TECTONIC GOLD PLC

Company Registration No. 05173250

Annual Report and Financial Statements

for the year ended 30 June 2019

CONTENTS

Page

COMPANY INFORMATION

DIRECTORS:	**Bruce Fulton** (Chairman) **Brett Boynton** (Managing Director) **Sam Quinn** (Executive Director) **Dennis Edmonds** (Non-Executive Director)
SECRETARY:	**Sam Quinn**
REGISTERED OFFICE:	25 Bilton Road Rugby CV22 7AG United Kingdom T: +61 2 9241 7665
COMPANY REGISTRATION NUMBER:	05173250
REGISTRAR AND TRANSFER OFFICE:	**Link Market Services Limited** 6th Floor, 65 Gresham Street, London EC2V 7NQ
SOLICITORS:	**Mildwaters Consulting LLP** Walton House, 25 Bilton Road, Rugby, Warwickshire, CV22 7AG, United Kingdom
INDEPENDENT AUDITOR:	P**KF Littlejohn LLP** Statutory Auditor 15 Westferry Circus London E14 4HD United Kingdom
NOMINATED ADVISER AND BROKER:	**Peterhouse Capital Limited** 80 Cheapside London EC2V 6EE
CORPORATE ADVISOR AND BROKER	**VSA Capital** 15 Eldon Street London EC2M 7LD
BANKERS:	**Barclays Bank plc** 1 Churchill Place London E14 5HP

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to present the final results for Tectonic Gold Plc for the 12 months to 30 June 2019. This marks the first year of the Company as it completed a reverse takeover transaction ("RTO") with Australian based Intrusive Related Gold System (IRGS) specialist explorer Signature Gold Ltd and was admitted to trading on the AQUIS Stock Exchange (Formally NEX) in London on 26 June 2018.

Following admission to the AQUIS Stock Exchange (Formerly NEX) and the associated capital raise, the Company extended its gold exploration technology development and conducted field activities at its Specimen Hill project area in Queensland, Australia. This included a significant drilling program targeting extensions to the Specimen Hill discovery. Drilling was completed in the December quarter of 2018 and assaying conducted in the January quarter. The drilling confirmed our preliminary technical work and targeting, with mineralisation intersected in each of the ten holes drilled. Further analysis confirmed a range of technical assumptions and identified the source of the mineralising system, which remains highly prospective for high grade gold.

With market sentiment turned against junior exploration companies creating a difficulty to raise further exploration funds, the Company looked to secure a production ready project to generate cash flows and avoid further diluting shareholders. An opportunity was identified to contract mine diamonds on the South African Government's Alexkor mine site on the west coast of South Africa. The Company spent some months evaluating this opportunity, including conducting extensive trial mining and processing trials. During this evaluation, the Company identified that the diamond bearing gravels also hosted high grade heavy mineral sands in certain areas and has now expanded this project to include both diamonds and mineral sands. It is the intention of the Company at this stage and subject to mining permits approvals, to move forward in partnership with a strategic investor in the project to bring this into production. It is hoped that this will in turn fully fund the Company's gold exploration in the short term and allow further exploration of the Queensland gold assets.

At the time of this report we are awaiting permit approvals for mineral sands. We can then invite partners into the project and at that stage plan to move the Group to a more liquid exchange.

On 11 March 2020, the World Health Organisation ("WHO") declared the Coronavirus disease 2019 (COVID-19) a pandemic. The pandemic has adversely affected the global economy, including an increase in unemployment, decrease in consumer demand, interruptions in supply chains, and tight liquidity and credit conditions. Consequently, governments around the world have announced monetary and fiscal stimulus packages to minimise the adverse economic impact. However, the COVID-19 situation is still evolving, and its full economic impact remains uncertain.

The Company has several assets where the value may be impacted by COVID-19. At the date these financial statements were approved by the Directors the extent of the impact COVID-19 on the Company's assets cannot be reasonably estimated at this time.

The pandemic has impacted the Company's operations with Government mandated bans on mass gatherings and social distancing measures resulting in disruption to the Company's operations, this disruption is expected to negatively impact the ability for the Company to conduct drilling and its parent entity's ability to raise capital, refer Going Concern Note 2.

The Directors and management are continually monitoring and managing the Company's operations closely in response to COVID-19 however the extent of the impact COVID-19 may have on the Company's future liquidity, financial performance and position and operations is uncertain and cannot be reasonably estimated at the date these financial statements were issued.

Thank you to all of our supportive shareholders and stakeholders who have worked with us, as we move forward with both our gold projects and our exciting South African project.

Yours sincerely

Bruce Fulton
Chairman

MANAGING DIRECTOR'S STATEMENT

During the year to June 2019 the Company extended its successful technology development and gold exploration programs in Australia. The focus of the technical team was a ten hole drilling program testing structural targets at the flagship Specimen Hill project site.

The drilling program had two objectives; further validation of the Company's emerging Intrusive Related Gold System exploration methodology and extension of the known mineralised zones at Specimen Hill. On both counts the program was successful, intersecting further mineralisation in each of the ten drill holes with high grade gold intersected at gold grades up to 35.2g/t Au and silver grades of up to 37 g/t Ag.

Targeting for the drilling campaign was done using an Australian first deployment of the DIAS 3DIP survey system that has been adapted from technology used in deep targeting in the oil and gas exploration industry. Drill core samples were subjected to extensive analysis including Laser Ablation Inductively Coupled Mass Spectrometry (LA-ICP-MS) that was used to confirm the genetic link of the known gold near the surface to the feeder system we have been testing at 500 meters and below. The results of the campaign are confirmation of a large gold bearing system that was mineralized during the same time period as some of the major deposits in the region. By tracing the historic flow of mineralized fluids in the system from the drill cores, we have been able to identify the intrusive feature that is the source of the segment and the potential high-grade core of the mineralization giving us a high quality target for follow up drill testing.

In order to generate funding and avoid the need for rounds of capital raising, the Company has looked at a number of producing projects. The most interesting is a combination of diamonds and heavy mineral sands on the west coast of South Africa. Diamonds have been recovered from the beach terraces and offshore along this stretch of coast for over one hundred years. De Beers has historically had major operations in the region spanning both South Africa and its northern neighbour, Namibia. Due to security considerations in the diamond industry, prospecting for other commodities has generally been prohibited. Tectonic has spent some time on the ground in the region evaluating the opportunity of contract mining for diamonds on the South African Government's diamond mine at Alexander Bay and during this process identified areas with both diamond and heavy mineral sand ores. Testing has confirmed that the mineral sands are high grade and contain an attractive mix of minerals including zircon, ilmenite and monazite. The Company is now broadening the diamond mining project and has submitted an application to mine heavy mineral sands in conjunction with the diamonds mining. The Company is negotiating with a prospective partner to divest a majority stake in the combined diamond and heavy mineral sand concentrate project on condition that it is funded into production. The Company will retain a non-diluting 10% interest in the projects and it is the Company's intention to utilise cash flows from this to fund further work on the gold assets. At this stage the Company has secured initial diamond mining rights and has mineral sand mining permits under application.

The Company extended its Research and Development program during 2019 and received a refund under the Australian Tax Office Research and Development Tax Incentive of $279,789.

The Company sold its holding in Tirupati Graphite Plc on 4 November 2019 for which it received £86,844.

The Company sold its 2.5% royalty interest in the Bass Metals Ltd graphite mine in Madagascar. Consideration for this was a CAD$250,000 convertible note which has been converted into 98,039 ordinary shares in TSX-V listed Vox Royalty Corp.

Finally, it remains for me to thank my fellow directors, management and advisers for their effort during the year as we continue to build opportunities for our shareholders.

Brett Boynton, CFA
Managing Director

STRATEGIC REPORT

The Directors present their strategic report for Tectonic Gold Plc ("Tectonic Gold" and/or "the Company") and its controlled entities ("the Group") for the year ended 30 June 2019 ("the reporting period").

REVIEW OF THE BUSINESS

Following the admission to trading on the AQUIS Stock Exchange (formerly NEX Growth Market) on 26 June 2018, the Company focused efforts on developing its Intrusive Related Gold System exploration technology and methodology and exploring its Queensland gold assets.

This was done with assistance from the Australian Federal Government and a number of Australian research organisations.

The Company holds a portfolio of Intrusive Related Gold System exploration targets in Queensland Australia which it is testing and refining the exploration methodology on and plans to monetise through divestment or joint venturing into development.

The Company has a contract to mine diamonds on the South African Government's Alexkor diamond mine.

The Company has made an application for a mining permit to mine (and process) heavy mineral sands coincident with the diamonds at the Alexkor diamond mining operation.

For further details see the Managing Director's Statement on Page 5.

RESULTS AND COMPARITIVE INFORMATION

The Group incurred a loss after tax for the reporting period of £824,874 (2018: £3,277,549 loss as restated).

On 17 April 2019, the Company established Tectonic Gold South Africa Pty Ltd which has since changed its name to Deep Blue Minerals Pty Ltd. The financial information for the reporting period includes that of Tectonic Gold Plc and its controlled entities for the whole reporting period and that of Deep Blue Minerals Pty Ltd for the reporting period since 17 April 2019.

Comparative Information

On 25 June 2018, Tectonic Gold (the legal parent) acquired Signature Gold Ltd (Signature Gold). Although the transaction was not a business combination, the acquisition has been accounted for as an asset acquisition with reference to the guidance for reverse acquisition in IFRS 3 Business Combinations and IFRS 2 Share-based Payment.

In preparing the Financial Statements, Signature Gold has been treated as the "accounting parent" and therefore the financial information for the comparative period for the Group includes that of Signature Gold and that of Tectonic Gold for the period since 25 June 2018.

In 2018, the Company's Accounting Reference Date was extended to end on 30 June 2018. Accordingly, as required by Companies House, the financial statements for the comparative period represent the period 1 January 2017 to 30 June 2018.

Prior Year Adjustments

The 2018 balances have been restated in the 2019 financial statements as PKF Littlejohn LLP found an error in the accounting treatment for the reverse acquisition during the 2019 audit. The 2018 balances were also restated to account for certain costs amounting to £45,250 that were not accrued for at the time and the fair value of options that were issued on 25 June 2018 which amount to £68,900. Further details are included in note 5 to the financial statements.

