** whereby a 2% net smelter royalty on the Project is payable to the previous owner. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.

- The company successfully completed the acquisition of 100% of the issued capital of Centenario Lithium Ltd on the 5th September 2019. Deferred consideration included Class A Performance Rights having a value of A$1,000,000 which will vest and convert to a share upon the delineation of JORC-compliant Resource of 250,000 tonnes of lithium across the Tenements. In addition, Class B performance Rights having a value of A$1,000,000 which will vest and convert to a share upon delineation of JORC-compliant Resource of 500,000 tonnes of lithium across the tenements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS cont.
FOR THE PERIOD ENDED 30 JUNE 2020

NOTE 18: RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of Marquee Resources Limited and the subsidiaries listed in the following table. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	Country of incorporation	2020 %	2019 %
Parent Entity			
Marquee Resources Limited	Australia		
Subsidiaries			
Sovereign Gold Nevada Inc (held 100% by Marquee Resources Nevada Pty Ltd)	USA	100	100
Marquee Resources Nevada Pty Ltd (i)	Australia	100	100
Canadian CO27 Pty Ltd (ii)	Australia	100	100
Marquee Resources Canada Ltd	Canada	100	100
Centenario Lithium Limited(iii)	Australia	100	-
Lithium Power International Holdings (Argentina) (iii)	Australia	30	-
Lithium Power S.A (iii)	Argentina	30	-

Marquee Resources Limited is the ultimate Australian parent entity and ultimate parent of the Group.

(i) Marquee Resource Nevada Pty Ltd was incorporated to hold the 100% shares in Sovereign Gold Nevada Inc. No transactions or activities have occurred in Marquee Resources Nevada Pty Ltd during the current financial period.

(ii) Marquee Resources acquired 100% of the issued capital of Canadian CO27 Pty Ltd, the party that holds Project Agreements at Werner Lake.

(iii) Marquee Resources completed the acquisition of 100% of the issued capital of Centenario Lithium Ltd. This company holds 30% of the issued capital of Lithium Power International Holdings (Argentina) Pty Ltd. This holding company holds 100% of the issued capital of Lithium Power S.A (incorporated in Argentina) and the holder of the seven tenements in Centenario Salar Argentina.

Key Management Personnel Remuneration

Transactions with Key Management Personnel

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report. Total remuneration paid to key management personnel is as follows:

	2020 $	2019 $
Remuneration type		
Short- term employee benefits	250,458	251,844
Post-employment benefits	23,367	23,911
Non-monetary benefit	-	-
Total	273,825	275,755

Further payments to GTT Ventures Pty Ltd (a company of which Charles Thomas is a Director and shareholder) included the following:

- Consultancy Fees amounting to $126,000 (ex GST) pursuant to a Consultancy agreement ($10,500 per month).
- A sub lease for the rental of the office premises in Subiaco is in place with GTT Ventures Pty Ltd. Total rent paid to 30 June 2020 is $36,000 (ex GST).
- Capital Raising expenses $48,800 in respect of a Placement of shares completed in September 2019 and Public Relation services for a UK event $5,000

Payments to AGH Legal for legal services (a legal firm of which George Henderson is a Partner and shareholder) amounted to $35,420 (ex GST).

All transaction were made on normal commercial terms and conditions and made at market rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS cont.
FOR THE PERIOD ENDED 30 JUNE 2020

Loans to Key Management Personnel
There were no loans to Key Management Personnel.

Other transactions and balances with Key Management Personnel
Nil

NOTE 19: PARENT ENTITY DISCLOSURES

Financial position

	2020 $	2019 $
Assets		
Current assets	636,086	682,886
Non-current assets	4,796,154 (i)	4,481,761 (i)
Total assets	5,432,933	5,164,647
Liabilities		
Current liabilities	170,870	105,576
Non-current liabilities	-	-
Total liabilities	170,870	105,576
Equity		
Issued capital	12,438,405	10,356,226
Reserves		
• Option premium reserve	1,471,000	1,471,000
• Equity settled employee benefits	2,548,000	2,548,000
Accumulated losses	(11,195,342)	(9,316,154)
Total equity	5,262,063	5,059,072

