BOSS RESOURCES LIMITED



Annual Report 2019

ABN 38 116 834 336

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Corporate Directory

DIRECTORS	Mr Mark Hohnen	Chairman
	Mr Duncan Craib	Managing Director
	Mr Bryn Jones	Director
	Mr Evan Cranston	Director
	Mr Peter Williams	Director
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Chairman's Letter

Dear Fellow Shareholders,

Another year has passed, and it gives me great pleasure to present to you, our shareholders, Boss Resources' Annual Report for 2019.

Earlier this month the World Nuclear Association (WNA) held its annual Symposium in London, where the overall consensus indicates the market is on its way to recovery, demand is growing, inventory is falling and prices have to rise to incentivise supply.

Nuclear utilities are for the first time publicly acknowledging that supply from re-starting mines, such as Honeymoon, are needed to ensure long-term security of supply and that current price levels will not support that investment. Demand is growing and new production is needed, reaffirming our belief that the longer prices stay low the stronger the upswing.

In the lead up to the WNA Symposium we welcomed the landmark s232 decision of US President Donald Trump, to decline issuing quotas for domestic US uranium production. This is very positive for Australian producers and the uranium market as a whole, as the declined restrictions may have created long term distortions in the market which could have further impacted the recovery of the uranium market. As a result, we are beginning to see the unlocking of buying activity from US utilities, and from a global perspective long-term and spot demand is emerging. Uranium production giants Cameco and Kazatomprom reaffirmed their commitment to supplier discipline and hinted at further production cutbacks if underlying uranium prices did not improve.

So, it's fair to say, now more than in the past 8 years, main industry debate for the near term appears a question of "when" will prices rise not "if", which is why Honeymoon is so well positioned. We at Boss have remained focused on the continual de-risking of our 100% owned Honeymoon Project. We are encouraged by our discussions and engagement with utilities as Honeymoon is seen as a real and near-term supply prospect, with a cost structure which would make it economic at similar levels required to restart recently idled Tier 1 production.

What makes Honeymoon so unique is that it has location, size, spend and advancement all in its favour.

Location – it is located in the premier jurisdiction of South Australia – where 3 of the only 4 fully permitted Australian uranium mines reside. It follows that there is a depth of uranium talent and human resource within that region.

Permitting – recent renewal of our export permit is a major step towards re-starting production at Honeymoon. This is a rare advantage for a producer as in many instances production may start several years after the decision to mine and only having obtained necessary permitting in supportive market conditions.

Resource – we announced in February an impressive upgrade of our JORC compliant Mineral Resource for the Re-Start Area to **24Mt at 660ppm U_3O_8 for 36Mlbs U_3O_8, using a cut-off grade of 250ppm**, a staggering increase of 149% in Measured and Indicated status, totalling 27Mlbs at 690ppm U_3O_8.

Exploration – in March we announced a substantial increase in our Exploration Target estimate, in addition to the existing JORC resource.

CAPEX – Honeymoon's previous owners spent $170m constructing the processing plant, which operated, produced, and exported yellow cake. We have power, water supply, an airstrip and roads as well as a modern camp.

And finally, Technical advancement – what this team has achieved in the last 3-4 years is tremendous. Boss has progressively de-risked the Honeymoon Project both technically and commercially, to the point where on completion of the Re-Start Strategy, we will be ready to execute the programs of work required to restart Honeymoon.

Re-start plans for Honeymoon are at an advanced stage and we have the significant advantage of being able to sign term agreements to export uranium in parallel with considering the decision to move forward with production.

The implemented 3-Phase Re-Start Strategy is progressing positively as expected. Having successfully completed Phase 1, GR Engineering Services Limited (GRES) were re-appointed in July 2019 as the engineering and lead study consultant for Definitive Feasibility Study (DFS). GRES is supported by ANSTO and leading Australian ISR consultants.

This calendar years primary goal is completion of Phase 2, successful achievement of an independent feasibility study report in line with expectations to ensure Honeymoon is Australia's next uranium producer. This takes into account DFS engineering works, process design, engineering design and cost estimation, using the results from the Phase 1 studies along with the outputs of the wellfield design process. Once completed Boss will be in a position to proceed to production when a global uranium price has reached a point to satisfy our targeted IRR and NPV return to shareholders.