DIVIDENDS

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report (2018: £nil).

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below.

STATISTICS	**30 June 2019**	**30 June 2018**
Net asset value	**£2,509,709**	**£3,339,013**
Net asset value per share	**0.0036p**	**0.0049p**
Closing share price as at 30 June 2019	**0.6p**	**1.4p**
Market capitalisation	**£4.185m**	**£9.63m**

KEY RISKS AND UNCERTAINTIES

Currently the principal risk lies in secure additional funding as and when necessary to continue with the core research and exploration business. The Company's projects are in the exploration phase of development and do not generate revenue. If the Company is unsuccessful in monetising its research developments or its exploration projects by attracting development partners or divesting assets it may need to raise additional capital as other junior exploration companies do from time to time. This risk is mitigated through the Company's corporate development efforts and active engagement with a number of gold mining companies, project funders and other investors for the purpose of attracting investment in one or more of the Company's projects or acquisition of one of the assets in line with the business plan.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Company's financial risk management objectives and policies are set out in Note 27 to these financial statements.

This report was approved by the Board of Directors on 26 June 2020 and signed on its behalf by:

Brett Boynton
Director

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2019

The Directors present their Report and the audited consolidated financial statements of Tectonic Gold plc ("Tectonic Gold" or the "Company") and its controlled entities ("Consolidated Entity" or "Group") for the year ended 30 June 2019.

DIRECTORS

The Board comprised the following directors who served throughout the year and up to the date of this report save where disclosed otherwise:

Name	Position	Date Appointed/Resignation
Bruce Fulton	Non-Executive Chairman	Appointed 25 June 2018
Brett Boynton	Executive Chairman and Managing Director	Executive Chairman: appointed 16 February 2016 until 25 June 2018. Managing Director and Chief Executive Officer appointed 26 May 2015
Sam Quinn	Executive Director	Appointed 20 February 2017
Dennis Edmonds	Non-Executive Director	Appointed 28 April 2020
Zeg Choudhry	Non-Executive Director	Appointed 19 September 2016 / Resigned 1 December 2019

DIRECTORS' INTERESTS

The above Directors' interests in the share capital of the Company at 30 June 2019, held either directly or through related parties, were as follows:

Name of director	Number of ordinary shares	% of ordinary share capital and voting rights
Bruce Fulton	6,467,358	0.99
Brett Boynton	137,139,590	20.96
Sam Quinn	2,512,000	0.38
Zeg Choudhry	-	-
	146.118,948	22.33

Details of the options granted to or held by the Directors or former Directors are as follows:

Name of director or former director	Balance 30 June 2018	Options granted	Options lapsed	Balance 30 June 2019*	Number vested**	Grant date	Average exercise price	Average date of expiry
B Fulton	10,000,000	-	-	10,000,000	3,333,333	25-Jun-18	2p	25-Jun-22
B Boynton	12,000,000	-	-	12,000,000	4,000,000	25-Jun-18	2p	25-Jun-22
S Quinn	12,000,000	-	-	12,000,000	4,000,000	25-Jun-18	2p	25-Jun-22
Z Choudhry	-	-	-	-	-	-	-	-

*or at date of cessation if earlier.

** The options vest in three tranches as follows:

- 1/3 of the Options vested on 25 June 2018;
- 1/3 of the Options vest on 25 December 2018 provided that on or after such date, certain performance conditions have been satisfied; and
- 1/3 of the Options vest on 25 June 2019 provided that on or after such date certain performance condition have been satisfied.

The Company has made qualifying third-party indemnity provisions for the benefit of the Directors in the form of Directors' and Officers' Liability insurance during the year which remain in force at the date of this report.

DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 30 JUNE 2019

DONATIONS

The Company did not make any political or charitable donations during the reporting period (30 June 2019: nil).

EMPLOYEE CONSULTATION

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on various factors affecting the performance of the Company. This is achieved through formal and informal meetings. Equal opportunity is given to all employees regardless of their sex, age, religion or ethnic origin.

SIGNIFICANT SHAREHOLDINGS

On 16 June 2020, the following were interested in 3 per cent. or more of the Company's share capital (including Directors, whose interests are also shown above):

Name of shareholder	Number of ordinary shares	% of ordinary share capital and voting rights
Tickhill Holdings Pty Ltd*	90,615,696	13.18%
Blackbrook Nominees Pty Ltd**	42,057,569	6.12%
Agfund Investments Pty Ltd**	33,646,055	4.89%
Brookton Super Fund Pty Ltd*	14,419,738	2.10%
Titeline Drilling Pty Ltd	26,650,000	3.88%
Consolidated Resources Pte Ltd	20,741,422	3.02%
Brett Boynton*	16,686,023	2.44%
* All holding associated with Brett Boynton	137,139,590	19.95%
** All holdings associated with Peter Prentice	110,796,817	16.11%

POST YEAR END EVENTS

A list of post year events has been included in Note 30.

GOING CONCERN

The adoption of the going concern basis by the Directors is following a review of the current position of the Company and the forecasts for at least the next 12 months. The cash and tradable securities together with the funds receivable and funding support expected from the Queensland State Government are forecast to enable to Company to meet its obligations and continue to operate for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the financial statements. It is beyond the scope of the Directors to predict any future impact of COVID 19 on any of these funding sources however and if for any reason it is not possible to sell any tradeable securities or State Government funding is not secured, this may impact the ability of the Company to meet its obligations and continue to operate as envisaged. Further details regarding the adoption of the going concern basis and uncertainty surrounding it can be found in note 4 of these financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each of the persons who are directors of the Company at the date when this report is approved:

- So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- Each of the directors has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 30 JUNE 2019

AUDITOR

PKF Littlejohn LLP have expressed their willingness to continue in office as auditor and it is expected that a resolution to reappoint them will be proposed at the next annual general meeting.

The Board as a whole considers the appointment of external auditors, including their independence, specifically including the nature and scope of non-audit services provided.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2006. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CORPORATE GOVERNANCE

The requirements of the 2016 UK Corporate Governance Code ("the Code"), as issued by the Financial Reporting Council, are not mandatory for companies traded on AQUIS Stock Exchange. The Directors recognise the value of the Code and apply the recommendations in so far as it is appropriate for a Company of its size.

BOARD OF DIRECTORS

The Company supports the concept of an effective Board leading and controlling the Company. The Board of Directors is responsible for approving Company policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. All Directors have access to advice from independent professionals at the Company's expense. Training is available for new and existing Directors, as necessary.

The Board consists of the Non-Executive Chairman, Bruce Fulton, Managing Director, Brett Boynton, Executive Director, Sam Quinn and Non-Executive director, Zeg Choudhry.

Since Admission to the AQUIS Stock Exchange on 25 June 2018, the Board has established properly constituted audit, remuneration and AQUIS Stock Exchange compliance committees with formally delegated duties and responsibilities, a summary of which is set out below.

DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 30 JUNE 2019

AUDIT COMMITTEE

The Audit Committee comprises Bruce Fulton (Chairman), Sam Quinn and the Chief Financial Officer, Anne Adaley. The Committee meets at least twice a year and is responsible for ensuring the financial performance of the Company is properly reported on and monitored. It liaises with the auditor and reviews the reports from the auditor relating to the accounts.

REMUNERATION COMMITTEE

The Remuneration Committee comprises Bruce Fulton (Chairman) and Sam Quinn. The Committee meets at least twice a year and is responsible for reviewing the performance of Executive Directors and sets the scale and structure of their remuneration on the basis of their service agreements, with due regard to the interests of the shareholders and the performance of the Company.

AQUIS STOCK EXCHANGE (FORMALLY NEX) COMPLIANCE COMMITTEE

The role of the AQUIS Stock Exchange (formerly NEX) compliance committee is to ensure that the Company has in place sufficient procedures, resources and controls to enable it to comply with the AQUIS Stock Exchange Rules. The AQUIS Stock Exchange compliance committee make recommendations to the Board and proactively liaise with the Company's AQUIS Stock Exchange Corporate Adviser on compliance with the AQUIS Stock Exchange Rules. The AQUIS Stock Exchange compliance committee also monitors the Company's procedures to approve any share dealings by directors or employees in accordance with the Company's share dealing code. The members of the AQUIS Stock Exchange compliance committee are Brett Boynton (Chairman), Sam Quinn and Dennis Edmonds.

SHARE DEALING CODE

The Company has adopted a share dealing code for dealings in securities of the Company by directors and certain employees which is appropriate for a company whose shares are traded on the AQUIS Stock Exchange. This will constitute the Company's share dealing policy for the purpose of compliance with UK legislation including the Market Abuse Regulation and the relevant part of the AQUIS Stock Exchange Rules. It should be noted that the insider dealing legislation set out in the UK Criminal Justice Act 1993, as well as provisions relating to market abuse, also apply to the Company and dealings in Ordinary Shares.

COMMUNICATIONS WITH SHAREHOLDERS

Communications with shareholders are given a high priority by the management. In addition to the publication of an annual report and an interim report, there is regular dialogue with shareholders and analysts. The Annual General Meeting is viewed as a forum for communicating with shareholders, particularly private investors. Shareholders may question the Managing Director and other members of the Board at the Annual General Meeting.

INTERNAL CONTROL

The Directors acknowledge they are responsible for the Company's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Company failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Company has well established procedures which are considered adequate given the size of the business.

REMUNERATION

The remuneration of the directors has been fixed by the Board as a whole. The Board seeks to provide appropriate reward for the skill and time commitment required so as to retain the right calibre of director at a cost to the Company which reflects current market rates.

Details of directors' fees and of payments made to directors for professional services rendered are set out in Note 11 to the financial statements and details of the directors' share options are set out in the Directors' Report.

DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 30 JUNE 2019

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL FINANCIAL REPORT

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Directors' report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

This report was approved by the board of directors on 26 June 2020 and signed on its behalf by:

Brett Boynton
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMEBERS OF TECTONIC GOLD PLC

FOR THE YEAR ENDED 30 JUNE 2019

Opinion

We have audited the financial statements of Tectonic Gold Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Group and Parent Company Statements of Financial Position, the Group and Parent Company Statements of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with the provision of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2019 and of the group's and parent company's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our application of materiality

Materiality for the group financial statements as a whole was set at £93,000. This has been calculated based on a benchmark of 3% of gross assets, which we determined in our professional judgment to be the main driver of the business as the group is still in the exploration stage and therefore no revenues are currently being generated, and current and potential investors will be most interested in the recoverability of the exploration and evaluation assets.

