GOLDEN DEEPS LIMITED

AND CONTROLLED ENTITIES

ACN: 054 570 777

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

Contents

GOLDEN DEEPS LIMITED

COMPANY DIRECTORY

DIRECTORS

Michael Minosora (appointed 01/09/2018)
Michael Rodriguez (appointed 30/11/2018)
Michael Scivolo
Michael Norburn
Robert Collins

COMPANY SECRETARY

Martin Stein

REGISTERED OFFICE

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West Perth, WA, 6005

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16 Milligan Street
Perth, WA, 6000

AUDITORS

Crowe Perth
Level 5, 45 St Georges Terrace
Perth, WA, 6000

BANKERS

Westpac Banking Corporation
109 St George's Terrace
Perth, WA, 6000

SHARE REGISTRY

Advanced Share Registry Limited
110 Stirling Highway
Nedlands, WA, 6009

Telephone: (08) 9389 8033
Facsimile: (08) 9262 3723

STOCK EXCHANGE LISTING

Golden Deeps Limited is listed on the Australian Securities Exchange.

ASX code for shares: GED

Your Directors present their report on the consolidated entity consisting of Golden Deeps Limited and its controlled entities for the year ended 30 June 2019.

DIRECTORS

The Directors of the Company during and since the end of the financial year were:

Michael Minosora (appointed 01/09/2018)
Michael Rodriguez (appointed 30/11/2018)
Michael Scivolo
Michael Norburn
Robert Collins

REVIEW OF OPERATIONS

The Company has made significant progress on the development of it's Abenab Vanadium Project near Grootfontein in Namibia. The project is considered to be highly prospective for vanadium and also lead, zinc and copper. A resource definition and exploration drilling program commenced at the Abenab Mine in April and metallurgical testwork on vanadium bearing stockpiles and tailings is well advanced.

ABENAB VANADIUM PROJECT

The Company holds an 80% interest in the highly prospective Abenab Vanadium Project (AVP). The Project is located in the Otavi Mountain Land (OML), north east Namibia (Figure 1). The OML is a globally significant base metal province with production coming from several mines, including the now closed Tsumeb, Kombat, Abenab, and Berg Aukas.

The AVP landholding stands at 115.36 km^2 with further areas under application. The Company has two Exclusive Prospecting Licences (EPL's) currently undergoing a statutory renewal process (EPL5496 and 3543) and three EPL applications (EPL5232, 5233 and 5234). EPL5509 and 5510 were relinquished. Refer to Figure 2.

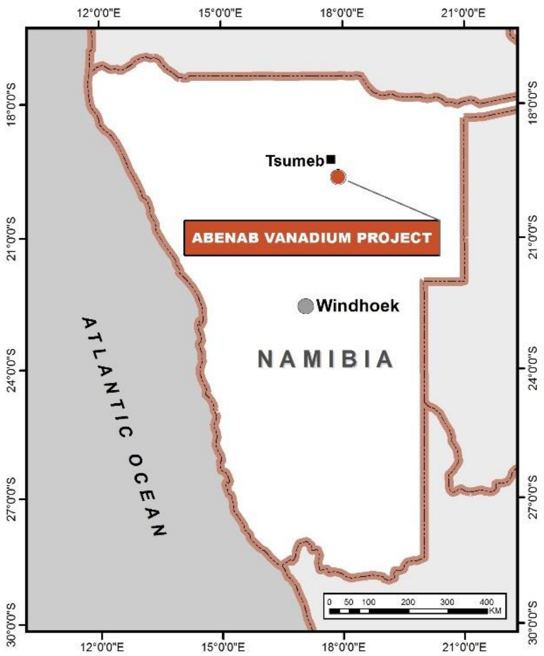

Figure 1: Location of the Grootfontein Base Metal Project

On its tenements and applications, the Company holds two of the five historically important mines of the Otavi Mountain Land – Abenab and Abenab West (formerly known as Christiana). Both mines have only been tested over short strike lengths, with significant exploration upside available to the Company.

REVIEW OF OPERATIONS (continued)

There are three recognised base metal trends with extensive strike lengths located within the tenement package, namely the Abenab, Khusib, and Pavian Trends. These trends have been the main focus of the Company's exploration efforts.

Each trend hosts at least one high priority exploration target identified by a prospectivity review completed earlier. These trends and targets in priority order are as follows:

- **Abenab Trend:** The Abenab Trend is defined by a series of V-Zn-Pb-Cu occurrences and geochemical anomalies located near the contact between the Auros Shale and Maieberg Dolomites. Approximately 40km strike extent of this highly prospective trend lies within the Company's EPL3543 and EPL5496 (Figure 3). The Company controls all the key mines along the trend, including Abenab, Abenab West, Karuchas West, Okurundu Pipe and Nosib Block.
- **Khusib Trend:** Copper-silver trend over 6km strike. Contains the Khusib Springs Mine (excised) and at least six untested bedrock EM conductors.
- **Pavian Trend:** A lead-zinc mineralised trend with over 6km of strike held by the Company. It is the interpreted strike extension of the Border deposit and the recent Toggenburg discovery, which are held by a subsidiary of Sabre Resources Ltd.

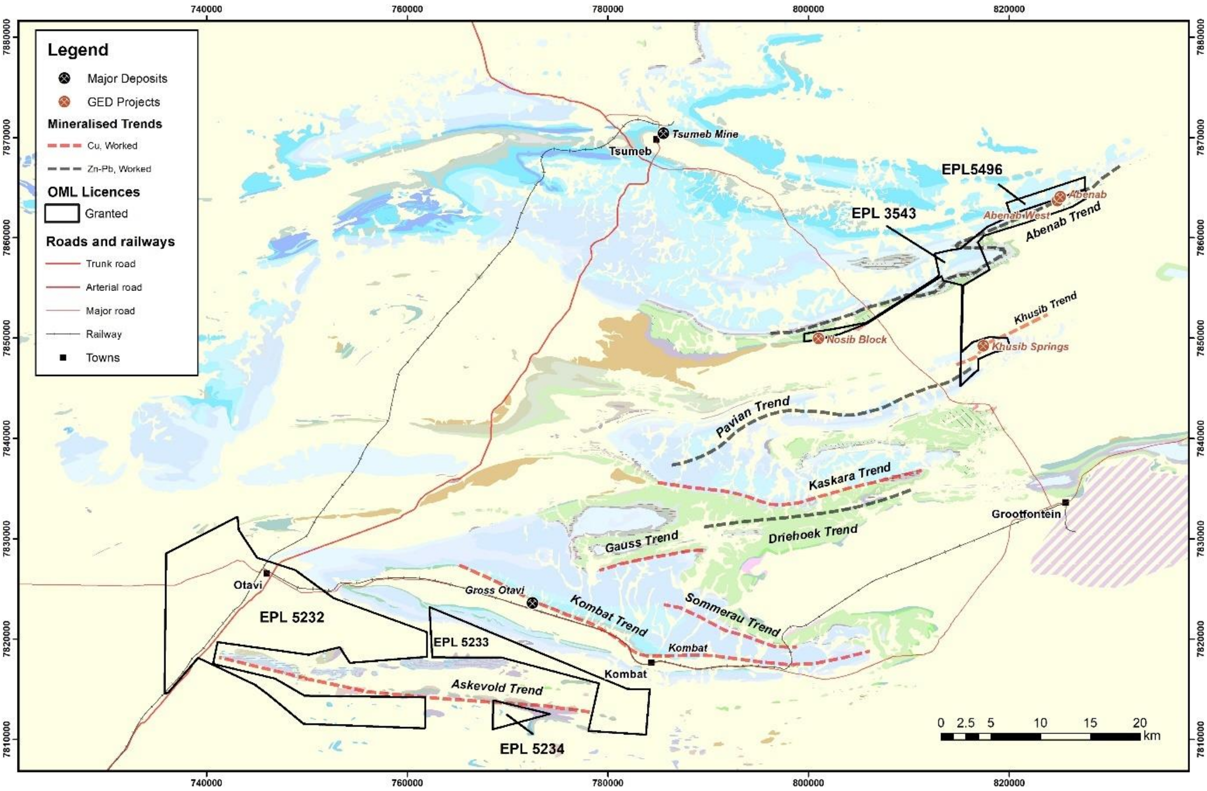

Figure 2: The location of Khusib Springs, Nosib Block, Abenab and Abenab West mines within the Golden Deeps Ltd Abenab Vanadium Project, Otavi Mountainland, Namibia

REVIEW OF OPERATIONS (continued)

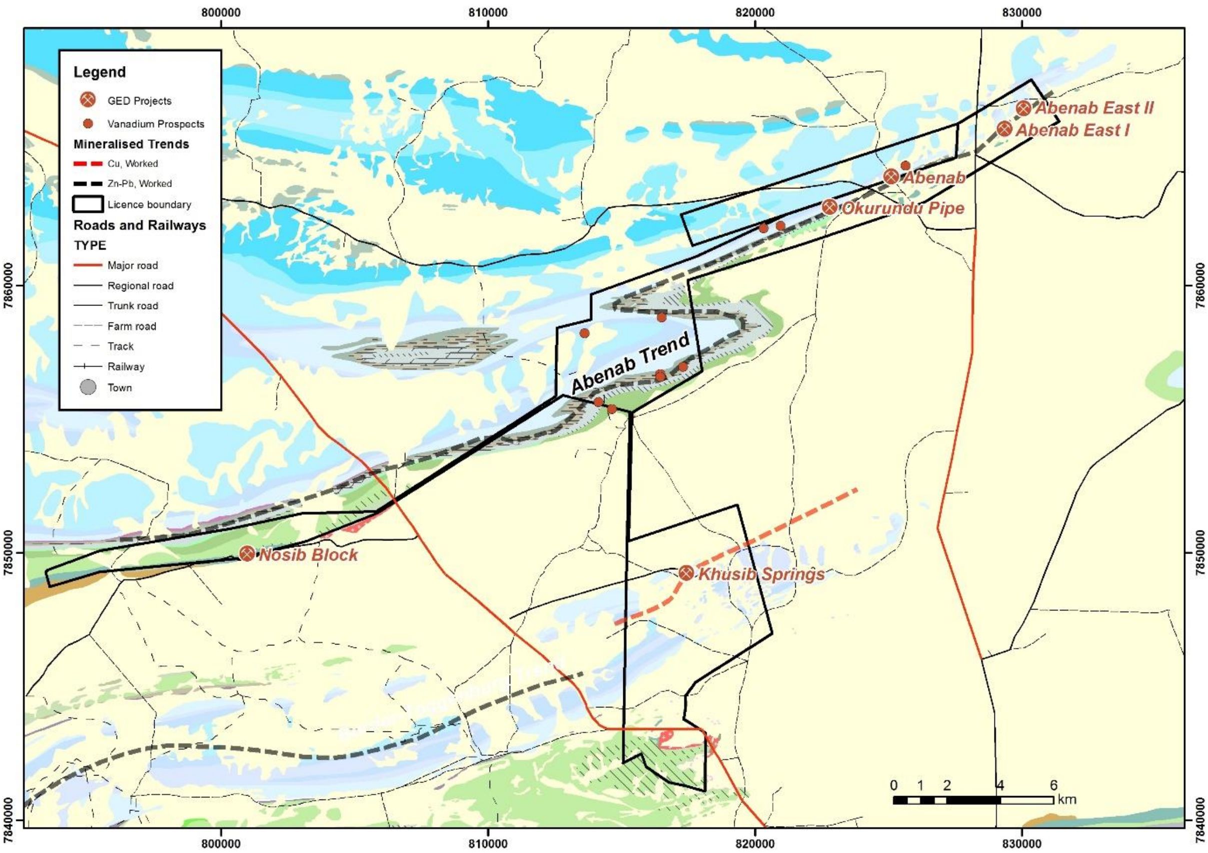

Figure 3: Schematic plan of the Abenab Trend showing the location of key V-Pb-Zn-Cu occurrences and historical mines, Otavi Mountainland, Namibia

Abenab Vanadium Mine

The Company has identified the opportunity to define near-surface vanadium-lead-zinc resources and to re-open or extend the adjacent historic Abenab and Abenab West mines. The unusual, high grade vanadate mineralogy of the deposits is unlike any operating or proposed vanadium mines and is amenable to simple, low cost gravity-based processing methods to produce an exceptionally high grade and high value multi-metal concentrate rich in vanadium pentoxide (V_2O_5), lead and zinc.