In addition to de-risking our existing Honeymoon Project, we have carried on with low-cost exploration techniques across the existing resource and beyond. Boss is mindful of not whittling away our healthy cash position as we await the uranium price to rise and we can get cracking with moving back to production. This is why our exploration activities have been utilising geophysical techniques, including passive seismic work, which is highly effective, non-invasive and low cost allowing us to cost effectively cover significant exploration ground and prioritise targets for follow up.

Boss possesses one of the very few teams capable of taking a uranium asset into production. The collective team has experience in successful uranium exploration, raising finance, building and commissioning uranium mines, operating mines, producing and selling uranium to utilities around the world. Our team gets the job done and as such I want to thank in particular our Managing Director, Mr Duncan Craib, who has been instrumental in the continued success of the Company. Additionally, I would like to welcome Mr Bryn Jones as Technical Director who is an industrial chemist with over 20 years of experience in the uranium industry – a valuable addition to our team.

This is a Company with one focus: To get the 100% owned Honeymoon Project up and running again.

As a closing statement I want to remind shareholders that currently, nuclear energy accounts for 11% of the world's energy mix. The market will eventually return to favour us and as such, I wish to thank those of our loyal shareholders whom have stood behind us!

On behalf of the Shareholders I take this opportunity to congratulate Duncan and his team for a job well done in positioning Boss Resources to be Australia's next uranium producer.

Yours sincerely,



Mark Hohnen

Chairman

Review of Operations

HONEYMOON URANIUM PROJECT, SOUTH AUSTRALIA

The Honeymoon Uranium Project (Honeymoon) is approximately 80km north-west of Broken Hill near the South Australia/New South Wales border (Figure 1). The project is 100%-owned by Boss Resources Ltd and covers an area of 2,600km^2, consisting of one granted Mining Licence, five granted Exploration Licences, three Retention Leases and two Miscellaneous Purpose Licenses.

PROJECT HIGHLIGHTS

- Positioned to be Australia's next uranium producer
- Located in Australia's premier uranium mining jurisdiction - South Australia
- A Brownfields project with $170 million of established infrastructure in place
- JORC 2012 Mineral Resource of 71.6Mlbs at 620ppm U_3O_8 using a 250ppm cut-off
- Significant Exploration Target in addition to JORC 2012 Resource
- Fully permitted for production and export.



Figure 1: *Location of Honeymoon Uranium Project. Three of Australia's four fully permitted uranium mines are in South Australia: Olympic Dam, Honeymoon and Beverley with the Four Mile Deposit.*

Honeymoon Re-Start Strategy

During the financial year, Boss completed its proposed trade-off studies and, as such, the first phase of its three-phase Re-Start Strategy for Honeymoon. The Company is pleased to report that Phase 1 was completed on time and within budget, and accordingly Phase 2 was initiated and is expected to be completed in this calendar year, with Phase 3 following shortly thereafter. The complete Re-start Strategy is as follows:

Phase 1: Generation of final input data required for Honeymoon Definitive Feasibility Study (DFS). This included a drilling program to increase the Measured and Indicated Resources, an optimisation program to deliver further cost savings and/or process improvements, and a preliminary execution plan, updated cost estimate and schedule for re-start of the existing solvent extraction (SX) plant.

Phase 2: Completion of a DFS and permitting updates. The DFS engineering works; process, engineering design and cost estimation, will use the results from the Phase 1 studies along with the outputs of the wellfield design, derived from the updated mineral resource, to deliver an independent feasibility study report.

Phase 3: The third phase covers the detailed execution planning, operational readiness inclusive of the SX plant recommissioning plan, in conjunction with the ion exchange plant (IX) detailed design.

On completion of the three-phase strategy, Boss will be in the position to proceed to production, assuming a specified global uranium price has been achieved to satisfy the targeted IRR and NPV return to shareholders. In-situ recovery (ISR) is a cost effective and environmentally acceptable uranium production method accounting for 50% of world uranium.

