



**Fin Resources**

**Fin Resources Limited**

**Interim Financial Report**

31 December 2018

[finresources.com.au](http://finresources.com.au)

ABN 25 009 121 644



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## CORPORATE DIRECTORY

### **Directors**

Jason Bontempo - Non-Executive Director  
 Andrew Radonjic - Non-Executive Director  
 Justin Tremain - Non-Executive Director

### **Company Secretary**

Aaron Bertolatti

### **Registered Office**

First Floor  
 35 Richardson Street  
 WEST PERTH WA 6005

### **Share Registry**

Advanced Share Registry Pty Ltd  
 110 Stirling Highway  
 NEDLANDS WA 6009

### **Auditors**

Stantons International Audit & Consulting Pty Ltd  
 Level 2, 1 Walker Avenue  
 WEST PERTH WA 6005

### **Solicitors**

Edwards Mac Scovell  
 Level 7, 140 St Georges Terrace  
 Perth WA 6000

### **Stock Exchange**

Australian Securities Exchange  
 (Home Exchange: Perth, Western Australia)  
 ASX Code: **FIN**

### **Website**

[finresources.com.au](http://finresources.com.au)

## Directors' Report

The Directors present their report for Fin Resources Limited ("Fin Resources", "Fin" or "the Company") and its subsidiaries ("the Group") for the half year ended 31 December 2018.

### DIRECTORS

The persons who were directors of Fin Resources during the half year and up to the date of this report are:

- Jason Bontempo - Non-Executive Director
- Andrew Radonjic - Non-Executive Director
- Justin Tremain - Non-Executive Director

### REVIEW OF OPERATIONS

Fin Resources Limited is an Australian based resources company listed on the Australian Securities Exchange (ASX: FIN). The Company's projects comprise exploration licences covering ground located in Western Australia, which the Company intends to explore for gold, base metals and graphite (refer Figure 1).



Figure 1 | Location of the Company's Projects in Western Australia

### McKenzie Springs Project

The McKenzie Springs Project is located 85km northeast of the township of Halls Creek in the Kimberley region of Western Australia. The Project comprises a single granted Exploration Licence, namely E80/4808. The Project hosts mafic and ultramafic intrusions that are prospective for magmatic Ni-Cu sulphide and Platinum Group Element (PGE) mineralisation. Additionally, the Tickalara Metamorphic geology within the project is prospective for graphite mineralisation. Nickel mineralisation within the McKenzie Springs Project is associated with the basal contact of mafic-ultramafic rocks in a similar geological setting to the Savannah Nickel Mine owned by Panoramic Resources Ltd (ASX: PAN) to the north.

## Commencement of Nickel-Copper Exploration

In August 2018 the Company announced the commencement of exploration activities at the McKenzie Springs Project. After an extensive review of previously gathered exploration data the Company commenced a field work program of soil geochemical sampling, rock chip sampling and geology mapping. The aim of the program was to identify and prioritise Nickel-Copper-Cobalt and PGM (Platinum Group Metals) targets for a follow-up electromagnetic (EM) survey, to define priority drill targets.

The comprehensive soil geochemical sampling over the McKenzie Springs was completed and announced in January 2019. A total of 735 (minus 1.6mm sieved) soil samples were taken over a 11.5 kilometre strike of the McKenzie Spring intrusion on a 400m by 40m sample spacing. Results returned up to 1,354ppm Nickel (Ni), 508ppm Copper (Cu), 140ppm Cobalt (Co), 41ppb Palladium (Pd), 39ppb Platinum (Pt), 25ppb Gold (Au) and 460ppb Silver (Ag) (refer ASX announcement dated 30 January 2019).

In addition, newly released public domain Electromagnetic (EM) Survey Data led to a re-interpretation with all other geophysical data along with the recently updated geochemical and geological datasets, yielding priority drill ready targets. The results, combined with geological mapping and reprocessing of the EM survey data, confirmed the potential for the McKenzie Springs Project to host Voisey's bay-style Nickel-copper-cobalt sulfide mineralisation.