The Abenab group of deposits was discovered in the early 20th century and mined up until 1958. The Abenab and Abenab West mines were known as the "world's richest" and largest known deposits of base metal vanadate ore, producing a substantial amount of very high-grade concentrate. The Abenab and Abenab West Mines are located only a few hundred metres apart (Figure 4). Prior exploration by GED and others indicates that the deposits have potential for the discovery of further vanadium-base metal mineralisation that can be developed and processed in a similar way to the historical operations.

REVIEW OF OPERATIONS (continued)

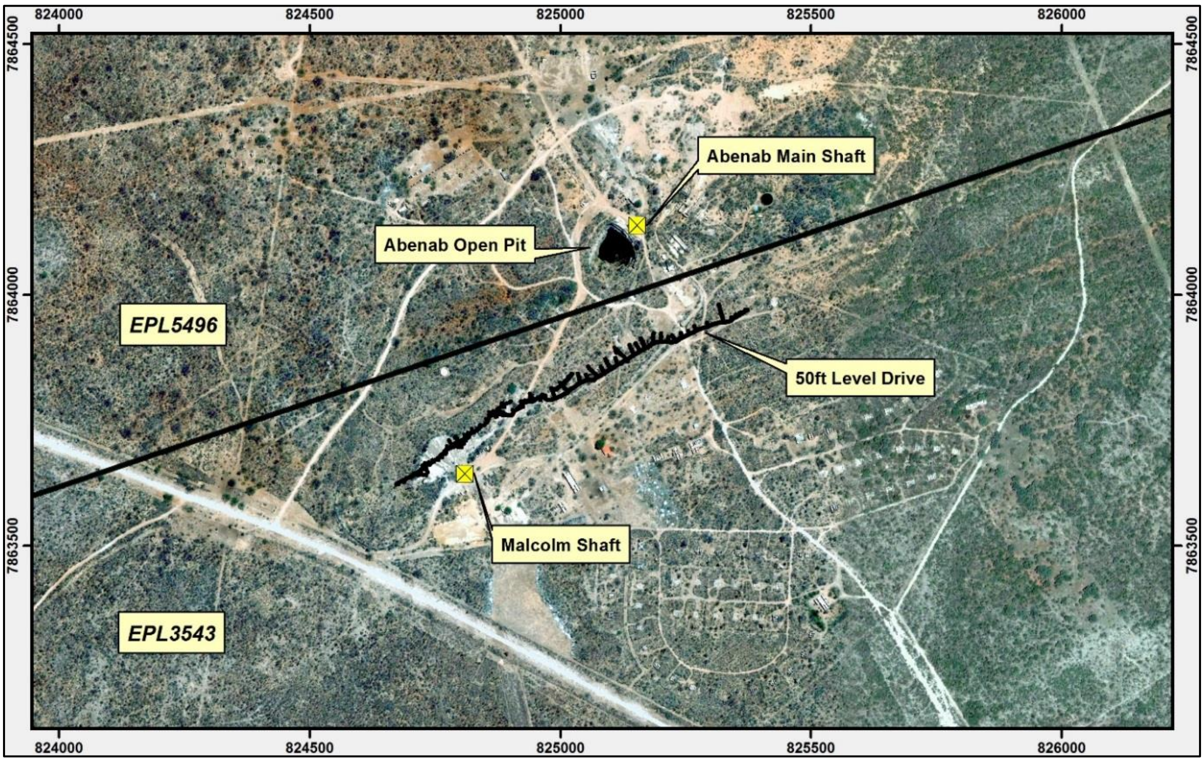

Figure 4: Image of the Abenab-Abenab West mine site showing some of the important workings and local infrastructure

The historical Abenab Mine was a major open pit and underground vanadium and base metal mining operation in the Otavi Mountain Land, with reported historical ore production of ~1.8Mt @ 1.05% V_2O_5 for approximately 102,000t of concentrate grading 18% V_2O_5, 13% Zn and 42% Pb. Historical exploration and more recent drilling indicates that there is potential for extensions of the mineralisation at depth and laterally. Potential exists to re-open the Abenab Mine and to process the high-grade V-Zn-Pb mineralisation using simple, low-cost processing methods.

In January 2019, Golden Deeps reported an upgrade in the resource following detailed geological reviews and creation of a new geological model. The new Inferred Mineral Resource reported is 2.8Mt at 0.66% V_2O_5, 2.35% Pb and 0.94% Zn at a cut-off grade of 0.2% V_2O_5[1]. In April 2019 the Company commenced a drilling program designed to in-fill and extend the resource.

Abenab West Mine

The Abenab West Mine (formerly Christiana Mine) was mined between 1947 and 1958. Several open pits were dug and a number of shafts were sunk to access the mineralisation. Extensive underground level development was carried out over at least 1,000 m of mineralised strike extent and to a depth of at least 380 m below surface.

[1] GED ASX announcement data 31st January 2019

REVIEW OF OPERATIONS (continued)

Historically the mine produced vanadium, lead and zinc concentrates using simple gravity separation techniques. Production from the mine is reported to have been 540,000 t at 10% Pb and 2.6% V_2O_5 (plus Zn) producing

- 73,739 t of concentrate grading 72% Pb and 13% V_2O_5; plus
- 6,000 t of lead concentrates grading 72% Pb; and
- 8,500 t of zinc concentrates grading 55% Zn

Historical records and previous exploration by the Company shows that extensive level development was undertaken along strike to the east of the main Abenab West mining area. Strike drives were developed at 50' (15 m) levels along the east-west trending footwall shale contact and the levels were linked to surface by the centrally located Malcolm Shaft. Cross-cuts were developed to the north at regular intervals along the drives to access the interpreted ore position. Despite this development, the mineralisation is unmined in most areas and it appears that much of the underground infrastructure was constructed in preparation for extensive mining which was planned but ultimately did not occur.

Work Completed 2018-2019

Metallurgical Testwork

Preliminary metallurgical testing completed by Avonlea on mineralised material sourced from surface stockpiles at Abenab has confirmed that simple coarse grinding (-1 mm) and gravity separation of the vanadium-rich mineralisation is an effective liberation process. This used a series of sighter tests using spiral separators and wet shaking tables to concentrate the descloizite mineral achieving results of exceptional grade up to 21% V_2O_5, 14% Zn and 53% Pb. While these results were based on higher grade head feed, this identified the potential to increase vanadium recovery to 80+% through further gravity test work and has shown a consistent upgradeability and recovery at lower grades also.

In developing this further, Mintek, of South Africa, were engaged to undertake a detailed test program on the surface ore materials, identifying these as low grade ore samples. This work involved a series of sighter tests using alternative gravity separation techniques to develop an optimised crushing and concentrator process flowsheet. This test work enabled a pilot scale test to be performed using a large sample in order to prepare a bulk quantity of concentrate for testing downstream with off takers, customers and 3rd party refineries.

This work program is almost complete with the final report due early in Q3 2019.

Engineering Design - Crushing and Concentrate Plant

The process plant selection and design criterion continues to evolve with a modular plant being the preferred option. This will enable a shorter lead time to first production whilst also enabling future upgrades to be obtained with relative ease.

On this basis, a detailed engineering scope of works was issued for tender in developing the pre-feasibility study for a proposed 250ktpa (35tph) start-up plant covering:

REVIEW OF OPERATIONS (continued)

Part 1: Process design and plant engineering.
Part 2: Construct and operate, with consideration for modular options, lease arrangements and or buy back arrangements.

A number of EPCM parties have shown interest in the project and have submitted tenders for assessment.

The Abenab Project is well located with ready access to high quality road and rail through to Walvis Bay (Namibia's principal port), grid power, water and skilled labour and mining and related services in the nearby towns of Groonfontein and Tsumeb.

Additional support from the Namibian Government has acknowledged that the existing above ground stocks can be processed under an Accessory Works Approval process and will not require a full mining licence approval. This has the potential to significantly reduce approval and construction lead times by around 2-3 months.

Vanadium refining

In conjunction with GMC, meetings have been held with a number of vanadium refineries in China to advance discussions on third party refining of the high-grade concentrate to be produced at Abenab.

Dalian Bolong and the Yildrim group are 2 well known refineries that have identified an ability to process the Descloizite to recover Vanadium as Vanadium Pentoxide, whilst also offering value in extracting valuable Lead & Zinc credits from the available mineral.

Further testing is awaiting the completion of the bulk concentrate sample from the Mintek pilot concentrator test work to enable the refinery options to be tested and progressed further.

Golden Deeps – GMC Joint Venture

Golden Deeps signed a Joint Venture Agreement with Hong Kong based metals trading company Generous Metals Company Limited (GMC) to produce high-grade vanadium concentrate at the Abenab project, which will be shipped to China for refining into vanadium products and the marketing of end vanadium products. This represented a very significant milestone in the development pathway for the Abenab project, and the first step in the Company's stated strategy to develop a plant to treat ore mined from underground, was achieved.

Under the Joint Venture (JV), Golden Deeps will provide existing material from the surface stockpile and tailings at the Abenab project and will oversee operations in Namibia as its contribution to the JV. GMC will pay all costs of crushing, concentrating and refining the stockpile and tailings into vanadium products and will also oversee third party refining operations in China, and the marketing of vanadium products.

JV profits will be shared equally by Golden Deeps and GMC.

REVIEW OF OPERATIONS (continued)

Phase 1 Drilling Program

In April the Company commenced a drilling program at the Abenab Mine with the aim of in filling and extending the existing Inferred Mineral Resource. A diamond core drill rig was mobilised first followed by a reverse circulation (RC) rig in May (Figures 5-6). The drill program was initially focussed on the reported vanadium resource but was later modified to include shallow exploration drilling around the open pit with a total of 23 holes planned for 4,080m.

Five diamond holes (green holes in Figure 7) were planned to in-fill the resource to validate previous drilling and to support a planned conversion of the resource from Inferred to Indicated. The first hole (ABD015) was drilled in HQ diamond mode from surface. Difficult drilling conditions encountered in the weathered profile to a depth of 100m resulted in subsequent holes being drilled as diamond tails from RC precollars which proved very successful. Hole ABD015 intersected dolomite breccia with sparry calcite fill containing green-grey vanadium mineralisation (Figure 8). Holes ABRCD008, 12 and 16 were designed to test the margins of the resource where they could potentially result in a resource extension. At the end on June the diamond drilling was still in progress with no assay results available.