Boss' proposed production strategy to deliver 3.2Mlb U_3O_8 equivalent[1] per year from Honeymoon is based on the following stages:

Stage 1: Re-start of the existing operation; which will involve the use of existing wellfields, and re-starting the existing SX plant with minor modifications to rectify identified operational issues. Construction of the IX plant will commence;

Stage 2: Ramp up of plant capacity to 2Mlb/annum U_3O_8 equivalent[1] using the combined SX / IX system;

Stage 3: Ramp up plant capacity from 2Mlb/annum to ~3.2Mlb/annum U_3O_8 equivalent[1] (after validating the IX technology) through the addition of further IX columns.

Infill Drilling Program and Updated Mineral Resource

As part of the Re-Start Strategy an infill drilling campaign over the Honeymoon Re-Start Area was completed. The drilling results were impressive, conducted over three resource domains covering the Honeymoon, Brooks Dam and East Kalkaroo deposits, all of which are in close proximity to the processing plant infrastructure and will be mined during initial years of production.

[1]Refer ASX Announcement dated 31 May 2017. The Company confirms that all the material assumptions underpinning the production targets, and the forecast financial information derived from the production targets, as disclosed in that announcement continue to apply and have not materially changed.

Infill drilling aimed to update the existing Mineral Resource Estimate by:

- Converting the Inferred Resources to Indicated category; and
- Upgrading a portion of the Indicated Resources to Measured category, with the ultimate purpose of converting Indicated and Measured Resources to Ore Reserves.

The significant intercepts returned from each deposit:

a) Validated historic drill results which had indicated “pods” of high-grade uranium accumulation within the deposits;

b) Confirmed the continuity of mineralisation along strike of the east-west orientated palaeovalley; and

c) Highlighted that mineralisation remains open in all directions, increasing the prospectivity of exploration in areas adjacent to the main Honeymoon Resource.

Results returned from the last tranche at East Kalkaroo suggested mineralisation also remained open to the east and northeast of the Mining Lease, increasing the potential for future growth of the Company’s existing Mineral Resource.

Each drill hole was logged with a suite of downhole geophysical tools consisting of gamma, prompt fission neutron (PFN), nuclear magnetic resonance, resistivity/induction, self-potential conductivity, calliper and magnetic deviation. Drill chip samples collected and logged for geological information were analysed with a handheld x-ray fluorescence spectrometer (XRF) for qualitative measurements of sulphide and iron content. The various datasets compiled from the different suites has created the most advanced modelling set to date for mineral delineation at Honeymoon and will prove invaluable in optimising the engineering component of the next stage of the DFS.

Boss continued its exploration drilling program at East Kalkaroo in the December quarter on an area approximately 3-10km from the Honeymoon mine.

The focus of this program was divided into two key areas:

- Step-out drilling: Targeting the easternmost edge of the Honeymoon Mining Lease, with the objective of identifying extensions to the current Mineral Resource; and
- Regional exploration drilling: Focusing on the underexplored central part of Exploration Licence 5621, aiming to identify new areas of mineralisation for future exploration.

Drilling identified two new zones of mineralisation, which regional-scale, airborne electromagnetic (AEM) data suggested to be extensions of the same Tertiary-aged Yarramba Palaeovalley that hosts the Honeymoon Uranium Deposit. As observed within the Honeymoon Re-Start Area, mineralisation was found to hosted mostly in the sandy lithologies of the Lower Eyre Formation. Boss believes these new targets to be highly prospective and worthy of further exploration.