The Company is reviewing and prioritising the proposed drill holes in preparation for the Company's maiden drilling program at the McKenzie Springs Project. Field work, including the drilling program, will most likely be undertaken during the Kimberley dry season in the second half of 2019.

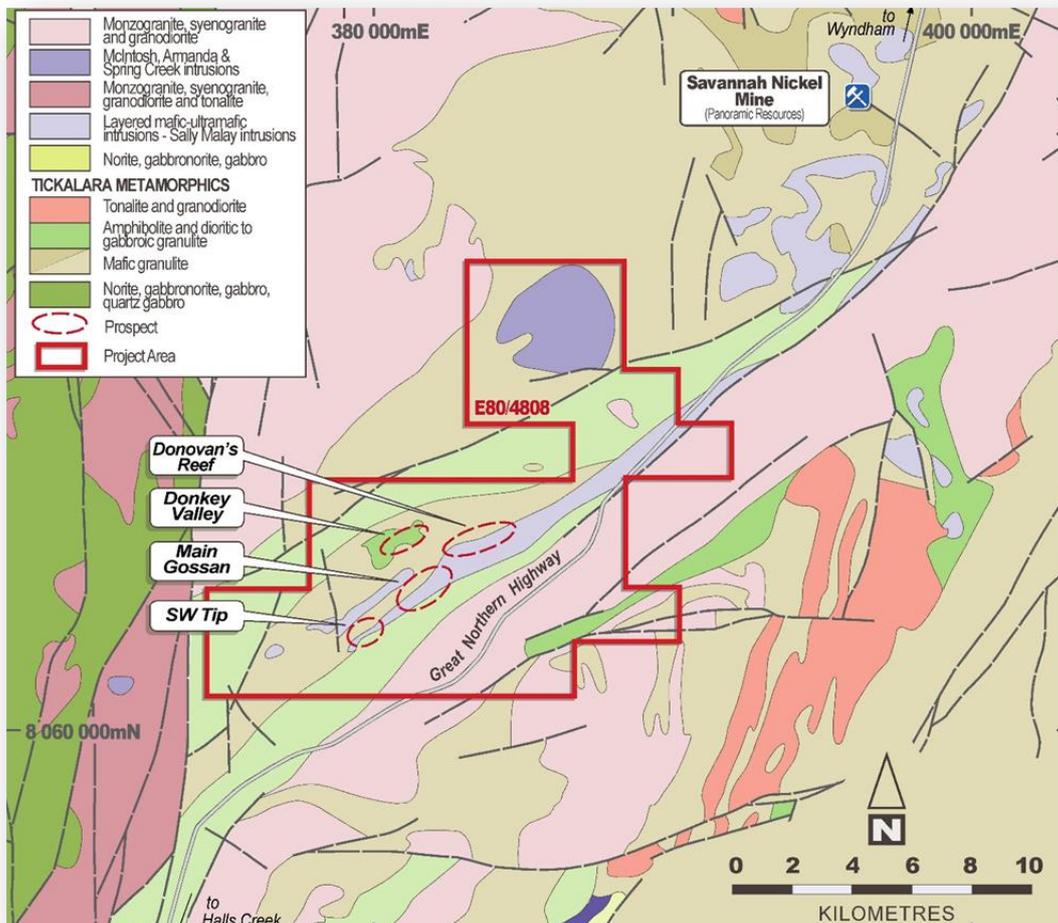


Figure 2 | McKenzie Springs Interpreted Project Geology

## Directors' Report

### South Big Bell Project

The South Big Bell Project is located 25km west of the township of Cue in the Murchison Goldfields. The Project comprises a single granted Exploration Licence, namely E20/0900. The Project lies to the south of the Big Bell Gold Mine, currently held by Westgold Resources Ltd (ASX: WGX) which forms part of their Central Murchison Gold Project. The South Big Bell tenement covers the southern extension of the Mount Magnet-Meekatharra Greenstone Belt. Limited exploration work has been completed on the Project.