Figure 5-6: RC and diamond drill rigs in operation at the Abenab Mine.

Twelve RC holes (blue holes in Figure 7) were drilled around the existing Abenab open pit targeting shallow mineralisation that could potentially support a pit cutback. Vanadium mineralisation at Abenab is hosted by a breccia pipe located on a faulted contact that trends northeast. Geological mapping has located zones of breccia along this trend and vanadium mineralisation in fractures zones has been mapped on the south wall of the pit. This mineralisation was not mined during the historic mining operation providing encouragement that other remnants of ore may exist. The RC drilling program is still in progress but some holes have intersected fractured dolomite with indications of vanadium mineralisation. Assay results will be reported when available.

REVIEW OF OPERATIONS (continued)

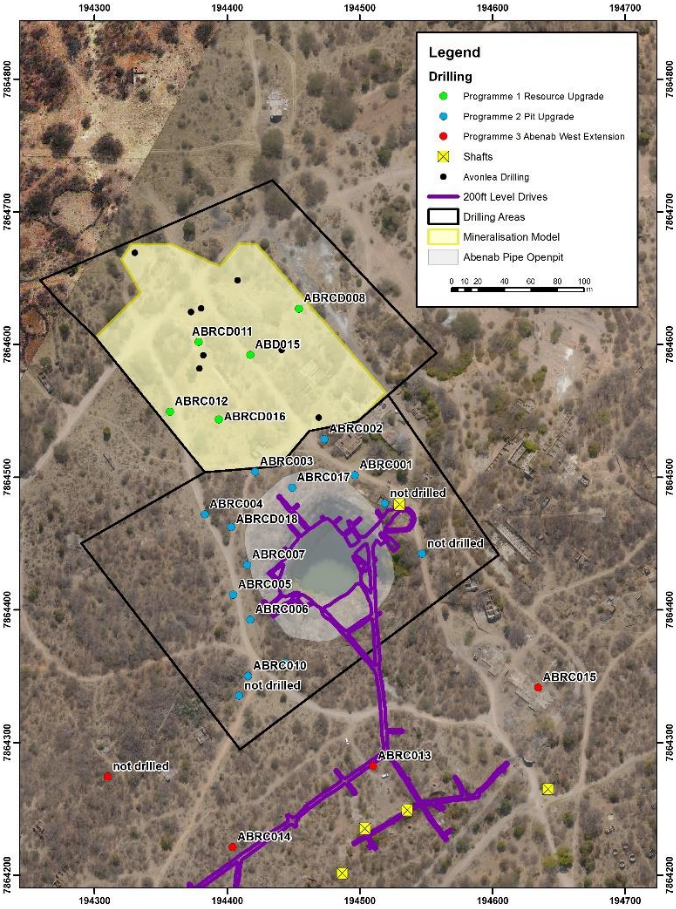

Figure 7: Drill hole location plan Abenab Mine

The in-fill drilling in progress will improve confidence in the current JORC Inferred Mineral Resource and advance understanding of the geological controls on mineralisation. This in turn will form the basis for a reinterpretation of geology and the creation of an updated geological model.

Figure 8: Dolomite breccia with grey-green descloizite (vanadium) mineralisation lining calcite filled fractures in diamond hole ABD015 at 241m

REVIEW OF OPERATIONS (continued)

Stockpile and Tailings Sampling

The Company's sampling of the vanadium bearing stockpile and tailings at Abenab (Figure 9) has delivered highly positive results. Rock chip samples of the stockpile contain up to 1.79% vanadium pentoxide, whilst tailings dump auger samples contain up to 1.24% vanadium pentoxide[2]. These results confirm the potential for low-cost feed for the Golden Deeps and Generous Metals Company (GMC) production joint venture.

In addition to the main stockpile and tailings dump there are additional areas of unconstrained tailings that extend over a large area to the northeast of the mine. Provisional analysis of the tails with a handheld XRF has indicated high levels of lead, zinc and vanadium. A more detailed grid based sampling program is planned using a powered auger. If additional vanadium resources are identified these could potentially be processed as an extension to the GMC joint venture.

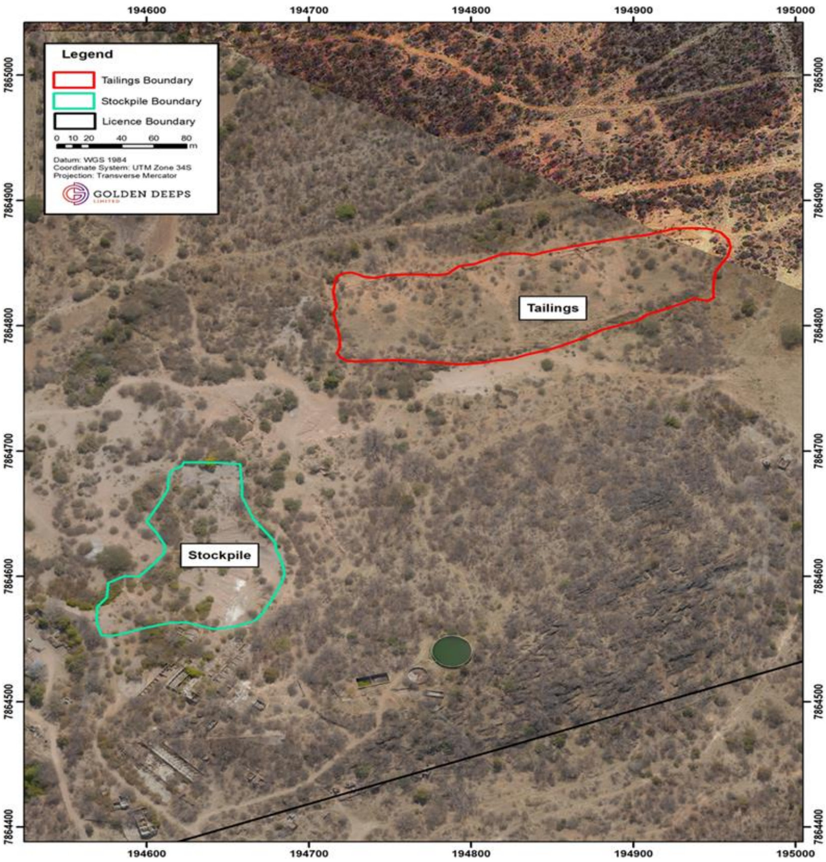

Figure 9: Location of Stockpile and Tailings at Abenab which have not been estimated as JORC resources.

[2] Golden Deeps ASX announcement dated 16 April 2019.

REVIEW OF OPERATIONS (continued)

Work Planned 2019-2020

The Company has engaged South Africa based consultants Shango Solutions to assist with the re-interpretation of the Abenab Mine geology following completion of the Phase 1 drilling program. This will include a site visit by a Shango geologist and review of the structural and lithological controls on the vanadium mineralisation.

A second Phase of RC and diamond drilling is planned to complete in-fill drilling at the Abenab Mine and to support conversion of the current Inferred Mineral Resource to the Indicated category. It is estimated approximately six holes will be required, however the final design of the drill program will depend on the results of the Phase 1 drilling. If Phase 1 drilling indicates extensions to the resource either along strike, down plunge or proximal to the open pit additional drilling may be required to complete the resource conversion. The Phase 2 drilling program is scheduled for Q4 2019.

An auger drilling program is planned in July 2019 to test the large areas of unconstrained tailings and mineralised waste located around the open pit, former processing plant and low-lying areas to the northeast. Provisional pitting and XRF analysis of the tails identified areas with tailing over 30cm deep containing anomalously high values of vanadium, lead and zinc. The auger samples will be taken on a 50m x 50m grid with in-fill sampling as required.

Abenab Exploration

Nosib Block Copper-Vanadium Mine

The historic Nosib copper-vanadium mine is located on the western end of the Abenab-Nosib Trend. High grade copper, lead, vanadium and silver are hosted in a sequence of tillites, conglomerates and felspathic sandstones (mine sequence) in contact with massive dolomites to the north (hanging wall) and basement granites to the south (footwall). The mine sequence is dipping moderately to the north and the mineralisation appears to be plunging to the north east.

The Company's previous sampling and mapping activities indicate that most of the copper-vanadium mineralisation remains in-situ. Level 1, 20m below surface, Level 2, 40m below surface and Level 3, 60m below surface have been accessed, mapped and sampled. Broad zones of strong vanadium, copper, lead, and silver have been encountered on all levels. On Level 1 channel sample results include 5m @ 6.5% V_2O_5 in channel sample NOUG005 (Figure 10). The Company's 3D modelling shows high grade continuity from surface to over 60m below surface.

Several intersections contain anomalous levels of gallium, germanium and zinc, which show a similar metal association to the Tsumeb deposit located 26 km to the northwest (30 Mt @ 4.3% Cu, 10% Pb, 3.5% Zn, 100g/t Ag and 50g/t Ge). This metal association has strong implications for the exploration and development potential of Nosib Block.

REVIEW OF OPERATIONS (continued)

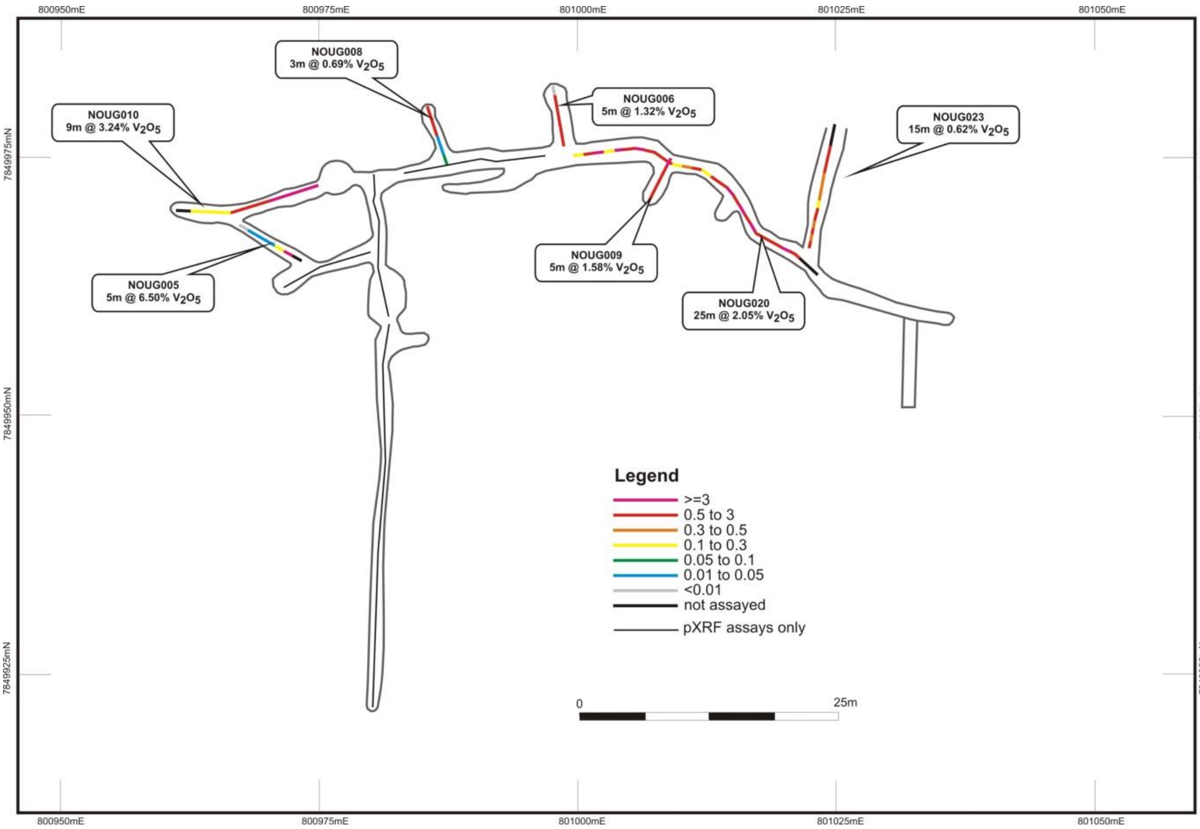

Figure 10: Nosib Block prospect Level 1. Vanadium pentoxide channel sample results.