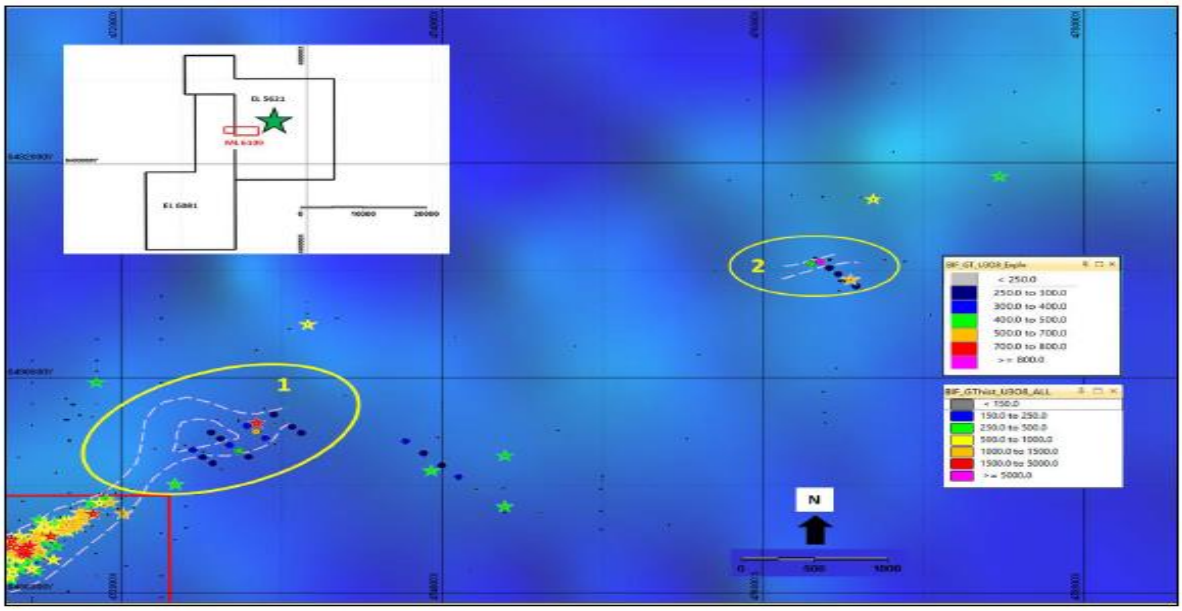


Figure 2: *Summary grade x thickness (GT) distribution map overlaying regional-scale EM depth slice. Green star on inset tenement map denotes area of exploration drilling in 2018.*

Significant intersections[2] returned from the downhole PFN logging (ppm p U_3O_8), fell within grade expectations and confirmed historical interpretation. Highlights included:

- BIF0204 from 119.00m GT 2,902 3.50m @ 829ppm p U_3O_8
- BIF0199 from 117.25m GT 1,360 4.00m @ 340ppm p U_3O_8
- BIF0198 from 109.25m GT 1,177 2.75m @ 428ppm p U_3O_8
- BIF0186 from 124.75m GT 1,136 2.00m @ 568ppm p U_3O_8
- BIF0207 from 113.50m GT 626 2.25m @ 278ppm p U_3O_8
- BIF0206 from 122.25m GT 617 2.25m @ 274ppm p U_3O_8

In February 2019, Boss announced an updated Mineral Resource estimate (JORC 2012)[3] over its targeted Re-Start Area which contains Mining Licence 6109 (ML6109), the designated feed source of uranium for a successful Re-Start and future expansion of production at Honeymoon.

The updated Mineral Resource for the Re-Start Area totalled **24Mt at 660ppm U_3O_8 for 36Mlbs U_3O_8**, using a cut-off grade of 250ppm, representing an overall 30% increase in metal mass from the previously reported Mineral Resource estimate[4].

ML6109 sits on top of the Re-Start Area and the updated mineral resource highlighted a 149% increase in Measured and Indicated status, totalling **27Mlbs at 690ppm U_3O_8**. The resulting effect on Honeymoon's combined Mineral Resource was an increase of 13% **to 52.4Mt with an average grade of 620ppm U_3O_8 for 71.6Mlbs at a 250ppm cut-off**. The upgrade provides validation that Honeymoon is one of the few uranium projects worldwide positioned to participate in the early stages of a new bull market.

[2] *Refer ASX Announcement dated 5 November 2018.*
[3] *Refer ASX Announcement dated 25 February 2019.*
[4] *Refer ASX Announcement dated 15 March 2017.*

The Mineral Resource upgrade was derived from Boss' recent infill drilling and reinterpretation of historical data. It was designed to deliver Measured and Indicated resources specifically on ML6109 as required for completion of the DFS and the endorsed Re-start Strategy for Honeymoon. Higher-grade pods currently in the Measured portion and within ML6109 will be initially targeted by existing and planned wellfields. Honeymoon possesses existing processing plant infrastructure and a fully permitted ML6109. No further permitting is required to extract uranium within ML6109 and accordingly, this will be the location of the wellfields that initially supply production.