### Sentinel Project

The Sentinel Project is located 130km east-northeast of the township of Kalgoorlie in the Eastern Goldfields. The Project comprises a single granted Exploration Licence, namely E28/2652.

The Project lies within the southern Laverton Tectonic Zone, a regional scale shear/fault system that extends as a set of NNE and NNW trending structures from Laverton towards the Pinjin area. The area has been explored for gold by a number of companies since the 1980s, exploration including predominantly reconnaissance and surface geochemical programs, and limited geochemical drill traverses through covered terrain. Mapping has located minor gold diggings at the Sentinel Prospect on the northern margin of Lake Rebecca.

### Corporate - Other

During the period the Company completed a Non-Renounceable Entitlement Issue pursuant to its prospectus dated 9 November 2018 ("Entitlement Issue"). The Entitlement Issue offered eligible shareholders registered on the Record Date the ability to subscribe for Options on the basis of one (1) Option for every three (3) Shares held at an issue price of \$0.001 per Option to raising up to approximately \$97,230 (before costs).

### EVENTS SUBSEQUENT TO REPORTING DATE

There have been no significant events subsequent to the end of the financial year to the date of this report.

### AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of this Directors' report for the half-year ended 31 December 2018.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

Signed on behalf of the board in accordance with a resolution of the Directors.



**Jason Bontempo**  
**Non-Executive Director**

Perth, Western Australia  
15 March 2019

15 March 2019

Board of Directors  
Fin Resources Limited  
Level 1  
35 Richardson Street  
West Perth WA 6005

Dear Sirs

**RE: FIN RESOURCES LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Fin Resources Limited.

As Audit Director for the review of the financial statements of Fin Resources Limited for the half year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**



**Samir Tirodkar**  
**Director**

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2018

	Note	31 December 2018 \$	31 December 2017 \$
<b>Continuing operations</b>			
Consultancy fees		(30,000)	(46,000)
Corporate and compliance expense		(42,905)	(49,250)
Employee benefits expense		(49,710)	(117,473)
Share based payments	8(c)	(15,032)	-
Other expenses		(24,922)	(19,824)
Total expenses		(162,569)	(232,547)
Other income		31,242	30,755
Loss before income tax from continuing operations		(131,327)	(201,792)
Income tax expense		-	-
Loss after income tax from continuing operations		(131,327)	(201,792)
<b>Loss for the year</b>		<b>(131,327)</b>	<b>(201,792)</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit and loss		-	-
<b>Other comprehensive income for the year net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(131,327)</b>	<b>(201,792)</b>
Loss attributable to:			
Owners of the parent		(131,327)	(201,792)
Non-controlling interests		-	-
		<b>(131,327)</b>	<b>(201,792)</b>
Total comprehensive loss attributable to:			
Owners of the parent		(131,327)	(201,792)
Non-controlling interests		-	-
		<b>(131,327)</b>	<b>(201,792)</b>
<b>Loss per share</b>			
<b>From continuing operations</b>			
Basic and diluted loss per share (cents)		(0.05)	(0.04)

The above 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 31 December 2018

	Note	31 December 2018 \$	30 June 2018 \$
<b>Current Assets</b>			
Cash and cash equivalents		4,021,809	4,220,486
Trade and other receivables		12,797	22,180
Other assets		8,658	18,740
Other financial assets		100	100
<b>Total Current Assets</b>		<b>4,043,364</b>	<b>4,261,506</b>
<b>Non-Current Assets</b>			
Exploration and evaluation expenditure	4	611,889	459,635
<b>Total Non-Current Assets</b>		<b>611,889</b>	<b>459,635</b>
<b>Total Assets</b>		<b>4,655,253</b>	<b>4,721,141</b>
<b>Current Liabilities</b>			
Trade and other payables		60,852	89,898
<b>Total Current Liabilities</b>		<b>60,852</b>	<b>89,898</b>
<b>Total Liabilities</b>		<b>60,852</b>	<b>89,898</b>
<b>Net Assets</b>		<b>4,594,401</b>	<b>4,631,243</b>
<b>Equity</b>			
Issued capital	5	29,867,187	29,892,965
Reserves	6	2,706,912	2,586,649
Accumulated losses	7	(27,979,698)	(27,848,371)
<b>Total Equity</b>		<b>4,594,401</b>	<b>4,631,243</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**Consolidated Statement of Changes in Equity**