Vanadium Prospects

A compilation of previous exploration on EPL3543 has identified eight vanadium occurrences along the prospective Abenab trend that extends for over 20km to the southwest of the Abenab Mine. Reconnaissance mapping and sampling is planned at these occurrences to determine their potential to add the vanadium resource base already reported at Abenab. The occurrences may relate to carbonate hosted breccia pipes similar to the one that hosts vanadium mineralisation at Abenab.

Khusib Copper Trend

The Khusib Trend is an east-west trending zone of copper anomalies and prospects located around a contact zone between dolomites and limestones. This is known as the T2/T3 contact position. The Khusib Trend is marked by the Pickaxe, Butterfly and Dogleg anomalies and trends northeast for over six kilometres, with the Khusib Springs copper mine located near the centre of the trend.

Khusib Springs was discovered and mined during the 1990's. Approximately 500,000t @ 10% Cu, 1.8% Pb and 584g/t Ag (unreferenced) was mined from Khusib Springs before its closure in 1997.

REVIEW OF OPERATIONS (continued)

The area around Khusib Springs is considered highly prospective for additional high-grade Cu-Pb-Ag deposits similar to that of the mined out deposit. The area around the mine hosts a number of high-order anomalies generated from close-spaced soil geochemistry, geophysics and airborne magnetics.

Goldfields South Africa actively explored around Khusib Springs during the 1990's using predominantly electrical geophysics. Records show that many anomalies were generated from this work but few of the conductors were effectively drill tested. The EM technique and loop locations may also not have been optimal. This leaves a significant opportunity for new discoveries in the area.

ONTARIO COBALT PROJECTS

The **Professor Co-Ag Project** is located in the north-eastern portion of Gillies Limit Township, approximately 5 km southeast of the town of Cobalt (Figure 10). The Professor Project consists of a contiguous landholding of 16 patent and leasehold claims for a total of 129.7 hectares and includes historical working known as the Professor Adit, 3 Oxford Shafts and the Cummins Pits (Figure 15).

To the east of the Professor claims, approximately 0.5 to 1.5 miles (0.8 to 2.5 km) in distance are several former silver producing mines, including the Cobalt Lode, Christopher, Brady Lake and Beaver-Temiskaming mines. To the northeast, about 0.5 to 1.5 miles (0.8 to 2.5 km) away from the claims are the historical Conisil, Lawson, Kerr, Hargraves and Drummond mines.

Very little work and limited drilling has been completed on the project area since the mid-1960's and it is considered to be under explored.

The historic 280 metre-long Professor Adit, with approximately 590 metres of lateral workings, was mined on the property in the early 1960's. The adit, which is still accessible, exposed four vein systems containing disseminated to semi-massive cobalt-silver mineralisation.

The **Waldman Ag-Co project** is located about 3 km south of Cobalt (Figure 10) and consists of a contiguous landholding of 11 Crown Claims, for a total of 188.8 hectares. The claim block includes the past producing Waldman Mine which can be easily gained through a dedicated road which runs off a main road running north-south at the east boundary of the Waldman Mine project (Figure 15).

The Waldman Mine, located on the eastern side of the claim block, operated periodically from 1910 to 1930. Shaft #1 was sunk 85 feet (26 metres) with drifting, cross cuts and stoping. Two more shafts were put down approximately 375 - 400 metres to the north of shaft #1.

REVIEW OF OPERATIONS (continued)

A total of 58 tons (52.6 metric tonnes) of ore was taken from Waldman Mine, from which a total of 33,525 ounces of silver and 2,066 pounds of cobalt was produced mostly from the #1 shaft (Sergiades, A.O. 1968. Silver Cobalt Calcite Vein Deposits of Ontario; Ontario Department of Mines, Mineral Resources Circular No. 10, 498p). This is approximately equivalent to production of 52.6 t @ 1.78% Co and 637 oz/t Ag. An unrecorded amount of silver and cobalt was later recovered from the waste dump by "hand cobbling". Whilst this is considered to be a small tonnage as a result of the use of selective mining practices, the grades of mineralisation are very high for both cobalt and silver.

Grab samples assayed in the vicinity of the Waldman Mine in 2004 returned values as high as 1.9% Co, 2.2% Ni, 1.4% Pb and 3.1% Zn (S. Sears, July 2004 Report on a Stripping Program In Gillies Limit North Area, Waldman, Cummins Pit and Oxford Areas).

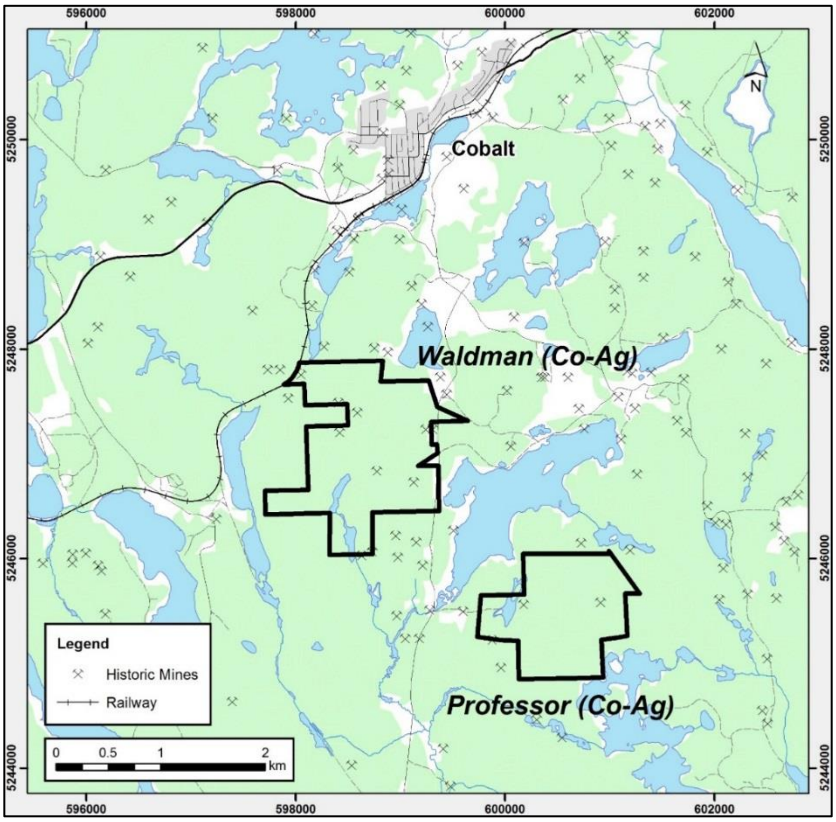

Figure 10: Professor and Waldman Cobalt-Silver Project Location Map

Exploration targets are narrow, high-grade mineralised veins (such as those historically exploited underground) and for broader zones of vein or disseminated mineralisation that may be potentially amenable to open-pit or larger-scale underground mining operations.

REVIEW OF OPERATIONS (continued)

Minimal early stage exploration work has been conducted outside the four main silver-cobalt mining areas of the Cobalt Mining Camp. This has meant that new "mini-camps" and new Ag-Co deposits still remain untested.

The Professor and Waldman cobalt projects include significant exploration upside and further growth opportunities due to minimal exploration techniques applied, structures are relatively shallow and amendable to geophysical surveys and low-cost, shallow drilling. Former mines provide a significant database for the Company on production assets and for exploration programs to target along strike.

PRINCIPAL ACTIVITIES

The principal continuing activity of the Company and its controlled entity is the exploration for mineral deposits.

RESULTS

The consolidated loss for the financial year after providing for income tax amounted to $1,799,033 (2018: $612,624).

DIVIDENDS

No amounts have been paid or declared as payable during the course of the financial year.

FINANCIAL POSITION

The net assets of the Group have decreased by $1,167,736 from $2,670,542 at 30 June 2018 to $1,502,806 at 30 June 2019.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company will continue to explore its tenements in Namibia and Canada. Refer to Review of Operations for more details.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Qualifications, experience and special responsibilities of Directors:

DIRECTORS

(i) Michael Minosora B. Bus., MBA (Executive Chairman)

Mr Minosora has many years of experience in the corporate and resource sectors. He has been Managing Partner of Ernst & Young, Managing Director of Advisory Firm Azure Capital Limited and Chief Financial Officer of Fortescue Metals Group. From 2009 to 2014 he was the Executive Chairman and Managing Director of Atlantic Limited, the owner and operator of the Windimurra Vanadium Project.

Mr Minosora brings to the Company a wealth of experience in the vanadium industry.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY (continued)

(ii) Michael Rodriguez (Non-Executive Director)

Mr Rodriguez has over 30 years' experience in the design, construction, commissioning, operation and management of hydrometallurgical and pyro-metallurgical plants across Australia, Turkey, Europe and the Americas. He is a qualified metallurgist with a strong background in project construction mechanical completion and site handover to operations.

Mr Rodriguez brings to the Company a wealth of metallurgical process and construction experience. The appointment brings closer, and supports Golden Deeps' goal, of bringing the Abenab vanadium project into production as a low capital cost, low operating cost, vanadium producer.

(iii) Michael Scivolo B, Com, FCPA (Non-Executive Director)

Mr Scivolo has extensive experience in the fields of accounting and taxation in both corporate and non-corporate entities. He was a Director of Blaze International Limited until 4 December 2015, K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014. He is currently a Director of Metals Australia Ltd and Sabre Resources Ltd.

(iv) Michael Norburn, BSc (Hons) (Non-Executive Director)

Mr Norburn graduated from the University of Birmingham with an honours degree in engineering and has worked for over twenty five years in the resource industry in Australia, the Middle East and Africa.

(v) Robert Collins (Non-Executive Director)

Mr Collins has served on a number of ASX listed industrial and mining company boards, and owned a large accounting practice serving the corporate sector. He is currently a Non-Executive Director of Metals Australia Ltd and Sabre Resources Ltd. He was formerly a Director of K2Fly Ltd (formerly Power Resources Limited) until 17 November 2016, Blaze International Limited until 8 April 2016 and Covata Ltd (formerly Prime Minerals Limited) until 29 October 2014.

COMPANY SECRETARY

The following persons acted as Company Secretary during the financial year:

(i) Martin Stein B. Bus., CA, FCIS, FGIA

Mr Stein is a finance and governance professional and has previously held executive positions with PwC and Anvil Mining Ltd. He is a Chartered Accountant, Fellow of Institute of Chartered Secretaries and Administrators and Fellow of Governance Institute of Australia.

Mr Stein brings to the Company a wealth of experience in the corporate and resource sectors, both in Australia and overseas.