Financial performance

	2020 $	2019 $
Loss for the period (ii)	(1,633,864)	(4,060,573)
Other comprehensive loss	-	-
Total comprehensive loss	(1,633,864)	(4,060,573)

(i) Includes acquisition cost of 100% issued capital of Canadian CO27 Pty Ltd ($789,900) and Werner Lake project $200,000
(ii) Includes impairment of Canadian CO27 Pty Ltd acquisition cost of $789,800

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
Marquee Resources Limited has not entered into any deed of cross guarantee with its wholly-owned subsidiaries during the period ended 30 June 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS cont.
FOR THE PERIOD ENDED 30 JUNE 2020

NOTE 20: EVENTS AFTER THE REPORTING PERIOD

COVID -19

The COVID-19 pandemic has developed rapidly in 2020 with a significant number of cases. Measures taken by various governments to contain the virus have affected economic activity. We have taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for our people (such as social distancing and working from home).

We will continue to follow the various government policies and advice and in parallel we will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people.

West Spargoville gold and nickel Project

On the 6th July 2020 the company entered into an exclusive Option Agreement with Fyfehill Pty Ltd to acquire Exploration Licence Application E15/1743 known as the West Spargoville Project. The West Spargoville Project is continuous over a ~20km strike extent covering an area of ~80km².

The West Spargoville project is located between 60 to 80km south of Kalgoorlie in the Kambalda District of the Eastern Goldfields at the northern end of the Widgiemooltha Greenstone Belt which is synonymous for gold and nickel discoveries.

Marquee paid Fyfehill a non-refundable fee of AUD$200,000 in cash (**Option Fee**) and Fyfehill granted Marquee an exclusive option (**Option**) for Eighteen (18) months (**Option Period**) to buy the Project (free from any encumbrance) for: (i) $500,000 in cash; and (ii) a 2% net smelter royalty on the Project on terms consistent with those of a typical NSR Agreement.

During the Option Period, Fyfehill granted to Marquee exclusive access to conduct exploration on the Project (at Marquee's cost), and the right to bring such plant and machinery on to the Project as is necessary to enable Marquee to exercise its rights and perform its obligations contemplated by the Option Agreement.

The Company has in its own right made application for an area adjacent to this license E15/1781.

Placement

The Company successfully completed a Placement issue of 40,000,000 fully paid ordinary shares at an issue price of $0.04 per share to qualified sophisticated and professional investors, raising $1.6 million (before costs).

Tranche 1 of the Placement utilised the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A to issue 15,750,000 shares on 14 July 2020. Tranche 2 of the Placement (24,250,000 shares) was issued 1 September 2020 after shareholder approval at a general meeting held 28 August 2020.

The Company also issued 40,000,000 free attaching unquoted options ($0.08 strike, 30 June 2023 expiry) on a 1:1 basis to all Placement participants, which was approved by shareholders at the general meeting. A further 10 million options, on the same terms, were approved by shareholders at that meeting and issued to management, consultants and staff on 1 September 2020.

NOTE 21: AUDITOR'S REMUNERATION

The auditor of Marquee Resources Limited is BDO Audit (WA) Pty Ltd . The Company 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.

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

Auditors of the Group – BDO and related network firms	2020	2019
	$	$
Auditor of the parent entity		
Audit or review of the financial statements	34,187	34,220
	34,187	34,220

NOTE 21: AUDITOR'S REMUNERATION cont.

Taxation and other advisory services		
Taxation	7,725	6,180
Advisory Services	-	-
Total services provided by BDO	41,912	40,400

DIRECTORS' DECLARATION

1. In the opinion of the directors of Marquee Resources Limited (the 'Company'):

   a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year then ended; and
      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

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

   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2020.

This declaration is signed in accordance with a resolution of the Board of Directors.

Charles Thomas

Charles Thomas
Executive Chairman

Dated 30 September 2020

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Marquee Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Marquee Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement 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.

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.