Materiality for the parent company financial statements was set at £92,999, determined with reference to a benchmark of 3% of gross assets. From a company perspective the key benchmark is gross assets, given that this a holding company whose value is derived from the underlying subsidiary.

Component materiality was set lower than our overall group materiality and ranged from £1,500 to £89,000. Performance materiality for the group, and all significant components, was set at 80% of overall materiality.

We reported to the directors all corrected and uncorrected misstatements we identified throughout our audit with a value in excess of £4,670, in addition to other audit misstatements below that threshold that we believed warranted reporting on qualitative grounds.

An overview of the scope of our audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors, including the carrying value of assets, and considered future events that are inherently uncertain.

We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also addressed the going concern risk, evaluating whether there were any indicators that the Group were unable to continue as a going concern due to restricted access to funding.

The key balances held within all significant components are the exploration and evaluation intangible assets. The significant risk and key audit matter is in relation to the recoverability of these assets, to confirm that no impairment is required in line with IFRS 6.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit responded to the key audit matter
Going Concern- GROUP AND COMPANY (refer to note 3) There is a risk that further funding will not be accessible. With the current ongoing Covid-19 situation the future of the Group could be affected with the reduced access to funding.	We performed the following procedures: • Critically assessed cash flow forecasts and budgets; • Undertook sensitivity analysis on management's forecasts; • Discussed these matters with management; • Reviewed the group's assessment of the impact of Covid-19 using our knowledge of the business and the industry that the group operates in; • Evaluated the adequacy of disclosures made in the financial statements.
Capitalisation and recoverability of mining exploration expenses - GROUP (refer to Note 17) IFRS 6 allows the capitalisation of exploration and evaluation expenditures incurred in connection with the exploration and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource is demonstrable. There is a risk that this has not been applied correctly causing misstatements. There is a risk that the amounts capitalised do not meet the recognition criteria in accordance with IFRS 6. The recoverability of the asset is highly judgemental due to the early stage nature of the projects and the contingent nature of obtaining a mining permit.	We performed the following procedures: • Agreed additions during the year to invoices and other supporting documentation, ensuring the expenditure has been capitalised in accordance with IFRS 6; • Assessed management's impairment review, taking into account both internal and external indicators; • Verified good title to project licenses; and • Discussed with management the scope of their future budgeted and planned expenditure on each license area.

INDEPENDENT AUDITOR'S REPORT TO THE MEMEBERS OF TECTONIC GOLD PLC (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR’S REPORT TO THE MEMEBERS OF TECTONIC GOLD PLC (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors’ responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group’s and the parent company’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 company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: https:www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Eric Hindson

Eric Hindson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

26 June 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 GBP	2018 *restated* GBP
Revenue from continuing operations	7	31,862	198,694
Expenses from continuing operations:			
Accounting and audit fees		(88,673)	(125,438)
Administration and office costs	5	(27,077)	(48,993)
Corporate costs	5	(115,806)	(21,203)
Amortisation and depreciation		(1,338)	(1,659)
Employee benefits, management fees and on costs	11	(89,777)	(10,408)
Exploration and tenement costs		(36,388)	(52,550)
Insurance		(17,233)	(17,134)
Legal expenses		396	(319,601)
Options fee and associated costs		-	(199,520)
Impairment of exploration costs		(703,936)	(182,153)
Bad debt expense		(64,173)	(93,050)
Fair value of warrants issued and vested		-	(68,900)
Share based payment recognised on reverse acquisition	9	-	(2,582,872)
Other expenses		(38,945)	(9,572)
(Loss) from continuing operations before income tax		**(1,151,088)**	**(3,534,359)**
Income tax benefit	12	326,214	256,810
Net (loss) for the reporting period		(824,874)	**(3,277,549)**
Foreign exchange on translation of foreign subsidiaries		**(34,430)**	(58,251)
Total comprehensive (loss) for the year		**(859,304)**	**(3,335,800)**
Earnings per share attributable to owners of the company			
Basic and diluted (pence per share)			
From continuing operations	13	**(0.120)**	**(1.80)**

The accompanying notes form part of these financial statements.

On 17 April 2019, the Company established Tectonic Gold South Africa which has since changed its name to Deep Blue Minerals Pty Ltd. The financial information for the reporting period includes that of Tectonic Gold Plc and its controlled entities for the whole reporting period and that of Deep Blue Minerals Pty Ltd for the reporting period since 17 April 2019.

Comparative Information

In 2018, the Company's Accounting Reference Date was extended to end on 30 June 2018. Accordingly, as required by Companies House, the financial statements for the comparative period represent the period from 1 January 2017 to 30 June 2018.

The Group was formed on 25 June 2018 with the reverse takeover of Signature Gold Ltd, by Tectonic Gold Plc (the legal parent entity). In preparing the Financial Statements, Signature Gold Limited has been treated as the "accounting parent" and therefore the financial information for the reporting period includes that of Signature Gold Limited for the whole period, and that of Tectonic Gold Plc and its controlled entity for the reporting period since 25 June 2018. See Note 9 for further details.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTE	30-Jun-19 GROUP GBP	30-Jun-18 *restated* GROUP GBP	30-Jun-19 COMPANY GBP	30-Jun-18 *restated* COMPANY GBP
ASSETS					
NON-CURRENT ASSETS					
Trade and other receivables	15	-	-	1,341,710	1,303,368
Plant and equipment	16	6,603	2,152	-	-
Exploration and evaluation expenditure	17	2,663,707	2,830,470	-	-
Investments in controlled entities	19	-	-	3,605,259	3,605,254
TOTAL NON-CURRENT ASSETS		**2,670,310**	**2,832,621**	**4,946,969**	**4,908,622**
CURRENT ASSETS					
Cash and cash equivalents	14	34,875	149,397	22,846	11,130
Trade and other receivables	15	7,913	359,869	-	280,077
Financial assets at fair value through profit and loss	18	40,122	40,122	40,122	40,122
Other assets	20	360,412	647,688	5,100	10,454
TOTAL CURRENT ASSETS		**443,322**	**1,197,076**	**68,068**	**341,783**
TOTAL ASSETS		**3,113,632**	**4,029,698**	**5,015,037**	**5,250,405**
EQUITY					
Share capital	24	6,100,615	6,099,615	6,100,615	6,099,615
Share premium account		60,146,216	60,117,216	60,146,216	60,117,216
RTO Reserve	25	(57,976,182)	(57,976,182)	-	-
Warrant reserves	25	95,098	95,098	95,098	95,098
Foreign exchange translation reserves	25	(92,681)	(58,251)	-	-
Accumulated losses		(5,763,357)	(4,938,483)	(61,439,800)	(61,192,585)
TOTAL EQUITY		**2,509,709**	**3,339,013**	**4,902,130**	**5,119,345**
LIABILITIES					
NON-CURRENT LIABILITIES					
Trade and other payables	21	15,913	16,198	-	-
Borrowings	22	236,793	168,868	-	-
Employee benefits	23	11,363	10,120	-	-
TOTAL NON-CURRENT LIABILITES		**264,069**	**195,187**	**-**	**-**
CURRENT LIABILITIES					
Trade and other payables	21	275,680	481,405	62,907	131,060
Borrowings	22	50,000	-	50,000	-
Employee benefits	23	14,174	14,092	-	-
TOTAL CURRENT LIABILITES		**339,853**	**495,497**	**112,907**	**131,060**
TOTAL LIABILITIES		**603,923**	**690,684**	**112,907**	**131,060**
TOTAL EQUITY AND LIBAILITIES		**3,113,632**	**4,029,698**	**5,015,037**	**5,250,405**

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's loss for the year was £247,215 (2018: loss of £1,020,263)

TECTONICGOLD

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Directors on 26 June 2020 and signed on their behalf by:

Brett Boynton
Director
Company number: 05173250

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

GROUP FOR THE PERIOD 1 JANUARY 2017 TO 30 JUNE 2018	ISSUED CAPITAL	SHARE PREMIUM	WARRANT RESERVE	RTO RESERVE	FOREIGN CURRENCY RESERVE	ACCUMULATED LOSSES	TOTAL
	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Balance at 1 January 2017	3,064,795	-	-	-	-	(1,660,934)	1,403,861
Total comprehensive loss for the period	-	-	-	-	(58,251)	(3,277,549)	(3,335,800)
Transactions with owners, recorded directly in equity:							
Issue of share capital by Signature Gold prior to the reverse acquisition of Tectonic Gold Plc	1,066,798	-	-	-	-	-	1,066,798
Signature Gold share capital transfer to RTO reserve	(4,131,593)	-	-	4,131,593	-	-	-
Recognition of Tectonic equity at reverse acquisition	6,048,890	56,032,687	26,198	(58,502,521)	-	-	3,605,255
Issue of shares for acquisition of subsidiary	45,000	3,560,254	-	(3,605,254)	-	-	-
Shares issued by Tectonic Gold since the acquisition	5,725	524,275	-	-	-	-	530,000
Share-based payment	-	-	68,900	-	-	-	68,900
Balance as at 30 June 2018	**6,099,615**	**60,117,216**	**95,098**	**(57,976,182)**	**(58,251)**	**(4,938,483)**	**3,339,013**

GROUP FOR THE YEAR ENDED 30 JUNE 2019	ISSUED CAPITAL	SHARE PREMIUM	WARRANT RESERVE	RTO RESERVE	FOREIGN CURRENCY RESERVE	ACCUMULATED LOSSES	TOTAL
	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Balance at 1 July 2018	**8,266,848**	-	-	-	**(58,251)**	**(4,824,334)**	**3,384,263**
Prior year adjustment	(2,167,233)	60,117,216	95,098	(57,976,182)	-	(114,149)	(45,250)
Balance at 1 July 2018 *(restated)*	**6,099,615**	**60,117,216**	**95,098**	**(57,976,182)**	**(58,251)**	**(4,938,483)**	**3,339,013**
Total comprehensive loss for the period		-		-	(34,430)	(824,874)	(859,304)
Transactions with owners, recorded directly in equity:							
Shares Issued – 1 June 2019	1,000	29,000	-	-	-	-	30,000
Balance as at 30 June 2019	**6,100,615**	**60,146,216**	**95,098**	**(57,976,182)**	**(92,681)**	**(5,763,357)**	**2,509,709**