Mr Stein is also the Chief Financial Officer of the Company. Mr Sein was appointed 28 November 2018.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY (continued)

(ii) Graham Baldisseri B. Bus, CPA, GDipAppFin (SecInst)

Mr Baldisseri is a CPA, with a Bachelor of Business degree and a Graduate Diploma of Applied Finance and Investment (Corporate Finance). He has had over 31 years management, corporate advisory, finance and accounting and company secretarial experience working for several listed and unlisted companies. Mr Baldisseri is also the Chief Financial Officer of the Company. Mr Baldisseri resigned on 26 November 2018.

DIRECTORS' INTEREST IN CONTRACTS

No Director has an interest, whether directly or indirectly, in a contract or proposed contract with the Company, other than by way of contracts for engagement of services in their capacity as a director.

REMUNERATION REPORT (AUDITED)

Details of Key Management Personnel (KMP) as at 30 June 2019 were:

Key Management Personnel	Position
M Minosora	Executive Director – appointed 01/09/2018
M Rodriguez	Non-executive Director - appointed 30/11/2018
M Scivolo	Non-executive Director
M Norburn	Non-executive Director
R Collins	Non-executive Director

The directors were all in office for the full year unless otherwise stated. There are no committees of directors.

Remuneration of KMP

2019

Key Management Personnel	Short-term Benefits		Salary	Super-annuation	Share-based Payments		Percentage of remuneration paid in Equity
	Directors Fees	Consulting Fees			Options	Total	
	$	$	$	$	$	$	%
M Minosora	180,000	-	-	-	69,842	249,842	27.95
M Rodriguez	14,000	-	-	-	-	14,000	-
M Norburn	14,000	-	-	-	-	14,000	-
M Scivolo	12,785	-	-	1,215	-	14,000	-
R Collins	14,000	-	-	-	-	14,000	-
	234,785	**-**	**-**	**1,215**	**69,842**	**305,842**	**22.84**

REMUNERATION REPORT (AUDITED) (continued)

2018

Key Management Personnel	Short-term Benefits		Salary	Super-annuation	Share-based Payments		
	Directors Fees	Consulting Fees			Options	Total	Percentage of remuneration paid in Equity
	$	$	$	$	$	$	%
M Norburn	14,000	-	-	-	-	14,000	-
M Scivolo	14,000	-	-	560	-	14,560	-
R Collins	14,000	-	-	-	-	14,000	-
	42,000	-	-	**560**	-	**42,560**	**-**

Key Management Personnel Options and Rights Holdings

There were no options over ordinary shares held by any KMP as at 30 June 2018. At 30 June 2019, the following options over ordinary shares held by any KMP are as follows

Key Management Personnel	Unlisted exercisable at $0.15 each on or before 1 September 2020	Unlisted exercisable at $0.20 each on or before 1 September 2020	Total
M Minosora	4,250,000	4,250,000	8,500,000

Key Management Personnel Share Holdings

The following table shows the movements in the relevant interests of key management personnel in the share capital of the Company:

2019

Key Management Personnel	Opening balance 1 July 2018	Additions	Disposals	Closing balance 30 June 2019
M Minosora	-	500,000	-	500,000
M Rodriguez	-	-	-	-
M Norburn	-	-	-	-
M Scivolo	-	-	-	-
R Collins	620,000	-	-	620,000
	620,000	500,000	-	1,120,000

The only shares in Golden Deeps Limited held by any KMP during the financial year ended 30 June 2018 were 620,000 shares held by a company associated with Robert Collins.

Directors' Fees

Directors receive a fixed fee as remuneration.

REMUNERATION REPORT (AUDITED) (continued)

Board policy on the remuneration for this exploration company is influenced by comparing fees paid to directors in other companies within the exploration industry, and then set at a level to attract qualified people, to accept the responsibilities of directorship.

No Director has an employment contract.

Terms of employment for Key Management Personnel require that thirty days' notice of termination of contract is required from either employer or employee. There is no agreement to pay any termination payment other than accrued salary and annual leave.

Being an exploration company with no earnings, a relationship is yet to be established between an emolument policy and the company's performance. During the year the Company did not engage remuneration consultants to review its existing remuneration policies.

At the last AGM shareholders voted to adopt the remuneration report for the year ended 30 June 2018. The Company did not receive specific feedback at the AGM regarding its remuneration practices.

END OF REMUNERATION REPORT

ANALYSIS OF MOVEMENT IN SHARES

During the year the Company had movement in its fully paid ordinary shares as follows:

	Number	$
Opening balance 1 July 2018	171,380,789	16,162,383
Shares issued upon conversion of options	40,700,000	610,500
Transfer fair value of converted options from Share Option Reserve	-	4,070
Capital raising costs	-	(4,379)
Closing balance 30 June 2019	212,080,789	16,772,574

ANALYSIS OF MOVEMENT IN SHARE OPTIONS

During the year a number of options were granted as follows:

Class	Balance 1 July 2018	Issued During Year	Exercised or expired during year	Balance 30 June 2019
Exercisable at 1.5 cents each on or before 31/08/2019	80,000,000	-	(40,700,000)	39,300,000
Exercisable at 8.0 cents each on or before 30/11/2018	20,000,000	-	(20,000,000)	-
Exercisable at 10.0 cents each on or before 30/04/2019	-	58,666,667	(58,666,667)	-
Exercisable at 7.5 cents each on or before 01/02/2019	-	4,250,000	(4,250,000)	-
Exercisable at 10.0 cents each on or before 01/05/2019	-	4,250,000	(4,250,000)	-
Exercisable at 15.0 cents each on or before 01/09/2020	-	4,250,000	-	4,250,000
Exercisable at 20.0 cents each on or before 01/09/2020	-	4,250,000	-	4,250,000

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors during the year ended 30 June 2019 and the number of meetings attended were:

Name	Eligible to Attend	Attended
M Minosora	3	3
M Rodriguez	3	2
M Scivolo	3	3
M Norburn	3	2
R Collins	3	3

The Company also conducted business via Circular Resolutions.

RETIREMENT, ELECTION AND CONTINUATION IN OFFICE OF DIRECTORS

Michael Norburn retired by rotation as a Director at the Annual General Meeting held on 30 November 2018 and was re-elected.

At the forthcoming Annual General Meeting, Robert Collins, retires by rotation as a Director and will offer himself for re-election.

At the forthcoming Annual General Meeting, Michael Rodriguez, having been appointed a director by the directors, will offer himself for re-election.

RELEVANT INTEREST IN SHARES OF THE COMPANY

Mr Minosora held a relevant interest in 500,000 ordinary fully paid shares in the Company as at 30 June 2019.

Mr Collins held a relevant interest in 620,000 ordinary fully paid shares in the Company as at 30 June 2019.

ENVIRONMENTAL ISSUES

The Company's objective is to ensure that a high standard of environmental care is achieved and maintained on all properties. There are no known environmental issues outstanding.

EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to year end, the Company issued a total of 24,297,000 fully paid ordinary shares at $0.015 per share, following the receipt of option conversion notices in relation to 24,297,000 options exercisable at $0.015 and expiring 31 August 2019.

The remaining balance of 15,003,000 options exercisable at $0.015 and expiring 31 August 2019, expired on that date.

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

INDEMNIFYING OFFICER OR AUDITORS

No indemnities have been given, or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

SHARE OPTIONS

As at the date of this report, there are 4,250,000 options over shares exercisable at 15.0 cents with an expiry date of 1 September 2020, and 4,250,000 options over shares exercisable at 20.0 cents with an expiry date of 1 September 2020.

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.

PROCEEDINGS ON BEHALF OF THE COMPANY (continued)

The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the independent auditor's declaration as required by section 307c of the *Corporations Act 2001* is set out on page 59.

AUDIT COMMITTEE

No Audit Committee has been formed as the Directors believe that the Company is not of a size to justify having a separate Audit Committee. Given the small size of the Board, the Directors believe an Audit Committee structure to be inefficient.

NON AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons;

- All non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year under review, the Company's previous auditor, Grant Thornton Audit Pty Ltd, also provided services in relation to taxation matters. Details of the amounts paid and payable to the auditor of the company, Grant Thornton Audit Pty Ltd and its related entities for audit and non-audit services provided during the year are set out in Note 5 to the Financial Statements.

CORPORATE GOVERNANCE STATEMENT

The Company is committed to achieving and demonstrating the highest standards of corporate governance information about the Company's Corporate Governance policies are set out later in this report.

This report is made in accordance with a resolution of the Directors and Section 298(2) of the *Corporations Act 2001*.

Michael Minosora
DIRECTOR

Dated this 20th day of September 2019
Perth, Western Australia

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Golden Deeps Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Golden Deeps Limited as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person Statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Martin Bennett. Mr Bennett is a consultant to Golden Deeps Limited and is a member of the Australasian Institute of Geoscientists. Mr Bennett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Bennett consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Consolidated 2019 $	Consolidated 2018 $
Income			
Interest earned		11,301	7,706
Proceeds received from joint venture partner		37,178	-
Profit on disposal of financial assets		-	31,255
		48,479	**38,961**
Expenses			
Employee benefits expense		(20,143)	-
Management fees		(252,437)	(257,618)
Reimbursable costs to management		-	(150,949)
Impairment of exploration and evaluation assets	9	(801,056)	(3,204)
Directors' fees and services	6	(236,000)	(42,560)
Impairment of receivables		(32,712)	(6,517)
Professional services		(293,266)	-
Securities Exchange fees		(42,861)	(35,590)
Share based payments expense		(60,275)	-
Other operating costs		(108,762)	(155,147)
		(1,847,512)	**(651,585)**
(Loss) before income tax		(1,799,033)	(612,624)
Income tax	4	-	-
(Loss) after income tax	13	**(1,799,033)**	**(612,624)**
Other Comprehensive Income, net of tax			
Items that may be subsequently transferred to profit or loss:			
Exchange differences on translating foreign controlled entities		(35,101)	(5,186)
Total Comprehensive (Loss), net of tax		**(1,834,134)**	**(617,810)**
Loss for the year attributable to:			
Owners of the parent		(1,778,446)	(596,589)
Non-controlling interest		(20,587)	(16,035)
Total (Loss) for the year, net of tax		**(1,799,033)**	**(612,624)**
Total Comprehensive (Loss) for the year attributable to:			
Owners of the parent		(1,806,526)	(600,737)
Non-controlling interest		(27,608)	(17,073)
Total Comprehensive (Loss, for the year		**(1,834,134)**	**(617,810)**
Earnings per share		**Cents**	**Cents**
Basic / Diluted earnings/(loss) per share	15	(1.05)	(0.005)

Diluted earnings/(loss) per share have no effect as compared to the Basic earnings (loss) per share.