BDO

For personal use only

Valuation of Equity Accounted Investment

Key audit matter	How the matter was addressed in our audit
The Group's equity accounted investment in Lithium Power International Holdings (Argentina) Pty Ltd as at 30 June 2020, represents a significant asset of the Group. Subsequent to initial recognition at cost, the value of the investment in the consolidated financial statements includes the Group's share of profit or loss and other comprehensive income of the equity accounted investment. As disclosed in the financial report, the Directors' assess the Group's equity accounted investment for indicators of impairment at each balance sheet date. This involves an assessment of any potential indicators of impairment including (but not limited to) significant changes to the market, economic of the legal environments in which Group and the investment in associate operate. This assessment determines whether a full impairment assessment is required. Valuation of equity accounted investment was considered a key audit matter due to the significant judgments and assumptions involved in the assessment of indicators of impairment.	Our procedures included, but were not limited to the following: • Evaluating management's conclusion that significant influence exists and that the equity accounting method must be applied in accordance with Australian Accounting Standards; • Recalculating the Group's share of equity accounted losses during the period; • Assessing whether the methodology used by the Group to identify indicators of impairment met the requirements of Australian Accounting Standards; • Evaluating the Group's assessment of indicators of impairment at year end; • Considering market announcements made by the Group and Board meeting minutes throughout the year and through to the date of this report for any facts or circumstances that would indicate any indicators of impairment; • Assessing the adequacy of the related disclosures in Note 1(e) and 10 of the financial report.

Accounting for Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
At 30 June 2020, the Group held a significant carrying value of Exploration and Evaluation Assets as disclosed in Note 11. As the carrying value of the Exploration and Evaluation Asset 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.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes;

Key audit matter	How the matter was addressed in our audit
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: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; • Recognition and valuation of purchase consideration for tenement acquisitions; and Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	• Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts or circumstances existed to suggest impairment testing was required; • Reviewing the basis of impairment recorded by management and the methodology used to determine the fair value for compliance with the relevant accounting standards; and We also assessed the adequacy of the related disclosures in Note 1(e), Note 1(v) and Note 11 to the financial report.

Other information

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

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 20 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Marquee Resources 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

BDO

Dean Just

Director

Perth, 30 September 2020

CORPORATE GOVERNANCE STATEMENT

The Company's Corporate Governance disclosure is available on the Company's website at: www.marqueeresources.com.au

ADDITIONAL SECURITIES EXCHANGE INFORMATION

ASX additional information as at 4 September 2020

Number of holders of equity securities

<u>Ordinary share capital</u>

103,610,102 fully paid ordinary shares are held by 526 individual shareholders.

All issued ordinary shares carry one vote per share.

<u>Options</u>
8 million listed options exercise price $0.20 expiry 30/09/2020
50 million unlisted options exercise price $0.08 expiry 30/06/2023

<u>Performance Rights</u>
3.5 million Class A Performance Rights (vesting hurdle VWAP $0.75)
3.5 million Class B Performance Rights (vesting hurdle VWAP $1.00)

Distribution of holders of equity securities

	Number of holders (shares)	Fully paid ordinary shares	Number of Listed Options	Number Unlisted Options
1 – 1,000	46	3,835	2,043	-
1,001 – 5,000	61	179,537	33,770	-
5,001 – 10,000	57	500,043	80,165	-
10,001 – 100,000	199	8,886,322	1,114,511	834,000
100,001 and over	163	94,040,365	6,769,511	49,166,000
	526	103,610,102	8,000,000	50,000,000

Holding less than a marketable parcel	122

Substantial shareholders

Ordinary shareholders	Fully paid ordinary shares	
	% held	Number
Kingslane Pty Ltd (Cranston Super Pension A/C>	**7.84**	**8,125,000**
Syracuse Capital Pty Ltd and associated entities	**6.13**	**6,352,116**