The accompanying notes form part of these financial statements

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

COMPANY FOR THE PERIOD 1 JANUARY 2017 TO 31 DECEMBER 2018	SHARE CAPITAL	SHARE PREMIUM	WARRANT RESERVES	ACCUMULATED LOSSES	TOTAL EQUITY
	GBP	GBP	GBP	GBP	GBP
Balance at 1 January 2017	**6,048,557**	**55,900,025**	**454,527**	**(60,534,322)**	**1,868,787**
Total comprehensive loss for the period	-	-	-	(1,020,263)	(1,020,263)
Transactions with owners, recorded directly in equity:					
Issue of shares and warrants	-	-	-	-	-
Shares issued - 25 June 2018 (3,333,333 shares issued to Directors)	333	66,333	-	-	66,666
Issue of shares for acquisition of subsidiary	45,000	3,560,254	-	-	3,605,254
Shares issued by Tectonic Gold since the acquisition	5,725	524,275			530,000
Share based payment costs	-	66,329	(359,429)	(362,000)	68,900
Balance at 30 June 2018	**6,099,615**	**60,117,216**	**95,098**	**(61,192,585)**	**5,119,345**

COMPANY FOR THE YEAR ENDED 30 JUNE 2019	SHARE CAPITAL	SHARE PREMIUM	WARRANT RESERVES	ACCUMULATED LOSSES	TOTAL EQUITY
	GBP	GBP	GBP	GBP	GBP
Balance at 1 July 2018	**6,096,541**	**65,448,708**	**454,527**	**(61,440,435)**	**10,559,341**
Prior year adjustment	3,074	(5,331,492)	(359,429)	247,850	(5,439,997)
Balance at 1 July 2018 *(restated)*	**6,099,615**	**60,117,216**	**95,098**	**(61,192,585)**	**5,119,344**
Total comprehensive loss for the period	-	-	-	(247,215)	(247,215)
Transactions with owners, recorded directly in equity:					
Issue of shares and warrants	-	-	-	-	-
Shares issued -1 June 2019	1,000	29,000	-	-	30,000
Balance at 30 June 2019	**6,100,615**	**60,146,216**	**95,098**	**(61,439,800)**	**4,902,130**

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	30-JUN-19 GROUP GBP	30-JUN-18 GROUP GBP
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		62,832	-
Cash payments in the course of operations		(586,464)	(487,882)
Research and Development Tax Incentive Claim		326,214	256,810
Interest received		-	2,516
Net cash used in operating activities	**26**	**(197,418)**	**(228,556)**
CASH FLOWS USED IN INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure		(279,351)	(914,538)
Payments for property, plant and equipment		(6,911)	(2,609)
Payment for security deposit		(276)	(2,120)
Cash acquired on acquisition of Tectonic Gold plc		-	27,870
Net cash used in investing activities		**(286,538)**	**(891,397)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		280,000	-
Proceeds from borrowings		89,418	1,381,769
Repayment of borrowings		-	(232,675)
Net cash provided by financing activities		**369,418**	**1,149,094**
Net (decrease)/increase in cash held and cash equivalents		(114,539)	29,141
Cash and cash equivalents at the beginning of the period		149,397	126,236
Effects of exchange rate changes on cash and cash equivalents		17	(5,980)
Cash and cash equivalents at the end of the period		**34,875**	**149,397**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	30-JUN-19 COMPANY GBP	30-JUN-18 COMPANY GBP
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		40,380	-
Cash payments in the course of operations		(246,664)	(137)
Net cash used in operating activities	**26**	**(206,284)**	**(137)**
CASH FLOWS USED IN INVESTING ACTIVITIES			
Loan to Deep Blue Minerals Pty Ltd		(15,000)	-
Loan to Signature Gold Pty Ltd		(47,000)	-
Net cash used in investing activities		**(62,000)**	**(11,267)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		280,000	-
Net cash provided by financing activities		**280,000**	**-**
Net (decrease)/increase in cash held and cash equivalents		11,716	(137)
Cash and cash equivalents at the beginning of the period		11,130	11,267
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		**22,846**	**11,130**

The accompanying notes form part of these financial statements.

1. GENERAL INFORMATION

Tectonic Gold Plc is a company incorporated in the United Kingdom under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out in the Strategic Report and the Directors' Report on pages 4 and 6.

2. STATEMENT OF COMPLIANCE

The financial statements comply with International Financial Reporting Standards as adopted by the European Union.

(a) New and amended standards adopted by the Company:

As of 1 July 2018, the Company has adopted IFRS 9 and IFRS 15. The Company adopted IFRS 9, Financial Instruments ('IFRS 9'), which replaced IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 addresses the classification, measurement and recognition of financial assets and liabilities.

The Company reviewed the financial assets and liabilities reported on its Statement of Financial Position and completed an assessment between IAS 39 and IFRS 9 to identify any accounting changes. The financial assets subject to this review were intercompany loans receivable. The financial liabilities subject to this review were intercompany loans payable and convertible loan notes. Based on this assessment of the classification and measurement model, there were no changes to classification and measurement other than changes in terminology.

IFRS 15 requires an expected quantitative impact of the application of IFRS 15 to be included within the financial statements. The Group and Company has minimal revenue and as such there is no impact of IFRS 15.

Of the other IFRSs and IFRICs adopted in 2019, none have had a material effect on the Group or Company's Financial Statements.

(b) New and amended standards issued but not yet effective and not early adopted:

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

STANDARD	IMPACT ON INITIAL APPLICATION	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER	EXPECTED TO BE INITIALLY APPLIED IN THE FINANCIAL YEAR ENDING
IFRS 16 Leases	Leases	1 January 2019	30 June 2020
IFRIC 23	Uncertainty over Income Tax treatments	1 January 2019	30 June 2020
IFRS 9 (Amendments)	Prepayment features with negative compensation	1 January 2019	30 June 2020
IAS 28 (Amendments)	Long term interests in associates and joint ventures	1 January 2019	30 June 2020
2015-2017 Cycle	Annual improvements to IFRS Standards	1 January 2019	30 June 2020
IFRS 3 (Amendments)	Business combinations	1 January 2019*	30 June 2020

*subject to EU endorsement.

Of these IFRSs and IFRICs, none are expected to have a material effect on future Group or Company financial statements.

3. ACCOUNTING POLICIES

This financial report includes the consolidated financial statement and notes of Tectonic Gold Plc ("the Company") and its controlled entities ("Consolidated Entity" or "Group").

The principal accounting policies adopted and applied in the preparation of the Group's Financial statements are set out below. These have been consistently applied to all the years presented unless otherwise stated:

3. ACCOUNTING POLICIES (CONTINUED)

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union ("EU") applied in accordance with the provisions of the Companies Act 2006.

IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the International Financial Standards Interpretations Committee ("IFRS IC") and there is an ongoing process of review and endorsement by the European Commission. The accounts have been prepared on the basis of the recognition and measurement principles of IFRS that were applicable at 30 June 2019.

RESULTS AND COMPARATIVE INFORMATION

On 17 April 2019 the Company established Tectonic Gold South Africa which has since changed its name to Deep Blue Minerals. The financial information for the reporting period includes that of Tectonic Gold Plc and its controlled entities for the whole reporting period and that of Deep Blue Minerals for the reporting period since 17 April 2019.

Comparative Information

On 25 June 2018, Tectonic Gold (the legal parent) acquired Signature Gold Ltd (Signature Gold). Although the transaction was not a business combination, the acquisition has been accounted for as an asset acquisition with reference to the guidance for reverse acquisition in IFRS 3 Business Combinations and IFRS 2 Share-based Payment. Refer to Note 9 for further details.

In preparing the Financial Statements, Signature Gold has been treated as the "accounting parent" and therefore the financial information for the comparative period for the Group includes that of Signature Gold and that of Tectonic Gold for the period since 25 June 2018.

In 2018, the Company's Accounting Reference Date was extended to end on 30 June 2018. Accordingly, as required by Companies House, the financial statements for the comparative period represent the period 1 January 2017 to 30 June 2018.

PRIOR YEAR ADJUSTMENTS

The 2018 balances have been restated in the 2019 financial statements as PKF Littlejohn LLP found an error in the accounting treatment for the reverse acquisition during the 2019 audit. The 2018 balances were also restated to account for certain costs amounting to £45,250 that were not accrued for together with the fair value of options that were issued on 25 June 2018 which amount to £68,900. Further details are included in note 5 to the financial statements.

BASIS OF CONSOLIDATION

Where the Group has control over an investee, it is classified as a subsidiary. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as for the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. All intra-group balances, balances and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

3. ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN

Any consideration of the foreseeable future involves making a judgement, at a particular point in time, about future events which are inherently uncertain. The ability of the Group and Company to carry out their planned business objectives is dependent on the continuing ability to raise adequate financing from equity investors and/or the achievement of profitable operations.

The adoption of the going concern basis by the Directors is following a review of the current position of the Company and the forecasts for the next 12 months. The cash and tradable securities together with the funds receivable and funding support expected from the Queensland State Government are forecast to enable the Group and Company to meet their obligations and continue to operate for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the financial statements. It is beyond the scope of the Directors to predict any future impact of COVID 19 on any of these funding sources however and if for any reason it is not possible to sell any tradeable securities or State Government funding is not secured, this may impact the ability of the Group and Company to meet their obligations and continue to operate as envisaged. Further details regarding the adoption of the going concern basis and uncertainty surrounding it can be found in note 4 of these financial statements.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (2018 DISCLOSED AS AVAILABLE FOR SALE INVESTMENTS)

Investments are initially measured at fair value plus directly attributable incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

Investments are recognised as available-for-sale financial assets. Gains and losses on measurement are recognised in other comprehensive income except for impairment losses and foreign exchange gains and losses on monetary items denominated in a foreign currency, until the assets are derecognised, at which time the cumulative gains and losses previously recognised in other comprehensive income are recognised in the income statement.