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	Consolidated 2019 $	2018 $
Current Assets			
Cash and cash equivalents	7	492,601	2,110,949
Trade and other receivables	8	66,979	71,804
Total Current Assets		**559,580**	**2,182,753**
Non-Current Assets			
Exploration and evaluation expenditure	9	3,262,304	2,970,526
Trade and other receivables	8	49,257	49,257
Total Non-Current Assets		**3,311,561**	**3,019,783**
Total Assets		**3,871,141**	**5,202,536**
Current Liabilities			
Trade and other payables	10(a)	379,732	197,385
Provisions		11,994	-
Borrowings	10(b)	62,000	420,000
Total Current Liabilities		**453,726**	**617,385**
Non-Current Liabilities			
Trade and other payables	10(a)	1,914,609	1,914,609
Total Non-Current Liabilities		**1,914,609**	**1,914,609**
Total Liabilities		**2,368,335**	**2,531,994**
Net Assets		**1,502,806**	**2,670,542**
Equity			
Issued capital	11	16,772,574	16,162,383
Foreign currency translation reserve		(86,278)	(58,198)
Share Option Reserve	12	64,205	481,101
Accumulated losses	13	(15,027,807)	(13,722,464)
Parent interests		1,722,694	2,862,822
Non-controlling interest		(219,888)	(192,280)
Total Equity		**1,502,806**	**2,670,542**

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

CONSOLIDATED ENTITY

	Issued Capital	Option Reserve	Foreign Currency Translation	Accumulated Losses	Total Attributable to Owners of Parent	Non-controlling Interest	Total Equity
	$	$	$	$	$	$	$
Balance as at 1 July 2017 – as previously stated	**13,266,554**	**8,000**	**(67,563)**	**(13,287,569)**	**(80,578)**	**-**	**(80,578)**
Prior period adjustment (refer to Note 24)	-	-	13,513	161,694	175,207	(175,207)	-
Balance as at 1 July 2017 – restated	**13,266,554**	**8,000**	**(54,050)**	**(13,125,875)**	**94,629**	**(175,207)**	**(80,578)**
Profit/(loss) for the year	-	-	-	(596,589)	(596,589)	(16,035)	(612,624)
Other comprehensive gain (loss) for the period, net of tax	-	-	(4,148)	-	(4,148)	(1,038)	(5,186)
Total comprehensive (loss) for the year	-	-	(4,148)	-	(600,737)	(17,073)	(617,810)
Transactions with owners:							
Issues of capital	3,553,440	-	-	-	3,553,440	-	3,553,440
Capital raising costs	(657,611)	-	-	-	(657,611)	-	(657,611)
Issue of options	-	473,101	-	-	473,101	-	473,101
Balance as at 30 June 2018	**16,162,383**	**481,101**	**(58,198)**	**(13,722,464)**	**2,862,822**	**(192,280)**	**2,670,542**

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

CONSOLIDATED ENTITY

	Issued Capital	Option Reserve	Foreign Currency Translation	Accumulated Losses	Total Attributable to Owners of Parent	Non-controlling Interest	Total Equity
	$	$	$	$	$	$	$
Balance as at 1 July 2018 – as previously stated	**16,162,383**	**481,101**	**(72,748)**	**(13,900,194)**	**2,670,542**	**-**	**2,670,542**
Prior period adjustment (refer to Note 24)	-	-	14,550	177,730	192,280	(192,280)	-
Balance as at 1 July 2018 – restated	**16,162,383**	**481,101**	**(58,198)**	**(13,722,464)**	**2,862,822**	**(192,280)**	**2,670,542**
Profit/(loss) for the year	-	-	-	(1,778,446)	(1,778,446)	(20,587)	(1,799,033)
Other comprehensive gain (loss) for the period, net of tax	-	-	(28,080)	-	(28,080)	(7,021)	(35,101)
Total comprehensive (loss) for the year	-	-	(28,080)	(1,778,446)	(1,806,526)	(27,608)	(1,834,134)
Transactions with owners:							
Issues of capital	614,570	(4,070)	-	-	610,500	-	610,500
Capital raising costs	(4,379)	-	-	-	(4,379)	-	(4,379)
Expiration of options	-	(504,668)	-	473,103	(31,565)	-	(31,565)
Issue of options	-	91,842	-	-	91,842	-	91,842
Balance as at 30 June 2019	**16,772,574**	**64,205**	**(86,278)**	**(15,027,807)**	**1,722,694**	**(219,888)**	**1,502,806**

The statement above should be read in conjunction with the accompanying notes

GOLDEN DEEPS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Consolidated 2019 $	2018 $
Cash flow from operating activities			
Payments to suppliers and employees		(873,289)	(664,232)
Receipts from customers		15,843	-
Interest received		16,475	2,532
Receipts from joint venture		5,256	-
Net cash (outflow) from operating activities	14	**(835,715)**	**(661,700)**
Cash flow from investing activities			
Proceeds from sale of financial assets		-	42,319
Exploration and Evaluation expenditure		(1,035,133)	(314,564)
Net cash inflow from investing activities		**(1,035,133)**	**(272,245)**
Cash flow from financing activities			
Proceeds from capital raising		610,500	3,024,000
Payments for cost of capital raising		-	(135,070)
Repayment of borrowings	10 (b)	(420,000)	-
Proceeds from borrowings	10 (b)	62,000	70,000
Net cash inflow from financing activities		**252,500**	**2,958,930**
Net increase / (decrease) in cash and cash equivalents held		(1,618,348)	2,024,985
Cash and cash equivalents at the beginning of the financial year		2,110,949	87,071
Effect of exchange rates on cash holdings in foreign currencies		-	(1,107)
Cash and cash equivalents at the end of the financial year	7	**492,601**	**2,110,949**

The statement above should be read in conjunction with the accompanying notes

1. CORPORATE INFORMATION

The financial report of Golden Deeps Limited (the Company) and its subsidiaries (the Group) for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the Directors on 20 September 2019.

Golden Deeps Limited is a company incorporated and domiciled in Australia, limited by shares which are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are mineral exploration and investment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and complies with other requirements of the law, as appropriate for for-profit oriented entities. The financial report has also been prepared on an accruals basis and on a historical cost basis, except for financial assets and liabilities, which have been measured at fair value.

The financial report also complies with International Financial Reporting Standards (IFRS).

The financial report is presented in Australian dollars.

(b) New or Amended Accounting Standards and interpretations adopted

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI').

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers
The consolidated entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

(c) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2019. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of consolidation (consolidation)

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

(d) Foreign currency translation

Both the functional and presentation currency of Golden Deeps Limited, Cerep Pty Ltd, Glendale Asset Pty Ltd and Jewell Corporation Pty Ltd is the Australian dollar (A$), and the functional and presentation currency for Huab Energy (Pty) Ltd and Oshivela Mining (Pty) Ltd is the Namibian Dollar (N$).

Cash remittances from the parent entity to the Namibian subsidiaries are sent in Australian Dollars. Transactions in foreign currencies are initially recorded in the functional currency at 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.

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.

As at the reporting date the assets and liabilities of any overseas subsidiaries were translated into the presentation currency of Golden Deeps Limited at the rate of exchange ruling at the reporting date and the statement of Profit or Loss and Other Comprehensive Incomes are translated at the average exchange rates for the period.

The exchange differences arising on the translation are taken directly to Other Comprehensive Income.

On disposal of a foreign entity, the deferred cumulative amount recognised in Other Comprehensive Income relating to that particular foreign operation is recognised in the statement of Profit or Loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Recoverable amount of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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.

(f) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

(g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

(h) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) 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.

Where 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 comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j) Share-based payment transactions

(i) Equity settled transactions:

The Group provides benefits to Directors, management personnel and consultants in the form of share-based payments whereby personnel render services in exchange for options to purchase shares.

The cost of these equity-settled transactions was measured by reference to the fair value of the equity instruments at the date on which they were granted. The fair value was determined using the Black Scholes formula.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Golden Deeps Limited (market conditions). The cost of equity-settled transactions was recognised, together with the corresponding increase in equity, on the date of grant of the options. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(k) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

● When the deferred income tax asset or liability arises from the initial recognition of goodwill or 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 nor taxable profits; or

● When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Golden Deeps Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Other taxes

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

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

(n) Trade and other payables

Trade payables and other payables are carried at amortised costs 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.

(o) Contributed equity

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

(p) Earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to members of the parent, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/(loss) attributable to members of the parent, adjusted for:

- 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.

(q) Comparatives

Certain comparatives have been reclassified where necessary to be consistent with the current year's disclosures.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(s) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(t) Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures 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 joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

(u) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(x) Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

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

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

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

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Going concern

The financial statements have been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. During the period, the Group has reported a net loss of $1,799,033 (2018: $612,264) and a net cash outflow from operating activities of $835,715 (2018: $661,700).

While the directors continue to institute measures to preserve cash, the Group's forecasts and projections show that the Group will require the continued support of its major creditor (and shareholder) and/or additional funding through a planned capital raising.

In addition:

- The Company's largest creditor has confirmed that the Company has the unconditional right to defer settlement of amounts accrued at 30 June 2019 of $1,914,609 for at least fifteen months from 1 July 2019, unless and until the Company becomes in a position to repay the whole or part of the amounts accrued and still remain solvent and a going concern.
- A shareholder of the Company has agreed to lend the Company funds until it is able to pay its debts as and when they fall due.

The directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt about the group's ability to continue as a going concern. After making enquiries and considering the uncertainties described above the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the financial report.

Should the group be unable to obtain the funding as described above, and/or lose the support of the major creditor (and shareholder) there is a material uncertainty whether the group will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from these stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary should the group be unable to continue as a going concern.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

3. Significant Accounting Judgments, Estimates and Assumptions (continued)

Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(i) Significant accounting judgments include:

(a) Exploration and evaluation expenditure

The Group determines whether exploration and evaluation expenditure is impaired on at least an annual basis based on historical information and best available current information. This requires an estimation of the various technical factors of future costs which may be incurred in rehabilitating exploration sites.

(b) Share Based Payments

The consolidated entity 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 Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(c) Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

4. Income Tax

	Consolidated 2019	2018
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:	$	$
Prima facie tax payable/(credit) on profit from original activities before income tax at 30% (2018: 27.5%)	(539,710)	(168,472)
Add:		
Tax effect of:		
Other non-allowable items	513,536	135,664
Other assessable items	1,552	-
Other allowable deductions	(90,338)	-
Deferred tax asset not brought to account	122,680	40,827
	7,720	176,491
Less:		
Tax effect of:		
Effective overseas tax rate	(7,720)	(8,018)
	(7,720)	(8,018)
Income tax attributable to entity	**-**	**-**
Unrecognised deferred tax assets:		
- Tax losses: revenue	1,947,160	1,672,101
- Tax losses: capital	48,778	-
- Temporary differences	3,482	152,478
- Foreign tax losses	85,104	85,775
	2,084,524	**1,910,354**
Unrecognised deferred tax liabilities	197,227	-

The benefits from unrecognised deferred tax assets will only be obtained if:

(i) The companies derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;

(ii) The companies continue to comply with the conditions for deductibility imposed by the Law; and

(iii) No changes in tax legislation adversely affect the companies in realising the benefits from the deductions for the losses.

5. Auditors' Remuneration

	Consolidated	
	2019	2018
	$	$
Remuneration of the auditor of the parent entity, Crowe Horwath Perth		
- auditing or reviewing the financial report	11,700	-
- taxation services provided by a related practice of the auditor	3,625	-
Remuneration of the previous auditor of the parent entity, Grant Thornton Audit Pty Ltd		
- auditing or reviewing of the financial report	14,338	30,077
- taxation services provided by related entity of the auditor	4,500	3,695
Remuneration of other auditors of subsidiaries for:		
- auditing or reviewing the financial reports of subsidiaries	10,250	8,476
	44,413	**42,248**

6. Remuneration of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for Details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2019.