for the half-year ended 31 December 2018

	Issued capital \$	Accumulated losses \$	Reserves \$	Total \$
<b>Balance at 1 July 2017</b>	<b>28,786,786</b>	<b>(27,272,098)</b>	<b>2,297,449</b>	<b>3,812,137</b>
<b>Total comprehensive income for the period</b>				
Loss for the period	-	(201,792)	-	(201,792)
Other Comprehensive Income	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(201,792)</b>	<b>-</b>	<b>(201,792)</b>
<b>Balance at 31 December 2017</b>	<b>28,786,786</b>	<b>(27,473,890)</b>	<b>2,297,449</b>	<b>3,610,345</b>
<b>Balance at 1 July 2018</b>	<b>29,892,965</b>	<b>(27,848,371)</b>	<b>2,586,649</b>	<b>4,631,243</b>
<b>Total comprehensive loss for the year</b>				
Loss for the year	-	(131,327)	-	(131,327)
Other Comprehensive Income	-	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(131,327)</b>	<b>-</b>	<b>(131,327)</b>
<b>Transactions with owners in their capacity as owners</b>				
Subscription proceeds from options issued during the year	-	-	105,231	105,231
Cost of issue	(25,778)	-	-	(25,778)
Share based payment	-	-	15,032	15,032
<b>Balance at 31 December 2018</b>	<b>29,867,187</b>	<b>(27,979,698)</b>	<b>2,706,912</b>	<b>4,594,401</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Consolidated Statement of Cash Flows**  
 for the half-year ended 31 December 2018

	31 December 2018	31 December 2017
Note	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(111,933)	(223,595)
Interest received	31,242	30,755
<b>Net cash used in operating activities</b>	<b>(80,691)</b>	<b>(192,840)</b>
<b>Cash flows from investing activities</b>		
Payments for exploration expenditure	(198,061)	-
<b>Net cash used in investing activities</b>	<b>(198,061)</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of options	105,231	-
Payments for share issue costs	(25,156)	-
<b>Net cash provided by financing activities</b>	<b>80,075</b>	<b>-</b>
Net decrease in cash and cash equivalents	(198,677)	(192,840)
Cash and cash equivalents at beginning of year	4,220,486	3,885,060
<b>Cash and cash equivalents at the end of the year</b>	<b>4,021,809</b>	<b>3,692,220</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to the Consolidated Financial Statements for the half-year ended 31 December 2018

### 1. Corporate Information

The financial report of Fin Resources Limited ("Fin Resources", "Fin" or "the Company") for the half-year ended 31 December 2018 was authorised for issue in accordance with a resolution of the Directors on 15 March 2019.

Fin Resources is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and the principal activities of the Company are described in the Directors' Report.

### 2. Summary of Significant Accounting Policies

#### (a) Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2018 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Fin Resources Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2018, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards. The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

#### (b) New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The impact on the financial performance and position of the Company from the adoption of the new or amended Accounting Standards and Interpretations was not material.

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

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

##### *AASB 9 Financial Instruments*

The consolidated entity has adopted AASB 9 from 1 July 2018. AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 Financial Instruments resulted in changes in accounting policies. There were no changes to the classification of financial instruments in the financial statements.

### 3. Summary of Significant Accounting Policies

#### (a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Fin Resources Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

## Notes to the Consolidated Financial Statements for the half-year ended 31 December 2018

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

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

	31 December 2018	30 June 2018
	\$	\$
<b>4. Deferred Exploration and Evaluation Expenditure</b>		
Opening Balance	459,635	-
Acquisition of exploration tenements <sup>1</sup>	-	380,000
Expenditure capitalised during the year	152,254	79,635
Closing balance	<b>611,889</b>	<b>459,635</b>

<sup>1</sup> 10 million fully paid ordinary shares in the capital of the Company and 20 million unlisted options exercisable at \$0.03 on or before 14 May 2021 were issued as consideration for the acquisition of the McKenzie Springs Project, the South Big Bell Project and the Sentinel Project (refer note 5(b) and note 8(b)).