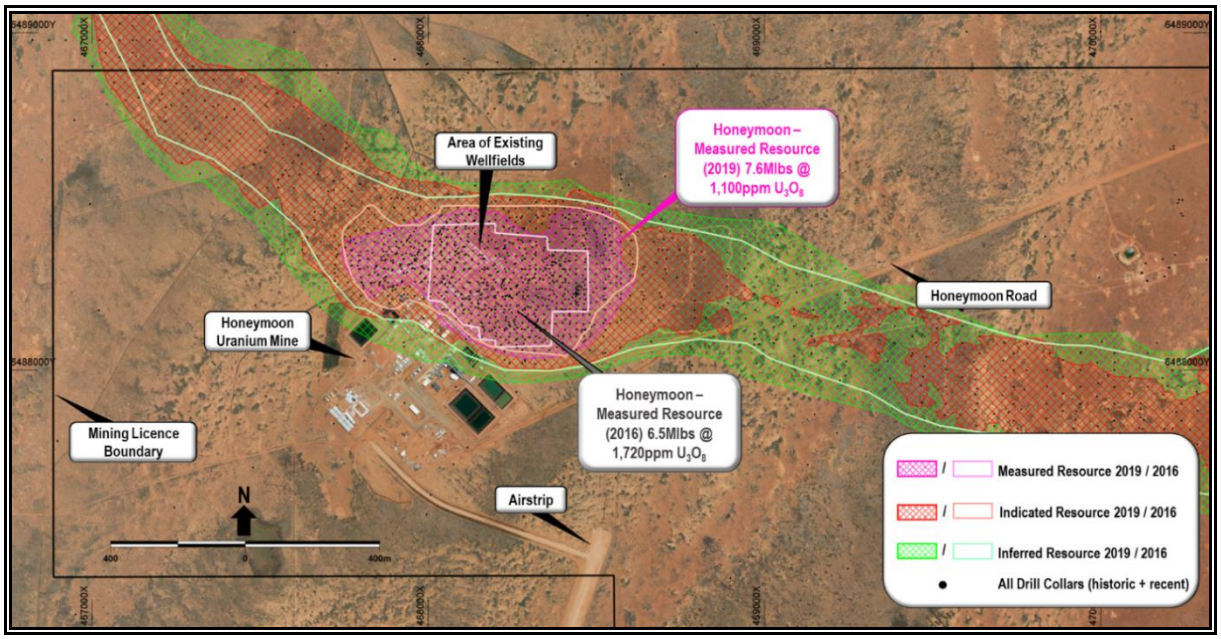


Figure 3: *Comparison of Honeymoon ML6109 Mineral Resource Estimates – 2016 vs 2019.*

Exploration Target

On 25 March 2019, the Company announced a substantial increase to the Exploration Target over the Honeymoon Uranium Project with a total of 10 areas, seven within the Eastern Region tenements and three in the Western Region tenements (Figure 4). The increased Exploration Target estimate for the Honeymoon Uranium Project now stands at **28Mt to 133Mt of mineralisation at a grade of 340ppm to 1,080ppm U_3O_8 for a contained 58Mlbs to 190Mlbs U_3O_8 (26,300 to 86,160 tonnes of contained U_3O_8), using a cut-off of 250ppm**[5].

The increased Exploration Target does not include areas of existing Mineral Resource. Note that the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future exploration will result in the definition of a mineral resource.

Five of the ten identified Exploration Targets cover areas that are extensional to the existing Mineral Resources (Figure 4). The remaining five areas target geophysical anomalies, i.e. identifiable features on regional-scale geophysical data that have little to no drilling and are historically associated with known mineralisation elsewhere in the Honeymoon Project area.