The Company assesses at each year end date whether there is any objective evidence that a financial asset or group of financial assets classified as available-for-sale has been impaired. An impairment loss is recognised if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset. A significant or prolonged decline in the fair value of a security below its cost shall be considered in determining whether the asset is impaired.

INVESTMENTS

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

FOREIGN CURRENCIES

The Company's financial statements are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of these financial statements, the results and financial position are expressed in Pounds Sterling, which is the presentation currency of the Company.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the income statement. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period, except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

3. ACCOUNTING POLICIES (CONTINUED)

FOREIGN CURRENCIES

When a decline in the fair value of a financial asset classified as available-for-sale has been previously recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss is removed from other comprehensive income and recognised in the income statement. The loss is measured as the difference between the cost of the financial asset and its current fair value less any previous impairment.

For the purpose of presenting Company financial statements, the assets and liabilities of any of the Company's operations that are overseas are translated at exchange rates prevailing on the year-end date. Income and expense items are translated at the average exchange rates for the period.

Any translation differences on consolidation are recognised in Other Comprehensive Income

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the year end date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable

profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and where they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

EXPLORATION AND EVALUATION EXPENDITURE

Exploration expenditure incurred is accumulated in respect of each identifiable area of interest, net of any related grant income received. These costs are only carried forward to the extent that they are expected to be recovered through the successful development or sale of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to the area of interest.

3. ACCOUNTING POLICIES (CONTINUED)

Exploration and evaluation assets are assessed for impairment annually or when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount in accordance with IFRS 6.

IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT

At each financial year end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount and the impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are recorded at cost and depreciated as outlined below:

Depreciation of Property, Plant and Equipment

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over its expected useful life for the entity. Estimates of remaining useful lives are made on a regular basis for all assets with annual reassessments for major items. The expected useful lives are as follows:

Plant and equipment 5 years

TRADE RECEIVABLES, LOANS AND OTHER RECEIVABLES

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified under ‘loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial.

Other receivables, that do not carry any interest, are measured at their nominal value as reduced by any appropriate allowances for irrecoverable amounts.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and other short-term bank deposits.

FINANCIAL LIABILITIES

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified as either financial liabilities ‘at FVTPL’ or ‘other financial liabilities’.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group’s financial liabilities include trade and other payables.

3. ACCOUNTING POLICIES (CONTINUED)

FINANCIAL LIABILITIES (CONTINUED)

A financial liability is held for trading if it meets one of the following conditions:

- It is incurred principally for the purpose of repurchasing it in the near term
- On initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking, or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

There were no financial liabilities ‘at FVTPL’ during the current, or preceding, period.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

OTHER FINANCIAL LIABILTIES AND SHORT-TERM BORROWINGS

Interest-bearing loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted for on an accruals basis in profit or loss using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Other short-term borrowings being intercompany loans and unsecured convertible loan notes issued in the year are recognised at amortised cost net of any financing or arrangement fees.

TRADE PAYABLES

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

EQUITY INSTRUMENTS INCLUDING SHARE CAPITAL

Equity instruments issued by the Company are recorded at the proceeds received, net of incremental costs attributable to the issue of new shares.

An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Share capital represents the amount subscribed for shares at nominal value.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Any bonus issues are also deducted from share premium.

The reverse takeover reserve represents the adjustment needed to reflect the reverse takeover of Signature Gold in the previous year.

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

The warrant reserve represents the fair value of warrants granted to employees and suppliers for services provided to the Group. The fair value of warrants is expensed over the vesting period or during the period in which the services are received.

Accumulated losses include all current and prior period results as disclosed in the statement of comprehensive income.

3. ACCOUNTING POLICIES (CONTINUED)

SHARE-BASED PAYMENTS

The Company has applied the requirements of IFRS 2 Share-based payments.

The Company operates an equity-settled share-based payment scheme under which share options are issued to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period. Judgements and estimates that may affect future periods are as follows:

SHARE BASED PAYMENTS

The calculation of the fair value of equity-settled share-based awards and the resulting charge to the statement of comprehensive income requires assumptions to be made regarding future events and market conditions. These assumptions include the future volatility of the Company's share price. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards.

TREATMENT OF EXPLORATION AND EVALUATION COSTS

Exploration expenditure incurred is accumulated in respect of each identifiable area of interest, net of any related grant income received. These costs are only carried forward to the extent that they are expected to be recovered through the successful development or sale of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to the area of interest.

The value of the Group's exploration and evaluation expenditure will be dependent upon the success of the Group in discovering economic and recoverable mineral resources. It is also dependent on the Group successfully renewing its licences.

The future revenue flows relating to these assets is uncertain and will also be affected by competition, relative exchange rates and potential new legislation and related environmental requirements.

5. PRIOR YEAR ADJUSTMENT

The 2018 consolidated statement of profit and loss and other comprehensive income has been restated to account for certain costs amounting to £45,250 that were not accrued for on completion of the reverse takeover by Signature Gold Pty Ltd on 25 June 2018 and the fair value of options that were issued on 25 June 2018 which amount to £68,900. Details are set out below.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (extract)	Note	Signed 2018 accounts	2018 Loss Increase	Restated for the year ended 30 June 2018
		GBP	GBP	GBP
Expenses from continuing operations:				
Listing fees recognised on reverse acquisition	(i)	(2,537,622)	(45,250)	(2,582,872)
Fair value of warrants issued and vested	(ii)	-	(68,900)	(68,900)
		(2,537,622)	**(114,150)**	(2,582,872)

(i) The prior year adjustment of £45,250 is comprised of printing costs amounting to £13,750 and consulting fees of £31,500 that were incurred in connection with the reverse takeover by Signature Gold Pty Ltd. This results in an increase in the listing fees recognised on the reverse acquisition by £45,250 in total.

(ii) The prior year adjustment of £68,900 represents the fair value of options that were issued on 25 June 2018 and not recorded in 2018.

Basic and diluted earnings per share for the prior year have also been restated. The amount of the correction for both basic and diluted earnings per share was an increase of 0.40p per share.

5. PRIOR YEAR ADJUSTMENT (CONTINUED)

GROUP STATEMENT OF FINANCIAL POSITION	Note	Signed accounts at 30 June 2018 GBP	Adjustments GBP	Restated as at 30 June 2018 GBP
ASSETS				
NON-CURRENT ASSETS				
Trade and other receivables		-	-	-
Plant and equipment		2,152	-	2,152
Exploration and evaluation expenditure		2,830,470	-	2,830,470
Investment in controlled entities		-	-	-
TOTAL NON-CURRENT ASSETS		**2,832,621**	**-**	**2,832,621**
CURRENT ASSETS				
Cash and cash equivalents		149,397	-	149,397
Trade and other receivables		359,869	-	359,869
Investments		40,122	-	40,122
Other assets		647,688	-	647,688
TOTAL CURRENT ASSETS		**1,197,076**	**-**	**1,197,076**
TOTAL ASSETS		**4,029,697**	**-**	**4,029,697**
EQUITY				
Share capital	(i)	8,266,848	(2,167,233)	6,099,615
Share premium	(i)	-	60,117,216	60,117,216
RTO reserve	(i)	-	(57,976,182)	(57,976,182)
Warrant reserve	(ii)	-	95,098	95,098
Foreign exchange translation reserves		(58,251)	-	(58,251)
Accumulated losses	(iii)	(4,824,334)	(114,149)	(4,938,483)
TOTAL EQUITY		**3,384,263**	**(45,250)**	**3,339,013**
LIABILITIES				
NON-CURRENT LIABILITIES				
Trade and other payables		16,198	-	16,198
Borrowings		168,868	-	168,868
Employee benefits		10,120	-	10,120
TOTAL NON-CURRENT LIABILITIES		**195,187**	-	**195,187**
CURRENT LIABILITIES				
Trade and other payables	(iv)	436,155	45,250	481,405
Employee benefits		14,092	-	14,092
TOTAL CURRENT LIABILITIES		**450,247**	**45,250**	**495,497**
TOTAL LIABILITIES		**645,434**	**45,250**	**690,684**
TOTAL EQUITY LIABILITIES		**4,029,697**	**-**	**4,029,697**

(i) The 2018 balances have been restated in the 2019 financial statements due to an error in the accounting treatment for the reverse acquisition identified during the 2019 audit.

(ii) The prior year adjustment to warrant reserves of £95,098 is comprised of:
- a. £68,900 being the fair value of options that were issued on 25 June 2018 not recorded in 2018; and
- b. £26,198 which is the recycling of the share-based payment expense in respect of warrants and share options that had either lapsed or been exercised prior to completion of the reverse takeover on 25 June 2018.

(iii) The prior year adjustment to accumulated losses of £114,149 is comprised of the following charges to accumulate losses:
- a. £45,250 which is comprised of printing costs of £13,750 and consulting fees of £31,500 that were incurred in connection with the reverse takeover by Signature Gold Pty Ltd which was completed on 25 June 2018. This results an increase in the listing fees recognised on the reverse acquisition by £45,250 in total.
- b. £68,900 which represents the fair value of options that were issued on 25 June 2018 and not recorded in 2018.

(iv) The prior year adjustment to trade and other payables of £45,250 is comprised of printing and consulting fees accrued on 25 June 2018 in connection with the reverse takeover by Signature Gold Pty Ltd.

5. PRIOR YEAR ADJUSTMENT (CONTINUED)

COMPANY STATEMENT OF FINANCIAL POSITION	Note	Signed accounts at 30 June 2018 GBP	Adjustments GBP	Restated as at 30 June 2018 GBP
ASSETS				
NON-CURRENT ASSETS				
Trade and other receivables		1,303,368	-	1,303,368
Investment in controlled entities	(i)	9,000,000	(5,394,746)	3,605,254
TOTAL NON-CURRENT ASSETS		**10,303,368**	**(5,394,746)**	**4,908,622**
CURRENT ASSETS				
Cash and cash equivalents		11,130	-	11,130
Trade and other receivables		280,077	-	280,077
Investments		40,122	-	40,122
Other assets		10,454	-	10,454
TOTAL CURRENT ASSETS		**341,783**	**-**	**341,783**
TOTAL ASSETS		**10,645,151**	**-**	**10,645,151**
EQUITY				
Share capital	(i)	6,096,541	3,074	6,099,615
Share premium	(i)	65,448,708	(5,331,492)	60,117,216
Warrant reserve	(ii)	454,527	(359,429)	95,098
Accumulated losses	(iii)	(61,440,435)	247,850	(61,192,585)
TOTAL EQUITY		**10,559,341**	**(5,439,997)**	**5,119,344**
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	(iv)	85,810	45,250	131,060
TOTAL CURRENT LIABILITIES		**85,810**	**45,250**	131,06
TOTAL LIABILITIES		**85,810**	**45,250**	**131,06**
TOTAL EQUITY LIABILITIES		**10,645,152**	**(5,394,747)**	**5,250,405**

(i) The 2018 balances have been restated in the 2019 financial statements due to an error in the accounting treatment for the reverse acquisition identified during the 2019 audit.