The totals of remuneration paid to KMP during the year are as follows:

	Consolidated	
	2019	2018
	$	$
Short-term employee benefits	234,785	42,000
Superannuation	1,215	560
Share based payments	69,842	-
	305,842	**42,560**

7. Cash and Cash Equivalents

Represented by:		
Cash at bank	492,601	19,297
Deposits	-	2,091,652
	492,601	**2,110,949**

8. Trade and Other Receivables

Current Assets		
Trade debtors	33,498	111,961
Less allowance for expected credit losses	(33,498)	(40,157)
Other receivables	66,979	-
	66,979	**71,804**
Non-Current Assets		
Other receivables	**49,257**	**49,257**

9. Exploration and Evaluation Expenditure

Opening balance	2,970,526	2,183,339
Exploration and evaluation expenditure (including foreign currency exchange differences)	1,092,834	310,391
Value of securities issued to acquire tenements	-	480,000
Write off exploration and evaluation expenditure	(801,056)	(3,204)
	3,262,304	2,970,526

Exploration and evaluation expenditure projects

Exploration and evaluation expenditure – Namibia	3,262,304	2,197,249
Exploration and evaluation expenditure – Canada	-	773,277
	3,262,304	2,970,526

Included in the above is $3,262,304 relating to Exploration and Evaluation Expenditure on tenements held in Namibia. The Namibian government has adopted The New Equitable Economic Empowerment Framework (NEEEF), a set of policies designed to encourage the private business sector to become more equitable and to make a greater contribution towards national economic empowerment and transformation.

At this stage, the enactment of NEEF does not appear to have any significant implications for our future activities in Namibia.

10. Trade and Other Payables

(a) Trade Payables

Current		
Trade payables	347,933	197,385
Other payables	31,799	-
	379,732	**197,385**
Non-Current Liabilities		
Deferred trade payables (1)	**1,914,609**	**1,914,609**

(1) This creditor has confirmed that the Company has the unconditional right to defer settlement of amounts accrued at 30 June 2019 of $1,914,609 for at least fifteen months from 1 July 2019, unless and until the Company becomes in a position to repay the whole or part of the amounts accrued and still remain solvent and a going concern. The creditor has also confirmed that no interest is payable on the amounts accrued.

(b) Borrowings

Current		
Unsecured loan	**62,000**	**420,000**

The loan is unsecured and non-interest bearing, and has been repaid subsequent to year end,

11. Issued Capital

Date	Details	Number of Shares	Amount $
1 July 2017	**Balance**	**103,514,122**	13,266,554
11/12/2017	Shares issued	20,000,000	824,000
11/12/2017	Capital raising costs	1,200,000	49,440
23/02/2018	Issue to acquire tenements	10,000,000	480,000
17/05/2018	Shares issued	36,666,667	2,200,000
	Capital raising costs	-	(657,611)
30 June 2018	**Balance**	**171,380,789**	**16,162,383**
25/06/2019	Conversion of options	40,700,000	610,500
25/06/2019	Transfer fair value of converted options from Share Option Reserve	-	4,070
	Capital raising costs	-	(4,379)
30 June 2019		**212,080,789**	**16,772,574**

The Company's capital consists of Ordinary Shares. The Company does not have a limited amount of authorised capital. The shares have no par value and are entitled to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of Shares held.

11. Issued Capital (continued)

At shareholders' meetings each fully paid Ordinary Share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

12. Share Option Reserve

Date		Number of Options	Amount $
30 June 2017	**Balance**	**80,000,000**	**8,000**
7 December 2017	Options granted	8,500,000	201,068
7 December 2017	Options granted	10,000,000	236,551
23 March 2018	Options granted	1,500,000	35,483
30 June 2018	**Balance**	**100,000,000**	**481,102**
20 August 2018	Options granted	22,000,000	22,000
30 November 2018	Options granted	17,000,000	69,841
30 November 2018	Options expired	(20,000,000)	(473,101)
1 February 2019	Options expired	(4,250,000)	(3,072)
30 April 2019	Options expired	(22,000,000)	(22,000)
1 May 2019	Options expired	(4,250,000)	(6,495)
25 June 2019	Options converted	(40,700,000)	(4,070)
30 June 2019	**Balance**	**47,800,000**	**64,205**

12. Share Option Reserve (continued)

ANALYSIS OF MOVEMENT IN OPTIONS

During the year, options were exercised, expired and were granted as follows:

Class	Balance 1 July 2018	Issued During Year	Exercised or expired during year	Balance 30 June 2019
Exercisable at 10.0 cents each on or before 30/04/2019	-	58,666,667	(58,666,667)	-
Exercisable at 7.5 cents each on or before 01/02/2019	-	4,250,000	(4,250,000)	-
Exercisable at 10.0 cents each on or before 01/05/2019	-	4,250,000	(4,250,000)	-
Exercisable at 15.0 cents each on or before 01/09/2020	-	4,250,000	-	4,250,000
Exercisable at 20.0 cents each on or before 01/09/2020	-	4,250,000	-	4,250,000
Exercisable at 1.5 cents each on or before 31/08/2019	80,000,000	-	(40,700,000)	39,300,000
Exercisable at 8.0 cents each on or before 30/11/2018	20,000,000	-	(20,000,000)	-
Total	**100,000,000**	**75,666,667**	**(127,866,667)**	**47,800,000**

The weighted average exercise price of the options on hand at year end is 4.8 cents (2018: 2.8 cents).

The remaining contraction life of the options outstanding at the end of the year was weighted average of 0.39 years (2018: 1.02 years).

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Summary of Options Granted

The following table sets out the number and weighted average exercise price (WAEP) of, and movements in, share options granted during the year or prior years:

	2019 Number	2019 WAEP (cents)	2018 Number	2018 WAEP (cents)
Outstanding at beginning of year	100,000,000	2.8	80,000,000	1.5
Granted during the year	75,666,667	10.7	20,000,000	8.0
Expired during year	(87,166,667)	(9.4)	-	-
Exercised during the year	(40,700,000)	(1.5)	-	-
Outstanding at the end of the year	**47,800,000**	**4.8**	**100,000,000**	**2.8**

12. Share Option Reserve (continued)

As at year-end there are three classes of options. There were 39,300,000 options over shares exercisable at 1.5 cents with an expiry date of 31 August 2019. This class of options have a remaining contractual life of the options outstanding at year end of 0.17 years. There were also 4,250,000 options over shares exercisable at 15.0 cents with an expiry date of 1 September 2020. This class of options had a remaining contractual life of the options outstanding at year end of 1.18 years. There were also 4,250,000 options over shares exercisable at 20.0 cents with an expiry date of 1 September 2020. This class of options had a remaining contractual life of the options outstanding at year end of 1.18 years.

Black Scholes Valuation Parameters

A number of options were also issued at no cost as a share-based payment to a director. The options were valued using the Black Scholes method and the parameters for the valuations were as follows:

Class	Number	Underlying share price (cents)	Exercise price (cents)	Risk free rate	Volatility Factor	Total Value
Unlisted options exercisable at 7.5 cents expiring 1 February 2019	4,250,000	4.1	7.5	1.5%	100%	3,072
Unlisted options exercisable at 10.0 cents expiring 1 May 2019	4,250,000	4.1	10.0	1.5%	100%	6,495
Unlisted options exercisable at 15.0 cents expiring 1 September 2020	4,250,000	4.1	15.0	2.0%	100%	34,467
Unlisted options exercisable at 20.0 cents expiring 1 September 2020	4,250,000	4.1	20.0	2.0%	100%	25,807
Total	**17,000,000**					**69,841**

13. Accumulated Losses

	2019 $	2018 $
Accumulated losses at the beginning of the year	(13,722,464)	(13,125,875)
Loss for year	(1,778,446)	(596,589)
Transfer from Share Option Reserve upon conversion of options	473,103	-
Accumulated losses at the end of the financial year	**(15,027,807)**	**(13,722,464)**

14. Cash Flow Information

Reconciliation of Cash Flow from operations with Loss after tax

Operating (loss) after income tax:	(1,799,033)	(612,624)
Non-cash flows in operating loss:		
Profit on sale of shares	-	(31,255)
Share based payments expense	60,275	-
Unrealised (gains) / losses on foreign exchange movements	(30,065)	-
Expected credit loss provision	32,712	-
Exploration impairment	801,056	3,297
Non-controlling interest in loss	(14,045)	-
Changes in assets and liabilities:		
Decrease/(increase) in receivables	4,825	(22,199)
(Decrease)/increase in trade & other payables	96,566	1,081
(Decrease)/increase in provisions	11,994	-
Net cash flows (used in) operating activities	**(835,715)**	**(661,700)**

15. Earnings per share

	2019 Number	2018 Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	171,939,855	123,274,122

	2019	2018
Profit/(loss) per share – cents- Basic and Diluted	(1.05)	(0.005)

16. Financial Instruments

(a) Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Consolidated Group	**Floating Interest Rate**		**Non-Interest Bearing**		**Total**	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
	$	**$**	**$**	**$**	**$**	**$**
Financial Assets:						
Cash and cash equivalents	492,601	2,110,949	-	-	492,601	2,110,949
Trade and other receivables	-	-	116,236	121,061	116,236	121,061
Total Financial Assets	492,601	2,110,949	116,236	121,061	608,837	2,232,010
Financial Liabilities (at amortised cost):						
Trade and other payables	-	-	(2,294,341)	(2,111,994)	(2,294,341)	(2,111,994)
Provisions	-	-	(11,994)	-	(11,994)	-
Borrowings	-	-	(62,000)	(420,000)	(62,000)	(420,000)
Total Financial Liabilities	-	-	(2,368,335)	(2,531,994)	(2,368,335)	(2,531,994)
Net Financial Assets	**492,601**	**2,110,949**	**(2,252,099)**	**(2,410,933)**	**(1,759,498)**	**(299,984)**

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed in the Consolidated Statement of Financial Position and notes to the financial report.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

(d) Financial Risk Management

The Group's financial instruments consist mainly of deposits with recognised banks, investments in bank bills up to 90 days, accounts receivable and accounts payable, investments in listed and unlisted securities, and loans to subsidiaries. Liquidity is managed, when sufficient funds are available, by holding sufficient funds in a current account to service current obligations and surplus funds invested in bank bills. The Directors analyse interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The main risks the Group is exposed to

16. Financial Instruments (continued)

through its financial instruments are the depository banking institution itself, holding the funds, and interest rates. The Group has no exposure to foreign currency risks. The Group's credit risk is minimal, as being an exploration company, no goods are sold, or services provided, for which consideration is claimed. Risk management on the Group's investments is achieved by maintaining a close watch on market conditions as they apply to the investee companies.

(e) Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages the risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Consolidated Group	Within 1 year		1 to 5 years		Total	
	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$
Financial Liabilities – Due for Payment						
Trade and other payables	(379,732)	(197,385)	(1,914,609)	(1,914,609)	(2,294,341)	(2,111,994)
Provisions	(11,994)	-	-	-	(11,994)	-
Borrowings	(62,000)	(420,000)	-	-	(62,000)	(420,000)
Total Expected Outflows	(453,726)	(617,385)	(1,914,609)	(1,914,609)	(2,368,335)	(2,531,994)
Financial Assets:						
Cash and cash equivalents	492,601	2,110,949	-	-	492,601	2,110,949
Trade and other receivables	66,979	71,804	49,257	49,257	116,236	121,061
Total anticipated inflows	559,580	2,182,753	49,257	49,257	608,837	2,232,010
Net (outflow) / inflow on financial instruments	**105,854**	**1,565,638**	**(1,865,352)**	**(1,865,352)**	**(1,759,498)**	**(299,984)**

16. Financial Instruments (continued)

(f) Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2019, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be minimal:

	Consolidated	
	2019	**2018**
	$000	**$000**
Change in profit		
Increase in interest rate by 2%	26	154
Decrease in interest rate by 2%	(26)	(154)
Change in Equity		
Increase in interest rate by 2%	26	154
Decrease in interest rate by 2%	(26)	(154)

Foreign Currency Risk Sensitivity Analysis

There is minimal foreign currency risk as insignificant balances of foreign currency are held.