[5] *Refer ASX Announcement dated 25 March 2019.*

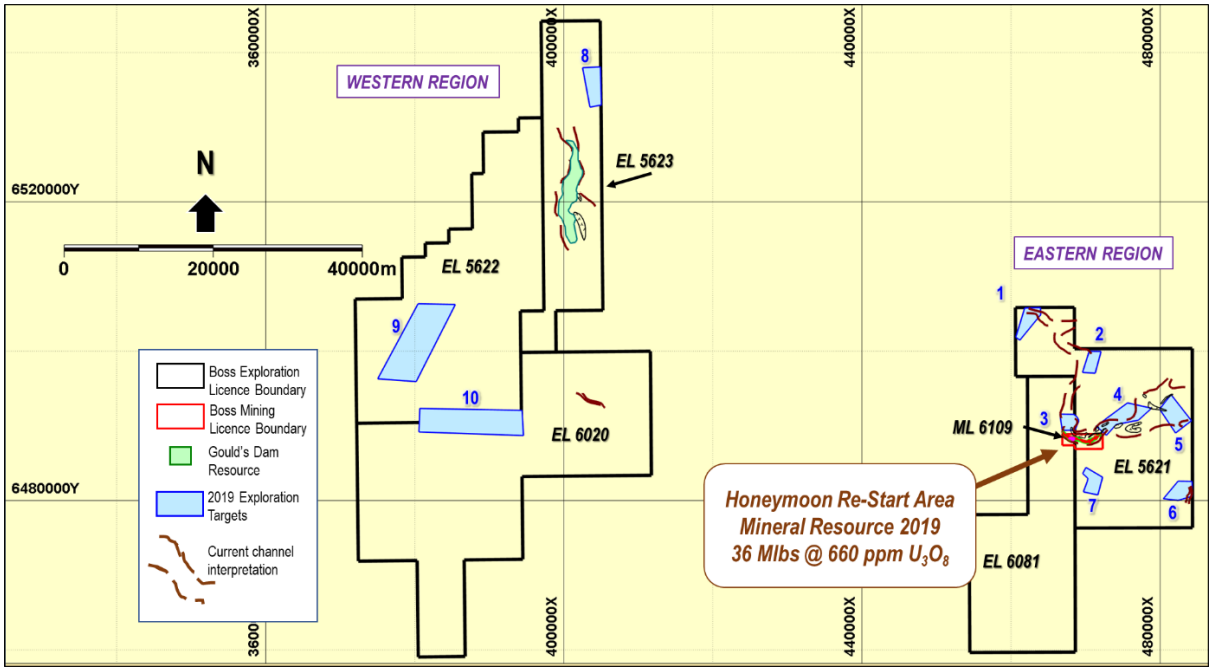


Figure 4: *Honeymoon Uranium Project Exploration Target Areas.*

Passive Seismic Survey

As part of Boss' initiatives to progress exploration while preserving cash, the Company is pursuing cost effective alternatives to regional drilling exploration in order to discover new economic mineral deposits. The Company commenced an orientation survey trialling the passive seismic geophysical method over the Honeymoon Re-Start Area. The survey was deliberately designed to cover an area of recent drilling in order to ascertain the efficiency of the technique as an effective, low-cost, non-invasive exploration alternative to drilling in the region. Survey results successfully confirmed the existence of a narrower palaeochannel within the much broader palaeovalley system, as well as further strengthening the current model that mineralisation appears to sit on the edge (or banks) of the channel rather than in the deeper areas.

The passive seismic survey system (or Tromino) has been used extensively throughout Australia to successfully identify palaeochannels. The system involves the measurement of natural (ambient) seismic vibrations in the Earth's crust. These vibrations, or surficial seismic waves, can be caused by the interference of deeper seismic waves or by natural surface phenomena such as tidal action and wind. These vibrations are propagated over large distances and can be used to identify boundaries between different geological units which in turn, have variable densities and seismic velocities.

Following completion of the orientation survey, Boss commenced using the passive seismic method in areas both extensional to known resource (beyond Mining Licence) and more distal (regional) to identify other similar palaeochannel systems, and most importantly the most prospective parts of the system, with the following objectives:

a) Testing potential extensions of the known mineralised palaeochannel both to the east and northwest of the Mining Licence;

b) Covering zones of interpreted structural complexity that influence channel morphology and mineralisation accumulations; and

c) Testing areas of anomalous conductivity response from the historical, regional-scale, airborne EM data.