(ii) The prior year adjustment of £359,429 represents adjustments for:

a. The recognition of the options issued on 25 June 2018 and the fair value of these options being £68,900 which was not recorded in 2018; and

b. £428,329 which represents warrants or options that had lapsed or had been exercised by the date of the completion of the reverse takeover on 25 June 2018.

(iii) The prior year adjustment to accumulated losses of £247,850 is comprised of the following charges to accumulated losses:

a. £45,250 which is comprised of printing costs amounting to £13,750 and consulting fees of £31,500 that were incurred in connection with the reverse takeover by Signature Gold Pty Ltd which was completed on 25 June 2018.

b. £68,900 which represents the fair value of options that were issued on 25 June 2018 and not recorded in 2018.

c. £428,329 which represents warrants or options that had lapsed or had been exercised by the date of the completion of the reverse takeover on 25 June 2018.

The prior year adjustment had no impact on the Group or Company cashflow statement.

6. SEGMENTAL INFORMATION

The Chief Operating Decision Maker of the Group is the Board of Directors. The Group operates in one industry segment being mineral exploration. Information is therefore shown for geographical segments.

2019	AUSTRALIA	SOUTH AFRICA	UNALLOCATED	TOTAL
	GBP	GBP	GBP	GBP
Revenue and other revenue				
Interest	-	59	-	59
Consulting fees	24,471	-	-	24,471
Other fees	-	7,332	-	7,332
Total segment revenue and other revenue	**24,471**	**7,391**	**-**	**31.862**
Segment net (loss) before tax and other items	(123,431)	(31,721)	(260,662)	(445,814)
Impairment of exploration costs	(703,936)	-	-	(703,936)
Depreciation and amortisation	(1,338)	-	-	(1,338)
Net (loss) before income tax	**(828,705)**	**(31,721)**	**(290,662)**	**(1,151,088)**
Income tax benefit	326,214	-	-	326,214
Net (loss) after income tax	**(502,491)**	**(31,721)**	**(290,662)**	**(824,874)**
Segment assets at 30 June 2019	**2,998,503**	**47,060**	**68,069**	**3,113,632**
Segment Liabilities at 30 June 2019	**424,802**	**66,214**	**112,907**	**603,923**

All additions to intangible assets occurred in the Australian reporting segment.

2018 (Restated)	AUSTRALIA	UNALLOCATED	TOTAL
	GBP	GBP	GBP
Revenue and other revenue			
Interest	2,516	-	2,516
Option fee	196,178	-	196,178
Total segment revenue and other revenue	**198,694**	**-**	**198,694**
Segment net (loss) / profit before tax and other items	(886,082)	(63,746)	(949,828)
Depreciation and amortisation	(1,659)	-	(1,659)
Listing fees recognised on reverse acquisition	-	(2,582,872)	(2,582,872)
Net (loss) before income tax	**(887,741)**	**(2,646,618)**	**(3,534,359)**
Income tax benefit	256,810	-	256,810
Net (loss) after income tax	**(630,931)**	**(2,646,618)**	**(3,277,549)**
Segment assets at 30 June 2018	**3,644,468**	**385,229**	**4,029,697**
Segment Liabilities at 30 June 2018	**559,624**	**131,060**	**690,684**

All additions to intangible assets occurred in the Australian reporting segment.

7. REVENUE

	CONSOLIDATED	
	2019	2018 *restated*
	GBP	GBP
Consulting services	24,471	-
Interest income	59	2,516
Other fees	7,332	
Option fee	-	196,178
Total revenue from continuing operations	31,862	198,694

8. OPERATING LOSS

	CONSOLIDATED	
	2019	2018 *restated*
	GBP	GBP
Operating (loss) is stated after charging:		
Staff costs as per Note 11 below	(89,777)	(10,408)
Impairment of exploration costs	(703,936)	-
Fair value of warrants issued and vested	(68,900)	-
Depreciation of property plant and equipment	(1,338)	(1,659)
Net Foreign exchange gain	(28,549)	(8,525)

9. ACQUISITION

On 25 June 2018, Tectonic Gold Plc completed the acquisition of 100% of the issued capital of Signature Gold and 450,000,000 fully paid ordinary shares in the Company were allotted to the vendors of Signature Gold Ltd at an issue price of 2 pence per share.

Although the transaction was not a business combination, the acquisition has been accounted for as an asset acquisition with reference to the guidance for reverse acquisitions in IFRS 3 Business Combinations and IFRS 2 Share-based Payment.

In preparing the Financial Report, Signature Gold has been treated as the "accounting parent" and therefore the financial information for the reporting period includes that of Signature Gold and that of Tectonic Gold Plc and its controlled entities for the period since 25 June 2018.

Net Assets of Tectonic Gold Plc as at 25 June 2018	GBP
Assets	
Cash and cash equivalents	27,870
Trade and other receivables	38,085
Other assets	1,345,693
Liabilities	
Payables	(77,885)
Other Liabilities	(311,380)
Net assets of Tectonic Gold at 25 June 2018	**1,022,383**
Deemed fair value of share-based payment of assets acquired	
180,262,746 shares @ £0.02 per share	3,605,255
Listing fees expense recognised on reverse acquisition	**2,582,872**

10. AUDITORS' REMUNERATION

	CONSOLIDATED	
	2019	2018
	GBP	GBP
The analysis of auditors' remuneration is as follows:		
Fees paid or payable to Signature Gold's auditors in that geographical loication for the audit of the Company's annual accounts and other services	30,699	24,255
Fees payable to the Group's auditor for the audit of the Company' annual accounts.	25,500	-
Fees paid to the Company's former auditor for the audit of the Company annual accounts, taxation, due diligence and other services	11,799	70,570
	67,998	**94,825**

11. STAFF COSTS

	CONSOLIDATED	
	2019	2018
	GBP	GBP
The average monthly number of employees (including executive directors) for the continuing operations was:		
Company total staff	**2**	**2**
Wages and salaries	153,751	122,645
Provision for annual leave	329	(1,095)
Provision for long service leave	1,419	1,910
Superannuation	14,124	11,615
Staff training costs and other costs	4,888	9,593
	174,511	14,704
Less: staff costs allocated to exploration projects costs	(84,734)	(134,296)
	89,777	**10,408**

	COMPANY	
	2019	2018
	GBP	GBP
The average monthly number of employees (including executive directors) for the continuing operations was:		
Company total staff	**2**	**2**
Wages and salaries	63,333	-
Superannuation	6,772	-
	70,106	**-**

There were no separate fees paid to directors during the reporting period nor in the comparative reporting period.

12. TAXATION

There is no UK tax charge/credit during the reporting periods.
Reconciliation of tax charge:

	CONSOLIDATED 2019 GBP	2018 GBP
Loss on continuing operations before tax	(824,874)	(3,277,549)
Tax at the Australian corporation tax rate of 30% (2018: 30%)	(247,462)	(983,265)
Effects of:		
- Tax effect of tax losses not recognized as benefits including tax effect of differences in the standard rate of tax in different jurisdictions	247,622	983,265
- Research and Development Tax Incentive claim	326,214	256,810
Unutilized tax losses carried forward	-	-
Tax benefit for the period	326,214	256,810

No deferred tax asset has been recognised in respect of the losses. At the end of the reporting period the Group had unused tax losses of £2,059,715 (2018: £ 1,543,182).
Where it is anticipated that future taxable profits will be available against which these losses will be utilised a deferred tax asset is recognised.
The total taxation charge in future periods will be affected by any changes to the corporation tax rates in force in the countries in which the Company operates.

13. EARNINGS PER SHARE

The basic earnings per share is based on the (loss) for the year divided by the weighted average number of shares in issue during the reporting period. The weighted average number of ordinary shares for the reporting period assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	2019	2018 Restated
	GBP	GBP
(Loss) for the year attributable to owners of the Company	(824,874)	(3,277,549)
Weighted average number of ordinary shares in issue for basic and fully diluted earnings*	688,357,267	181,614,122
(Loss)/gain per share (pence per share)		
Basic and fully diluted*:	(0.12)	(1.80)

*Since the Company incurred a loss in the 2019 reporting period and there were no options on issue during the comparative period the basic loss and the diluted loss per share are the same as the effect of exercise of options and warrants is not dilutive.

14. CASH AND CASH EQUIVALENTS

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Cash and cash equivalents	34,875	149,397	22,846	11,130

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

15. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Current				
Shareholder subscription funds	-	280,077	-	280,077
Security deposit	-	5,634	-	-
Other debtors	7,913	-	-	-
GST receivable	-	35,898	-	-
VAT receivable	-	38,260	-	-
	7,913	**359,869**	**-**	**280,077**
Non-current				
Loan to controlled entity	-	-	1,341.710	1,303,368
	-	**-**	**1,341,710**	**1,303,368**

No receivables were past due or provided for at the year-end or at the previous year end. The Directors consider the carrying amount of trade and other receivables approximates to their fair value.

16. PLANT AND EQUIPMENT

	CONSOLIDATED 2019 GBP	CONSOLIDATED 2018 GBP
Plant and equipment		
- At cost	16,303	11,100
- less accumulated depreciation	(9,700)	(8,948)
	6,603	2,152

	Plant and Equipment GBP	Plant and Equipment GBP
Carrying amount at the beginning of the period	2,152	1,396
Additions	6,911	2,609
Disposals	(1,091)	-
Depreciation	(1,338)	(1,659)
Foreign exchange	32	(195)
Carrying amount at the end of the period	6,603	2,152

17. EXPLORATION AND EVALUATION EXPENDITURE

	CONSOLIDATED 2019 GBP	CONSOLIDATED 2018 GBP
Non-producing properties		
Balance at the beginning of the period	2,830,470	2,324,808
Exploration and evaluation expenditure	587,111	811,851
Impairment of exploration and evaluation expenditure	(703,936)	811.851
Foreign exchange	(49,938)	(130,469)
Balance at the end of the reporting period	2,663,707	2,830,470

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or valuation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas.