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities.

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

17. Investment in controlled entities

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding (%)		Book Value of Investment		Contribution to Consolidated Result	
			2019 %	2018 %	2019 %	2018 %	2019 %	2018 %
Cerep Pty Ltd	Australia	Ordinary	100	100	-	-	-	-
Glendale Asset Pty Ltd	Australia	Ordinary	100	100	1,674,286	1,674,286	-	-
Jewell Corporation Pty Ltd	Australia	Ordinary	100	100	-	1,255,714	-	-
Huab Energy Pty Ltd	Namibia	Ordinary	80	80	-	-	(59,463)	(44,578)
Oshivela Mining Pty Ltd	Namibia	Ordinary	80	80	-	-	(43,473)	(42,123)
Cobalt Resources Inc	Canada	Ordinary	100	-	1	-	-	-

18. Related Parties

The Group's related parties include its subsidiaries, key management and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were received or given.

Related Party	Relationship	Nature Of Transaction	Year ended 30 June 2019		Year ended 30 June 2018	
			Transaction	Balance	Transaction	Balance
Huab Energy (Pty) Ltd	Subsidiary	Loan advances	(754,655)	(1,446,655)	(57,000)	(692,000)
Oshivela Mining (Pty) Ltd	Subsidiary	Loan advances	(45,978)	(763,478)	(41,500)	(717,500)
Sabre Resources Namibia (Pty) Ltd	Common directorship	Geological expenses received	(133,326)	(8,617)	-	-
Sabre Resources Namibia (Pty) Ltd	Common directorship	Geological income received	705	-	-	-
Sabre Resources Ltd	Common directorship	Geological expenses received	(98,587)	-	(6,112)	-
Sabre Resources Ltd	Common directorship	Geological income received	19,504	-	-	-
Metals Australia Ltd	Common directorship	Geological income received	3,816	-	-	-

An amount of $44,169 was paid, or remains payable at 30 June 2019, to Seabourn Capital Pty Ltd, a company of which Michael Minosora is a director and shareholder, in relation to reimbursement for travel and accommodation expenses incurred on behalf of the Company whilst conducting Company business.

Particulars of key management personnel compensation and share option holdings are disclosed in Note 6.

19. Segment Reporting

Identification of Reportable Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company is managed on the basis of its development and exploration of the group's mineral interests in the geographical regions of Namibia and Canada, and its corporate activities in Australia.

Segment Performance – June 2019	**Australia**	**Namibia**	**Canada**	**Total**
Revenue	**$**	**$**	**$**	**$**
Joint venture income	-	37,178	-	37,178
Interest revenue	11,301	-	-	11,301
Total Group revenue	11,301	37,178	-	48,479
Segment profit/(loss)				
Management Fees – unrelated parties	(252,437)	-	-	(252,437)
Corporate overheads - unrelated parties	(630,809)	(102,935)	-	(733,744)
Impairment of exploration and evaluation assets	-	(16,058)	(784,998)	(801,056)
Share based payments	(60,275)	-	-	(60,275)
Total Group profit/(loss)	**(932,220)**	**(81,815)**	**(784,998)**	**(1,799,033)**
Segment assets				
Cash and cash equivalents	472,569	20,032	-	492,601
Exploration and evaluation expenditure	-	3,262,304	-	3,262,304
Trade and other receivables	88,878	27,358	-	116,236
Total Group assets	**561,447**	**3,309,694**	**-**	**3,871,141**
Segment liabilities				
Trade and other payables	(2,208,253)	(86,088)	-	(2,294,341)
Provisions	(11,994)	-	-	(11,994)
Borrowings	(62,000)	-	-	(62,000)
Total Group liabilities	**(2,282,247)**	**(86,088)**	**-**	**(2,368,335)**

19. Segment Reporting (continued)

Segment Performance – June 2018	Namibia	Canada	Total
Revenue	$	$	$
From external sources	-	-	-
Profit on sale of shares	-	-	31,255
Interest revenue	4	-	7,706
Unallocated gain/(loss) on investments	-	-	
Total Group revenue	4	-	38,961
Segment profit/(loss)	(86,701)		(86,701)
Management Fees – unrelated parties	-	-	(257,618)
Corporate overheads - unrelated parties	-	-	(150,949)
Corporate charges & write backs			(243,018)
Total Group profit/(loss)			**(612,624)**
Segment assets	2,197,249	773,277	2,970,526
Unallocated - cash, receivables, plant & equipment			2,232,010
Total Group assets			**5,202,536**
Segment liabilities	1,884	-	1,884
Unallocated – corporate trade payables			2,110,110
Unallocated – borrowings			420,000
Total Group liabilities			**2,531,994**

20. Commitments

(i) Mining Tenements

There are no formal exploration commitments specified by the Namibian Ministry of Mines and Energy or in respect Ontario Ministry of Northern Development and Mines.

(ii) Management Agreement

The Company has an agreement with a management service company for the provision of services at $267,312 per annum plus CPI. Charges are at commercial terms in accordance with the Deed of Variation to the Facilitation and Management Agreement entered into on 19 March 2014 for renewable one-year terms. The next renewable date is 12 November 2019.

21. Contingent Liabilities

On 29 June 2012, the Company acquired all the issued share capital of Glendale Asset Pty Ltd (Glendale) and Jewell Corporation Pty Ltd (Jewell), and these companies hold an 80% interest in Namibian companies that hold various mining rights. Terms of the transaction include the issue of a further 25 million shares on achieving inferred JORC resource from either the Huab or Oshivela Projects.

22. Events Subsequent to Reporting Date

Subsequent to year end, the Company issued a total of 24,297,000 fully paid ordinary shares at $0.015 per share, following the receipt of option conversion notices in relation to 24,297,000 options exercisable at $0.015 and expiring 31 August 2019.

The remaining balance of 15,003,000 options exercisable at $0.015 and expiring 31 August 2019, expired on that date.

Apart from the comments in the succeeding paragraphs, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of these operations, or the state of affairs of the consolidated group in future years.

23. Parent Entity Information

The following details information related to the parent entity, Golden Deeps Limited, at 30 June 2019. The information presented here has been prepared using consistent accounting policies as shown in Note 2.

	Parent Entity	
	2019	**2018**
	$	**$**
Assets		
Current assets	512,191	2,177,709
Non-current assets	3,102,402	3,022,943
Total Assets	**3,614,593**	**5,200,652**
Liabilities		
Current liabilities	367,637	615,501
Non-current liabilities	1,914,609	1,914,609
Total Liabilities	**2,282,246**	**2,530,110**
Equity		
Issued capital	16,772,574	16,162,383
Share Option reserve	64,205	481,101
Accumulated losses	(15,504,432)	(13,972,942)
Total Equity	**1,332,347**	**2,670,542**
Financial Performance		
Profit/(loss) for the year	(1,531,490)	(624,464)
	(1,531,490)	**(624,464)**

No guarantees have been entered into by the parent entity on behalf of its subsidiary.

24. Prior Period Adjustment

The restatement of the 30 June 2018 financial statements is as a result of the non-controlling interest not being accounted for in the prior period. This has been rectified by restating each of the affected financial statement line items for prior period.

	Previous amount $	Adjustment $	Restated amount $
30 June 2018			
Foreign currency translation reserve	(72,748)	14,550	(58,198)
Accumulated losses	(13,900,194)	177,730	(13,722,464)
Non-controlling interest	-	(192,280)	(192,280)
30 June 2017			
Foreign currency translation reserve	(67,563)	13,513	(54,050)
Accumulated losses	(13,287,569)	161,694	(13,125,875)
Non-controlling interest	-	(175,207)	(175,207)

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Golden Deeps Limited (the "Company"):

(a) the financial statements and notes set out on pages 24 to 56 and the Remuneration Report disclosures that are contained in pages 17 to 19 of the Remuneration Report in the Directors' Report, 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 2019 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(iii) complying with International Financial Reporting Standards as disclosed in Note 1.

(b) the remuneration disclosures that are contained in pages 17 to 19 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and

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

2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2019.

Signed in accordance with a resolution of the Directors:

Michael Minosora
DIRECTOR

Dated this 20th day of September 2019
Perth,
Western Australia

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AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Golden Deeps Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Crowe Perth

Crowe Perth

Sean McGurk
Partner

Signed at Perth, 20 September 2019

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDEN DEEPS LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Golden Deeps Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, 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 period then ended, and notes to the financial statements comprising a summary of significant accounting policies and the Director's Declaration.

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

(a) Giving a true and fair view of the Group's financial position at 30 June 2019 and of its financial performance for the period then ended; and
(b) 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 this report. We are independent of the Group in accordance with the independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Regarding Going Concern

We draw attention to Note 2 (z) in the financial report, which indicates that the Group incurred a net loss after tax of $1,799,033 and had net cash used in operating activities of $835,715 for the year ended 30 June 2019, and as of that date. As stated in Note 2(z) these conditions, along with other matters set forth in Note 2 (z), indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not further modified in respect of this matter.

Our procedures in relation to going concern included, but were not limited to:

- inquiring of management and the directors as to knowledge of events and conditions that may impact the assessment on the Group's ability to continue as a going concern;
- challenging the assumptions contained in management's forecast in relation to the Group's ability to continue as a going concern;
- comparing the cash flow forecasts with the Board approved budget; and
- assessing the adequacy of the disclosures related to going concern in Note 2(z)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How we addressed the Key Audit Matter
Consideration of impairment of capitalised mineral exploration and evaluation expenditure	
The carrying amount of capitalised mineral exploration and evaluation expenditure was a significant component of the Group's total assets at $3,262,304 at 30 June 2019. Exploration assets are required to be assessed for impairment when facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. This matter is considered a key audit matter due to the high degree of judgement required by the directors to assess whether impairment indicators are present for specified tenements held and due to the significance of the capitalised amount at 30 June 2019. The conditions and assessment undertaken in relation to impairment are disclosed in the Group's accounting policy Notes 2(f), Note 3 and Note 9 in the financial report.	Our procedures included, but were not limited to: • Conducting discussions with management regarding the criteria used in their impairment assessment and ensuring that this was in line with *AASB 6 Exploration for and Evaluation of Mineral Resources*. • Reviewing evidence of activities carried out and management intentions for the area of interest the Group holds, to corroborate the representations made by management during our discussions. • Assessed the Group's right to tenure by obtaining and assessing supporting documentation such as license agreements or renewals and any correspondence with relevant government agencies in connection with the renewal process. • Evaluating key assumptions adopted by management that support the position formed on whether the exploration and evaluation expenditure was impaired.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's 2019 Annual Report for the period ended 30 June 2019 but does not include the financial report and our 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 upon the work we have performed, we conclude that there is 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material mis-statement when it exists. Mis-statements 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events and conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 17 - 19 of the directors' report for the period ended 30 June 2019.

In our opinion, the Remuneration Report of Golden Deeps Limited for the period ended 30 June 2019 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.

Crowe Perth

Sean McGurk
Partner

Signed at Perth, 20 September 2019