In August 2019, Boss announced the survey designed to cover Exploration Targets 1 to 7 successfully confirmed the continuation of the narrower palaeochannel systems identified from the initial orientation survey, while also providing information on how regional structures may have influenced mineralisation in the palaeochannels[6].

The extension of the mineralised palaeochannel hosting the Honeymoon Mineral Resource is clearly illustrated, providing a number of exciting drill target areas for future exploration drill campaigns.

Technical Studies

On 3 April 2019, the Company announced completion of the first phase of the three-phase Re-Start Strategy on time and within budget. The studies confirmed NIMCIX as the preferred ion exchange technology and defined the final process flowsheet for Honeymoon's expansion.

DRA Global in Perth, Western Australia, completed the studies based on the results of earlier Australasian Nuclear Science and Technology Organisation (ANSTO) optimisation testwork programs. The three studies included:

- Equipment selection and costing for various ion exchange (IX) technologies;
- Confirmation of the configuration and costs associated with a nano-filtration stage originally proposed to treat the IX eluate; and
- A cost estimate of the ANSTO-patented alternate elution process to allow production of a higher-grade uranium eluate directly from IX, using an intermediate conversion stage. Results from the studies helped Boss further define the optimal process and will be included in the DFS examining the Honeymoon Re-Start, due for completion Q4 2019.

Technical highlights of Phase 1 results included:

- Phase 1 testwork and trade-off studies examining processing options delivering data required for Honeymoon DFS flowsheet development
- Study confirms NIMCIX ion exchange equipment as the preferred system for Honeymoon
- Cost estimates for NIMCIX equipment in-line with the Pre-feasibility results
- Alternate elution process identified to further increase the uranium tenor in the feed liquor, reducing reagent consumption and operating costs
- Final DFS flowsheet for Honeymoon restart and expanded production confirmed
- Honeymoon DFS underway and on track for completion in Q4 CY2019.

With Phase 1 trade-off studies and testwork having been successfully completed and delivering the required inputs for the flowsheet development in the DFS, Boss moved on to Phase 2 which is expected to be completed this calendar year with Phase 3 following shortly thereafter.

[6] *Refer ASX Announcement dated 14 August 2019.*

Technical studies completed as part of Phase 1 are detailed below:

Optimisation Testwork

The optimisation testwork results work show capital savings and process simplification in the targeted areas of solvent extraction (SX), IX, uranium precipitation and nano-filtration, and highlights included:

Step-change in the elution process: Testwork results show possible improvements to the resin elution process over what was achieved during the Field Leach Trial. Testwork also identified an alternate elution methodology that results in a performance step-change in the process and would allow exclusion of nano-filtration, resulting in capital savings and process simplification.

Increase in uranium grade: Assuming the original elution process is maintained, the nanofiltration testwork identified a highly selective membrane with high fluxes (flowrates) that allows the majority of the reagents (NaCl) to be recovered while increasing the uranium grade in the precipitation feed by a factor of five. This results in a more efficient precipitation process and should allow the existing precipitation circuit at Honeymoon to be used for the entire 2Mlb/annum production (i.e. further capital savings) without the need to install a second new circuit.

Continuous precipitation circuit: Following this, uranium precipitation testwork was undertaken to demonstrate that the nano-filtration product liquor and the alternate eluate product could be combined with the existing SX strip liquor as feed to the precipitation. Both liquors were amenable to this and by converting the circuit from the current batch system to a continuous system the existing equipment could be used more effectively.

Based on this work, ANSTO made recommendations to move forward into further trade-off studies with two potential flowsheets: a single-stage IX circuit plus nanofiltration and a two-stage IX circuit. Testwork was also undertaken with regard to impurity (iron, zinc and organics) removal within the SX circuit prior to feeding precipitation. Key areas that effect these impurities are the phase modifier used and the scrubbing circuit. Both were investigated with the scrubbing being identified as the more critical step. The results have provided a more detailed understanding of the scrubbing process allowing some simplification by eliminating reagents but has identified the need for more targeted testing to be undertaken.