The ultimate recoupment of costs carried forward for exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

### 5. Issued Capital

#### (a) Issued and paid up capital

Issued and fully paid 291,691,438	29,866,387	29,892,165
Converting preference shares 100	800	800
	<b>29,867,187</b>	<b>29,892,965</b>

	31 December 2018		30 June 2018	
	No.	\$	No.	\$
<b>(b) Movements in ordinary shares on issue</b>				
Opening balance	291,691,438	29,892,165	463,382,876	28,785,986
Share consolidation on a 1 for 2 basis	-	-	(231,691,438)	-
Shares issued via placement <sup>1</sup>	-	-	50,000,000	1,000,000
Shares issued as consideration for acquisition <sup>2</sup>	-	-	10,000,000	200,000
Transaction costs	-	(25,778)	-	(93,821)
Closing balance	<b>291,691,438</b>	<b>29,866,387</b>	<b>291,691,438</b>	<b>29,892,165</b>

<sup>1</sup> Fin completed a public offer of 50,000,000 shares in the capital of the Company at an issue price of \$0.02 per share raising \$1.0 million (before costs).

<sup>2</sup> 10 million fully paid ordinary shares in the capital of the Company were issued as consideration for the acquisition of the McKenzie Springs Project, the South Big Bell Project and the Sentinel Project at a deemed issue price of \$0.02 per share.

Fully paid ordinary shares carry one vote per share and carry the rights to dividends.

**Notes to the Consolidated Financial Statements**  
for the half-year ended 31 December 2018

	31 December 2018		30 June 2018	
	No.	\$	No.	\$
<b>(c) Movements in converting preference shares</b>				
Opening balance	2,006	800	2,006	800
Closing balance	<b>2,006</b>	<b>800</b>	<b>2,006</b>	<b>800</b>

The converting preference shares do not have any voting rights but are entitled to the payment of a dividend. The conversion terms for these shares have now expired.

	31 December 2018		30 June 2018	
	\$		\$	
<b>6. Reserves</b>				
Option, performance rights, share based payments and option premium reserves		<b>2,706,912</b>		<b>2,586,649</b>
<b>Movements in Reserves</b>				
Opening balance		2,586,649		2,297,449
Movement		120,263		289,200
Closing balance		<b>2,706,912</b>		<b>2,586,649</b>

The share based payments reserve arises on the grant of share options to Directors, Executives and senior employees as part of their remuneration, to consultants for services provided and as consideration for project acquisitions (refer to note 8). This reserve also includes subscription proceeds from options.

<b>7. Accumulated losses</b>				
Movements in accumulated losses were as follows:				
Opening balance		(27,848,371)		(27,272,098)
Loss for the year		(131,327)		(576,273)
Closing balance		<b>(27,979,698)</b>		<b>(27,848,371)</b>

**8. Share Based Payments**

**(a) Recognised share based payment transactions**

Share based payment transactions recognised either as operational expenses in the statement of profit or loss and other comprehensive income or as capitalised project acquisition costs in equity during the period were as follows:

	31 December 2018	31 December 2017
	\$	\$
Share based payments as consideration for project acquisition (note 8(b))	-	-
Employee, Consultant and Director share based payments (note 8 (c))	(15,032)	-
Share based payments to suppliers (note 8 (d))	-	-

**(b) Project acquisition share based payments**

There were no options granted as consideration for project acquisitions during the half year ended 31 December 2018.

During the financial year ended 30 June 2018, 10 million fully paid ordinary shares in the capital of the Company and 20 million unlisted options exercisable at \$0.03 on or before 14 May 2021 were issued as consideration for the acquisition of the McKenzie Springs Project, the South Big Bell Project and the Sentinel Project.