Twenty largest holders of quoted equity securities

Ordinary shareholders	Fully paid ordinary shares Number	Percentage
Kingslane Pty Ltd	8,125,000	7.84%
Syracuse Capital PL	6,352,116	6.13%
Jindabyne Cap PL	4,850,000	4.68%
HSBC Custody Nominees (Australia) Limited	3,300,000	3.19%
Mr and Mrs Bahen (MJ Bahen Super Fund A/C>	3,000,000	2.90%
Robbie Hunt Pty Ltd <Robbie Hunt Family Super A/C>	2,468,750	2.38%
Traditional Securities Group Pty Ltd	2,000,001	1.93%
Kcirtap Securities Pty Ltd	1,825,000	1.76%
Farris Corporation Pty Ltd <The Farris Wills Unit AC>	1,625,000	1.57%
Alissa Bella Pty Ltd	1,542,999	1.47%
Robbie Hunt Pty Ltd <Robbie Hunt Super A/C>	1,513,893	1.46%
Farris Corporation Pty Ltd <The Peter Farris Super AC>	1,325,001	1.28%
Maximus Flannery Pty Ltd	1,250,001	1.21%
Rat Dog Pty Ltd	1,200,000	1.16%
Margaret Julie Williams	1,050,000	1.01%
Cautious Pty Ltd	1,000,000	0.97%
Titan and Titex Australia Pty Ltd	1,000,000	0.97%
Mounts Bay Investments Pty Ltd	1,000,000	0.97%
Blue Coasters Pty Ltd	985,772	0.95%
Boomslang Capital Pty Ltd	985,156	0.95%
BNP Paribas Nominees Pty Ltd	962,904	0.95%
Rimoyne Pty Ltd	962,010	0.93%
	48,305,603	**46.62%**

Company Secretary

Mrs Anna MacKintosh

On-market buy-back

Currently there is no on-market buy-back of the Company's securities

Registered and principal office

22 Townshend Road
Subiaco WA 6008

Share registry

Automic Registry
Level 2, 267 St. George's Tce
Perth WA 6000

TENEMENT SCHEDULE

As at 29 September 2020

Tenements held by Marquee Resources and subsidiary companies.

TENEMENT	LOCATION	NAME	INTEREST
CVE 1	Nevada USA	Clayton Valley	100%
CVE 3-4	Nevada USA	Clayton Valley	100%
CVE 8-17	Nevada USA	Clayton Valley	100%
CVE19-75	Nevada USA	Clayton Valley	100%
CVE 81-82	Nevada USA	Clayton Valley	100%
CVE 84	Nevada USA	Clayton Valley	100%
CVE 86-102	Nevada USA	Clayton Valley	100%
CVE 119-126	Nevada USA	Clayton Valley	100%
CVE 143 – 150	Nevada USA	Clayton Valley	100%
KRL 98381-83	Kenora, Ontario	Werner Lake	30%
9385-87, 19096/97	Kenora, Ontario	Werner Lake	30%
19107-12	Kenora, Ontario	Werner Lake	30%
29054/55, 29058-76	Kenora, Ontario	Werner Lake	30%
30055 -58, 31229	Kenora, Ontario	Werner Lake	30%
31373/74, 31823-28	Kenora, Ontario	Werner Lake	30%
33170-72, 33175-96	Kenora, Ontario	Werner Lake	30%
33198 -212, 33240	Kenora, Ontario	Werner Lake	30%
33270/1, 33280-84	Kenora, Ontario	Werner Lake	30%
33328-33, 33416	Kenora, Ontario	Werner Lake	30%
33419, 33421-23	Kenora, Ontario	Werner Lake	30%
36272, 33173-4	Kenora, Ontario	Werner Lake	30%
10661	Kenora, Ontario	Werner Lake	30%
12128	Kenora, Ontario	Werner Lake	30%
12246 -12247	Kenora, Ontario	Werner Lake	30%
12501	Kenora, Ontario	Werner Lake	30%
13150 - 13151	Kenora, Ontario	Werner Lake	30%
13283 - 13284	Kenora, Ontario	Werner Lake	30%
13292	Kenora, Ontario	Werner Lake	30%
E37/1311	W. Australia	Redlings	100%
E37/1376	W. Australia	Redlings	100%
Total Number of Claims	**391**		

Details of the tenements of Centenario Lithium Ltd (30%)

#	File	Property	Hectares
1	**19,477**	Centenario 3	800
2	**19,478**	Centenario 4	800
3	**19,479**	Centenario 5	800
4	**19,480**	Centenario 6	800
5	**20,158**	Centenario 200	1,504
6	**20,159**	Centenario 201	1,453
7	**22,998**	Bicentenario 303	694.29