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Investment in Tirupati Graphite Plc	40,122	40,122	40,122	40,122

The investment in Tirupati Graphite Plc ("TRM") relates to the joint venture holding company of a joint venture agreement between Tectonic Gold and Tirupati Carbons and Chemicals Pvt. Ltd ("Tirupati"). US$50,000 was invested by way of a subscription for 1.48% of the enlarged issued share capital of TRM. TRM is the 98% owner of Tirupati Madagascar Ventures SARL ("TMV"), the owner of the Vatomaina licence, Exploitation Permit (PE) No. 38321.

Measurement of fair value of financial instruments

The management team of Tectonic Gold perform valuations of financial items for financial reporting purposes, including Level 3 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

19. CONTROLLED ENTITIES

Details of controlled entities are as follows:

PARENT ENTITY		COUNTRY OF INCORPORATION		
Tectonic Gold Plc 25 Bilton Road, Rugby, England, CV22 7AG		United Kingdom		
CONTROLLED ENTITIES	**PRINCIPAL ACTIVITIES**	**COUNTRY OF INCORPORATION**	**PERCENTAGE OF EQUITY HELD BY THE COMPANY**	
			2019 %	2018 %
Signature Gold Pty Ltd 13/20 Bridge Street, Sydney NSW, Australia 2001	Mineral exploration	Australia	100	100*
Deep Blue Minerals Pty Ltd 6 Reier Avenue Alexander Bay, Northern Cape Republic of South Africa, 8290	Mineral Exploration	South Africa	100**	-
Direct Excellence	Direct Excellence was closed on January 2019	United Kingdom	-	100

*On 25 June 2018, Tectonic Gold Plc completed the acquisition of 100% of the issued capital of Signature Gold and 450,000,000 fully paid ordinary shares in the Company were allotted to the vendors of Signature Gold Ltd at 2 pence per share amounting to GBP 9,000,000. Note, the deemed fair value of the share-based payment was incorrectly based on Signature Gold's net assets and should have been based on Tectonic Gold's net assets. As a result, this has required an adjustment to the prior year accounts as detailed in Note 5.

Signature Gold Limited was converted from a Public Limited Company to a Private Limited Company on 3 June 2019.

** Deep Blue Minerals Pty Ltd was incorporated on 17 April 2019.

20. OTHER ASSETS

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Prepayments (i)	346,151	633,825	-	-
Other prepayments	6,440	11,817	5,100	10,454
Security deposits	7,821	2,045	-	-
	360,412	**647,688**	**-**	**10,454**

(i) During the 2018 comparative reporting period, the Company paid Titeline Drilling Pty Ltd ACN 096 640 201 (Titeline) for future drilling services in accordance with the heads of agreement dated 28 March 2018 between Titeline, Signature and StratMin.

Titeline has been engaged to complete 10,000 meters of diamond drilling to produce core samples for analysis, assay and metallogenic studies from the Company's Biloela Project site. A review to be completed after 2,500 metres of drilling has been completed and the completion program for the remaining 7,500 metres to be mutually agreed.

As at 30 June 2018, the prepayment of GBP 633,825 (A$1,125,000) to Titeline was comprised of:

- GBP 126,765 (A$225,000 excluding GST) paid in cash; and
- pre-paid technical services amounting to GBP 507,060 ($A90,000) settled with the issue of 5,544,484 fully paid ordinary shares issued in the Company at an issue price of A$0.162 per share.

As at 30 June 2019, the balance of the prepayment to Titleine is GBP 346,151 (A$625,386).

21. TRADE AND OTHER PAYABLES

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Current				
Trade payables	195,024	246,706	24,074	71,416
Other payables	11,104	23,528	-	14,394
Accrued expenses	69,552	211,171	38,833	45,250
	275,680	**481,405**	**62,907**	**131,060**
Non-Current				
Other payables	15,913	16,198	-	-
	15,913	**16,198**	**-**	**-**

The Directors consider the carrying amount of trade payables approximates to their fair value.

22. BORROWINGS

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Current				
Loan from Shareholder(iii)	50,000	-	50,000	-
	50,000	**-**	**50,000**	**-**
Non-Current				
Loan payable to director related entities(i)	81,961	11,268	-	-
Loan payable to Consolidated Minerals Pte Ltd(i)(ii)	154,832	157,600	-	-
	236,793	**168,868**	**-**	**-**

(i) The loans outstanding at the end of the reporting period and comparative periods do not accrue interest and are not due to be repaid on or before 12 months after the end of each reporting period.

(ii) Signature Gold and shareholder Consolidated Minerals Pte Ltd, a resources and infrastructure investment fund based in Singapore, are evaluating international IRGS assets as cooperative opportunities. The parties expect to settle the loan as part of an agreement on one or more of these projects either in equity via an acquisition or merger or as a joint venture interest via a farm in. This is not expected to occur prior to 30 June 2020.

(iii) During the reporting period the Company borrowed GBP 100,000 from Align Research Limited. On 16 December 2019 the Company entered into an option agreement with the owner of Align Research Limited to acquire a 90% interest in Tectonic South Africa Pty Ltd (renamed Deep Blue Minerals Pty Ltd) for GBP 100,000. Consideration is to be met by offsetting the GBP 100,000 loan from Align Research Limited to Tectonic Gold Plc.

The Directors consider the carrying amount of short-term borrowings approximates to their fair value.

23. EMPLOYEE BENEFITS

	CONSOLIDATED		COMPANY	
	2019	2019	2019	2018
	GBP	GBP	GBP	GBP
Current				
Annual Leave	**14,174**	**14,892**	**-**	**-**
Non-Current				
Long Service Leave	**11,363**	**10,120**	**-**	**-**

24. ISSUED CAPITAL

	Jun-19 GBP
697,562,746 fully paid 0.001p ordinary shares (2018: 687,562,746 fully paid ordinary shares)	6,100,615

Fully Paid Ordinary Shares

Reconciliation of share issued during the reporting period is set out below:

	NUMBER OF SHARES	GBP
Balance at the beginning of the reporting period for Tectonic Gold	176,929,413	17,693
Shares issued to Directors prior to completion of the reverse acquisition	3,333,333	333
Shares issued prior to reverse acquisition	30,800,000	3,080
Total issued capital of Tectonic Gold Plc prior to completion of the reverse acquisition	211,062,746	21,106
25 June 2018: Shares issued to Signature Gold vendors on reverse acquisition	450,000,000	45,000
25 June 2018: Issue and proceeds from shares issued pursuant to the Share Offer at £0.02 per share	26,500,000	2,650
Balance as at 30 June 2018	**687,562,746**	**6,099,615**
1 June 2019 Issue of shares	10,000,000	1,000
Balance as at 30 June 2019	**697,562,746**	**6,100,615**

Each ordinary share carries the right to be one vote at shareholders' meetings and is entitled to participate in any dividends or other distributions of the Company.

A prior year adjustment has been recorded due to an error found in the accounting treatment for the reverse acquisition during the 2019 audit. The effect on the share capital is disclosed in Note 5.

25. RESERVES

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Foreign Currency Translation Reserve				
Opening balance	(58,251)	-	-	-
Foreign currency translation	(34,430)	(58,251)	-	-
Closing balance	**(92,681)**	**(58,251)**	**95,098**	**-**
Warrant Reserve				
Opening balance	95,098	-	95,098	454,527
Additions	-	-	-	(359,429)
Closing balance	**95,098**	**95,098**	**95,098**	**95,098**
Reverse Takeover Reserve				
Opening balance	57,976,182	-	-	-
Additions	-	57,976,182	-	-
Closing balance	**57,976,182**	**57,976,182**	**-**	**-**

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

The option reserve represents the fair value of options granted to employees and suppliers for services provided to the Group. The fair value of options is expensed over the vesting period or during the period in which the services are received.

The reverse takeover reserve represents the adjustment needed to reflect the reverse takeover of Signature Gold which was completed on 25 June 2018.

26. CASH FLOW INFORMATION

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Loss for the reporting period before taxation	(824,874)	(3,277,549)	(292,465)	302,478
Add/(deduct): Non-cash items				
Depreciation and amortisation	1,338	1,659	-	-
Impairment of exploration and evaluation expenditure	703,936	182,153	-	-
Bad debt expensed	-	93,050	-	-
Share based payment	30,000	-	30,000	-
Warrant and Option expired	-	-	-	(428,329)
Fair value of warrants issued to directors and staff and vested	-	68,900	-	68,900
Foreign exchange	24,296	(8,501)	23,654	8,328
Listing fee recognised on reverse acquisition	-	2,582,872	-	-
Non-cash profit on disposal of property, plant and equipment	1,091	-	-	-
Change in assets and liabilities net of the effect of acquisitions and disposals associated with business combinations:				
Increase in trade and other receivables	71,879	-	77	-
Increase/(Decrease) in other assets	(399)	(47,176)	5,354	-
(Decrease)/Increase in trade creditors and accruals	(206,010)	172,443	27,096	48,486
Increase in provisions	1,325	3,593	-	-
Net cash used in operating activities	197,418	(228,556)	(206,284)	(137)

Non-cash financing and investing activities

There were no non-cash financing and investing activities during the year.

27. FINANCIAL INSTRUMENTS

Financial assets by category

The IFRS 9 categories of financial assets included in the Statement of financial position and the headings in which they are included are as follows:

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Financial assets at amortised cost:				
Cash and cash equivalents	34,875	149,397	22,846	11,130
Financial assets at fair value through profit and loss	40,122	40,122	40,122	40,122
Trade and other receivables	7,913	359,869	-	280,077
	82,910	**549,388**	**62,968**	**331,329**

Financial liabilities by category

The IFRS 9 categories of financial liability included in the Statement of financial position and the headings in which they are included are as follows:

	CONSOLIDATED		COMPANY	
	2019	2018	2019	2018
	GBP	GBP	GBP	GBP
Financial liabilities at amortised cost:				
Trade and other payables	291,593	497,603	62,907	131,060
Borrowings	286,793	168,868	50,000	-
	578,386	**666,471**	**112,907**	**131,060**

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, (previously includes the borrowings) cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses, all as disclosed in the Statement of Financial Position.