**Notes to the Consolidated Financial Statements**  
**for the half-year ended 31 December 2018**

Grant Date	Expiry date	Exercise price per option	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year <sup>1</sup> Number
14/05/2018	14/05/2021	\$0.03	-	20,000,000	-	-	20,000,000	-
				<b>20,000,000</b>	-	-	<b>20,000,000</b>	-

<sup>1</sup> Options are escrowed for a period of 12 months from the date of issue.

The amount recognised in respect of the above options granted during the year ended 30 June 2018 was \$180,000. These options have been valued using a binomial option pricing model. The model inputs, not included in the table above, for the project acquisition options granted as consideration for the acquisition included:

- expected lives of the options was 3.0 years;
- share price at grant date was \$0.02;
- expected volatility was 100%;
- expected dividend yield of nil; and
- a risk-free interest rate of 2.05%

**(c) Employee, Consultant and Director share based payments**

8 million Performance Rights, exercisable at \$0.001, were issued during the year ended 30 June 2018 to Directors and Officers as approved by shareholders on 13 April 2018. The Performance Rights vest and become exercisable by the holder upon the Company achieving a VWAP of at least \$0.03 over a period of 20 trading days. The deadline for conversion is 5 years from the date of issue (14 May 2023).

The Performance Rights could not vest within 3 months of the Performance Right issue date (14 May 2018). As a result, the share based payment expense in relation to the performance rights has been recorded during the half year ended 31 December 2018. The fair value at grant date of options granted during the reporting year was determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the option.

The table below summarises Performance Rights granted during the year ended 30 June 2018. The vesting period for these Performance Rights commenced during the half-year ended 31 December 2018:

Grant Date	Expiry date	Exercise price per option	Balance at start of the period Number	Granted during the period Number	Exercised during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
14/05/2018	14/05/2023	\$0.001	-	8,000,000	-	-	8,000,000	-
				<b>8,000,000</b>	-	-	<b>8,000,000</b>	-

The expense recognised in respect of the above Performance Rights which vested during the period was \$15,032. The model inputs, not included in the table above, for Performance Rights granted during the year ended 30 June 2018 included:

- Performance Rights were granted for nil cash consideration;
- expected lives of the Performance Rights is 5 years;
- share price at grant date was \$0.024;
- expected volatility of 100%;
- expected dividend yield of nil; and
- a risk-free interest rate of 1.25%

There were no options granted to Employees, Consultants or Directors during the year ended 30 June 2018.

**Notes to the Consolidated Financial Statements**  
**for the half-year ended 31 December 2018**

**(d) Share-based payment to suppliers**

There were no options granted to suppliers during the half year ended 31 December 2018.

During the financial year ended 30 June 2018, the Company issued 12,000,000 unlisted options as consideration to lead managers for services rendered.

Grant Date	Expiry date	Exercise price per option	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Exercisable at end of the year <sup>1</sup> Number
14/05/2018	14/05/2021	\$0.03	-	12,000,000	-	-	12,000,000	-
				<b>12,000,000</b>	-	-	<b>12,000,000</b>	-

<sup>1</sup> Options are escrowed for a period of 24 months from the date of issue.

These options have been valued using a binomial option pricing model. The model inputs, not included in the table above, for supplier options granted during the year ended 30 June 2018 included:

- options were granted for \$0.0001;
- expected lives of the options is 3 years;
- share price at grant date was \$0.02;
- expected volatility of 100%;
- expected dividend yield of nil; and
- a risk-free interest rate of 2.05%

**9. Subsidiaries**

The consolidated financial statements include the financial statements of Fin Resources Limited and the subsidiaries listed in the following table:

Name of Entity	Country of Incorporation	Equity Holding	
		2018	2017
Komodo Energy Pty Limited	Australia	100%	100%
Crestwood Pty Ltd	Australia	100%	100%
Sugarbay Investments Pty Limited	Australia	100%	100%

**10. Dividends**

No dividends have been paid or provided for during the half-year.

**11. Commitments**

In order to maintain an interest in the exploration tenements in which the Group is involved, the Group is committed to meet the conditions under which the tenements were granted and the obligations of any joint venture agreements. The timing and amount of exploration expenditure commitments and obligations of the Group are subject to the minimum expenditure commitments required as per the Mining Act, as amended, and may vary significantly from the forecast based upon the results of the work performed which will determine the prospectivity of the relevant area of interest. These obligations are not provided for in the financial report and are payable. The annual minimum expenditure commitment on the Group's tenements is \$101,500.

**12. Contingent Liabilities and Contingent Assets**

The Directors are not aware of any contingent liabilities or contingent assets at the reporting date.

**13. Subsequent Events**

There have been no significant events subsequent to the end of the financial year and to the date of this report.

## Directors' Declaration

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In accordance with a resolution of the Directors of Fin Resources Limited, I state that:

1. In the opinion of the Directors:
  - a) the condensed financial statements and notes of Fin Resources Limited for the half-year ended 31 December 2018 are in accordance with the Corporations Act 2001, including:
    - i. giving a true and fair view of the Group's consolidated financial position as at 31 December 2018 and of its performance for the period ended on that date; and
    - ii. complying with Accounting Standards AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001; and
  - b) the condensed financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**Jason Bontempo**  
**Non-Executive Director**

Perth, Western Australia  
15 March 2019

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
FIN RESOURCES LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Fin Resources Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, and condensed consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Fin Resources Limited (the consolidated entity). The consolidated entity comprises both Fin Resources Limited (the Company) and the entities it controlled during the half year.

*Directors' Responsibility for the Half-Year Financial Report*

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

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Fin Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Fin Resources Limited on 15 March 2019.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Fin Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  


**Samir Tirodkar**  
**Director**

West Perth, Western Australia  
15 March 2019

## About Fin Resources Limited and Schedule of Tenements

### About Fin Resources Limited

Fin Resources Limited is an Australian based resources company listed on the Australian Securities Exchange (ASX:FIN). The Company's projects comprise exploration licences covering ground located in Western Australia, which the Company intends to explore for gold, base metals and graphite.

The McKenzie Springs Project is located within the Kimberley Region of Western Australia, 85km north-east of the township of Halls Creek. The Project covers an area of approximately 134km<sup>2</sup> including identified nickel, copper, cobalt and graphite occurrences.

The Sentinel Project is located 130km east-northeast of the township of Kalgoorlie in the Eastern Goldfields, Western Australia. The Project covers an area of approximately 44km<sup>2</sup>. The Sentinel Project is positioned in a prospective location in terms of regional, geological and mineralisation setting, located in the Eastern Goldfields Province within the southern Laverton Tectonic Zone, a regional shear/fault system that extends as a set of NNE and NNW trending structures from Laverton towards the Pinjin area. The Sentinel Project is considered prospective for gold.

The South Big Bell Project is located 25km west of the township of Cue in the Murchison Goldfields, Western Australia. The South Big Bell Project covers the southern extensions of the greenstone belt and shear zone that hosts the Big Bell Gold Deposit. The South Big Bell Project is considered prospective for gold.

### FIN Resources Limited Tenements

	Location	Area	Structure
<b>AUSTRALIA</b>			
E80/4808	Western Australia	134km <sup>2</sup>	51%
E20/900	Western Australia	50km <sup>2</sup>	51%
E28/2652	Western Australia	44km <sup>2</sup>	51%

km<sup>2</sup> – Square Kilometres

## Important Information and Disclaimers

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### Competent Persons Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Scott Bishop, a consultant of the Company and a Member of The Australasian Institute of Mining and Metallurgy. Mr Bishop has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bishop consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the interpretation of historic land based FLTEM and airborne VTEM Survey Results, and consequently drill hole design is based on information compiled by Mr Matthew Cooper, who is employed as a Consultant Principal Geophysicist to the Company through Core Geophysics Pty Ltd. Mr Cooper is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cooper consents to the inclusion in the report of matters based on information in the form and context in which it appears.