Financial risk management objectives

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management is coordinated by the board of directors and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market price risk.

27. FINANCIAL INSTRUMENTS (CONTINUED)

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Since 25 June 2018. the Company's major activity is now investment in Australia through its subsidiary Signature Gold, bringing exposure to the exchange rate fluctuations of GBP/£ Sterling with both Australian Dollars.

Exchange rate exposures are managed within approved policy parameters. The Company does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk as amounts paid and received in specific currencies are expected to largely offset one another and the currencies most widely traded are relatively stable.

The Directors consider the balances most susceptible to foreign currency movements to be the net assets of Signature Gold for the Group and the Investment Available for Sale for the Company.

CONSOLIDATED	2019 AUD	2018 AUD
Net Assets of Signature Gold	2,252,911	3,162,010

COMPANY	GBP 2019	GBP 2018
Financial assets at fair value through profit and loss	40,122	40,122

The following table illustrates the sensitivity of the value of the foreign currency denominated assets in regard to the change in AUD exchange rates.

It assumes a +/- 15% change in the AUD/GBP exchange rate for the year ended 30 June 2019 (2018:15%).

Impact of exchange rate fluctuations

	AUD IMPACT 2019 GBP	AUD IMPACT 2018 GBP
Average movement in exchange rate	15%	15%
Change in equity		
Increase in GBP value	187,048	277,004
Decrease in GBP value	187,048	277,004
Result for the period		
Increase in GBP value	**75,374**	94,640
Decrease in GBP value	**75,374**	94,640

Exposure to foreign exchange rates varies during the year depending on the volume and nature of foreign transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

Interest rate risk management

The Group's exposure to interest rates on financial assets and financial liabilities is detailed in the liquidity risk management section of this note.

There are no long-term loans or short-term loans that carry any interest and thus sensitivity analyses have not been provided on the exposure to interest rates for both derivatives and non-derivative instruments during the year.

There would have been no effect on amounts recognised directly in equity.

27. FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk management

The Group's financial instruments, which are subject to credit risk, are considered to be cash and cash equivalents and trade and other receivables, and its exposure to credit risk is not material. The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks.

The Group's maximum exposure to credit risk is £82,910 (2018: £549,388) comprising other receivables, investments and cash.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which monitors the Company's short, medium and long-term funding and liquidity management requirements on an appropriate basis. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities. The Company's liquidity risk arises in supporting the trading operations in the subsidiaries, which hopefully will start to generate profits and positive cash-flows in the short term. However, as referred to in Note 4 the Company is currently exposed to significant liquidity risk and needs to obtain external funding to support the Company going forwards.

28. RELATED PARTY DISCLOSURES

Company

The remuneration of the Directors, who are the key management personnel of the Group, is set out in Note 11.

Loans from the related parties are disclosed in Note 22.

Group

2019

During the reporting period,

(i) Deep Blue Minerals Pty Ltd borrowed GBP 68,124 from Brett Boynton. This loan is unsecured, interest free and has no fixed term of repayment.

(ii) During the reporting period, Mr Brett Boynton advanced A$5,000 to Signature Gold Pty Ltd. As at 30 June 2019, Mr Boynton had advanced a total loan amount of A$25,000 (2018: $20,000) to the Company. This loan is interest free and is not required to be repaid on or before 30 June 2020.

2018

The related party disclosures set out below are in respect of Signature Gold which occurred during the reporting period and prior to the completion of the acquisition of Tectonic Gold.

On 1 December 2017, pursuant to Shareholder approval received at the General Meeting of Shareholders of Signature Gold held on 24 November 2017, Signature Gold issued 5,436,264 fully paid shares in Signature Gold at an issue price of A$0.175 per share to Directors (or their nominees) to settle existing loans and liabilities. Details as follows:

- 492,857 fully paid ordinary shares were issued to Rae Natalie McLellan, a related party of Anthony McLellan in full and final settlement of unpaid director's fees owing to Anthony McLellan amounting to A$86,250;
- 262,189 fully paid ordinary shares were issued to Maplefern Pty Ltd, a Company in which Bruce Fulton has an interest, in full and final settlement of unpaid director's fees owing to Bruce Fulton amounting to A$45,883;
- 2,426,075 fully paid ordinary shares were issued to P.F.T.J. Pty Ltd, a Company in which Peter Prentice has an interest, in full and final settlement of unpaid consulting fees owing to Peter Prentice amounting to A$359,700 and an amount of A$64,863 lent by Peter Prentice to the Company. The total consideration was A$424,563.

28. RELATED PARTY DISCLOSURES (CONTINUED)

- 1,227,429 fully paid ordinary shares were issued to Tickhill Holdings Pty Ltd, a Company in which Brett Boynton has an interest, in full and final settlement of a$214,800 lent by Brett Boynton to the Company.
- 277,714 fully paid ordinary shares were issued to Brett Boynton in full and final settlement of unpaid director's fees owing to Brett Boynton amounting to A$48,600;
- 250,000 fully paid ordinary shares were issued to Maplefern Pty Ltd, a Company in which Bruce Fulton has an interest, as directed by Brett Boynton, in full and final settlement of unpaid director's fees owing to Brett Boynton amounting to A$43,750; and
- 250,000 fully paid ordinary shares were issued to each of Jonathan Robbeson and Anne Adaley as directed by Brett Boynton, in full and final settlement of unpaid director's fees owing to Brett Boynton amounting to A$87,500.

The number of shares held in Signature Gold by each director including their personally related parties as at 25 June 2018 and then acquired buy Tectonic Gold are set out below.

There were no shares granted to related parties during the reporting period as compensation for services rendered.

Name	Balance at the start of the year	Shares acquired (i)	Shares transferred to Tectonic Gold Plc(ii)	Balance at the end of the year
Brett Boynton	22,855,000	1,505,143	(24,360,143)	-
Bruce Fulton	833,333	512,189	(1,345,522)	-
John Hewson	700,000	-	(700,000)	-
Anthony McLennan	-	492,857	(492,857)	-
Peter Prentice	20,625,000	2,426,075	(23,051,075)	-

(i) On 1 December 2017, the Company allotted fully paid ordinary shares as set out in the table above at an issue price of A$0.175 per share to Directors (or their nominees) in settlement of amounts owing to Directors as approved by shareholders at the General Meeting held on 24 November 2017 (refer above for further detail).

(ii) On 25 June 2018, Tectonic Gold Plc acquired 100% of the issued capital of Signature Gold.

29. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Exploration Lease Expenditure Commitments

In order to maintain the Group's tenements in good standing with Queensland Mines and Energy in Australia, the Group may be required to incur a minimum exploration expenditure under the terms of each licence. At the time of license renewal Signature Gold Pty Ltd submitted a proposed expenditure plan which included the commitments outlined below, however, as a result of the impact of COVID-19 the Queensland State Government has suspended tenement rentals and is allowing for variations to the minimum expenditure requirements. As restrictions currently make any exploration activities extremely difficult, the Company plans to take advantage of the allowance for variations and will significantly reduce the expenditure commitment for 2019 and beyond. Signature Gold Pty Ltd has applied for A$200,000 in exploration funding under the current Queensland State Government exploration incentive scheme. Management will review the expenditure following the outcome of this application. It is likely that the granting of new licences and changes in the terms of each licence will continue to change the expenditure commitment from time to time. The figures depicted below highlight the committed expenditures prior to COVID-19 variations being sought and may be adjusted as discussed above.

	2019 GBP	2018 GBP
Payable:		
- within one year	312,652	468,146
- later than one year but not later than five years	937,204	1,353,021
	1,249,856	1,821,167

30. EVENTS AFTER THE REPORTING PERIOD

(i) Following the successful application for renewed status for 2019 under the Australian Federal Government Research and Development Tax Incentive, the Group engaged Research and Development Tax specialists RSM Australia (RSM) to complete an assessment of the 2019 claim.

On 22 August 2019, the Company obtained a loan for A$219,129 at an annual interest rate of 15% per annum and repayable by no later than 30 November 2019. The loan was secured against the Research and Development refund. A$279,789 was received by the Company on 19 November 2019 and the loan repaid in full.

(ii) On the 2nd of September 2019 the Company announced the sales of its 2.5% royalty interest in Bass Metals' Graphmada graphite mine to Silverstream SEZC for a consideration of up to A$550,000 in cash and convertible notes. The Company received a CAD$250,000 one year 5% unsecured convertible note maturing on 27 August 2020 with the balance of the consideration due in cash subject to performance milestones.

(iii) The Company sold its holding in Tirupati Graphite Plc on 4 November 2019 for which it received £86,844.

(iv) On 11 March 2020, the World Health Organisation ("WHO") declared the Coronavirus disease 2019 (COVID-19) a pandemic. The pandemic has adversely affected the global economy, including an increase in unemployment, decrease in consumer demand, interruptions in supply chains, and tight liquidity and credit conditions. Consequently, governments around the world have announced monetary and fiscal stimulus packages to minimise the adverse economic impact. However, the COVID-19 situation is still evolving, and its full economic impact remains uncertain.

The Company has several assets where the value may be impacted by COVID-19. At the date these financial statements were approved by the Directors the extent of the impact COVID-19 on the Company's assets cannot be reasonably estimated at this time.

The pandemic has impacted the Company's operations with Government mandated bans on mass gatherings and social distancing measures resulting in disruption to the Company's operations, this disruption is expected to negatively impact the ability for the Company to conduct drilling and its parent entity's ability to raise capital, refer Going Concern Note 2.

The Directors and management are continually monitoring and managing the Company's operations closely in response to COVID-19 however the extent of the impact COVID-19 may have on the Company's future liquidity, financial performance and position and operations is uncertain and cannot be reasonably estimated at the date these financial statements were issued.

Other than as stated elsewhere in this report, Directors are not aware of any other matters or circumstances at the date of this report that have significantly affected or may significantly affect the operations, the results of the operations or the state of affairs of the Company in subsequent financial years.