Re-start Assessment for Existing SX Plant

The Re-Start Assessment confirmed assumptions, including envisaged costs and schedule to restart production, made in the 2017 Pre-Feasibility Study (PFS) remain valid.

Focusing on the SX facility, precipitation circuits and reviewing the capacity and capabilities of the existing Drying & Packaging circuit, a team of Australian engineers and specialists completed the restart assessment. In addition, the program looked at how the new proposed leach chemistry (i.e. lower pH and higher iron tenors) would impact on the downstream process and how this may impact the operating strategy and equipment selection.

The Re-Start Assessment was undertaken to define the work program, provide a cost estimate and look at the timing required for the restart of the existing Honeymoon plant (880,000lb/annum U_3O_8 equivalent[1]).

The study focused on:

- Reviewing existing wellfields infrastructure and modifications
- Assessing the SX, precipitation circuits and their associated ancillary equipment

- Defining scopes for structural integrity testing
- Returning the existing systems (i.e. control & maintenance systems) back to full functionality
- Re-establish onsite laboratory
- Reagent and consumables first fills
- Wellfield recommissioning activities
- Infrastructure upgrades (access roads, airstrip, ponds etc).

Proposed capital works from the study include:

- Fire water and raw water tanks relocation
- Carbon columns and Jameson cell installation (for organic removal)
- Minor modifications to the SX circuit
- Water treatment and disposal upgrades.

The CAPEX and OPEX cost requirements compare favourably with estimations used in the PFS as reported in May 2017. As part of the assessment, potential opportunities to further reduce costs were identified. These included:

- Utilising only one of the SX pulse columns at start-up and bring the second unit online only later in the schedule when the production profile requires it (reduced capex)
- The new leach chemistry may eliminate the need for a bleed stream to manage gypsum (reduced capex and opex)
- Potential to increase uranium loadings on the solvent leading to lower reagent consumptions (reduced opex)
- Simplified organic removal from SX raffinate streams.

The results of this work will be reviewed more thoroughly as part of the DFS and the options selected that will achieve an acceptable risk profile will form the project.

Yellow Cake (Drying and Packing)

Part of Boss' Phase 1 Re-Start Assessment included a detailed review of the existing D&P facility. The existing drying and packing plant at Honeymoon was designed to deliver a production rate of 0.88Mlb/annum U_3O_8 equivalent[1] yellow cake. The plant consists of two batch vacuum dryers that share a common hot oil and vacuum system and as such, they cannot operate independently. Issues related to operability of the process, which in turn extended the cycle time of each drying batch, as well as technical issues such as organic carry over affected the plant performance when previously operated.

The PFS identified the opportunity to "separate" the two dryer units from each other by installing a new vacuum and hot oil system so the dryers can run independently. This concept was engineered and costed at a high level and shown to be theoretically feasible.

The focus of the D&P study program was more detailed and looked to address the operability of the existing system as well as supporting the ramp up of plant capacity to an initial rate of 2Mlb/annum U_3O_8 equivalent[1]. The future expanded production rate of 3.2Mlb/annum U_3O_8 equivalent[1] was also considered as part of the review.

The study identified two options that could be implemented to address the existing issues and meet the new production rate. Both options modified the existing dryers so they could be run independently with one option focused on reducing the moisture content of the dryer feed by installing a centrifuge in series with the existing plate and frame filer. The second option focused on operating the dryers at a higher temperature (but still within the design envelop). This second option requires the replacement of the existing filter press with a larger unit so that the dryers can be loaded with one filter load instead of two, as in the current set up.

Costs for each of these are similar at ~$3M, but operating cost for the second may be higher due to the higher oil temperature. Each of these options will technically meet the required throughput, but all have different risk profiles. This cost is higher than the cost assumed in the PFS (~$1.2M) due in part to the expanded scope but also as a result of a more detailed review.

In order to complete the assessment, a third option has been included that considers replacing the vacuum dryers with a high temperature kiln that produces a calcined product, instead of uranyl peroxide as produced from the existing system. The study has shown this to be higher cost option (~$5M), but potentially carries lower risk with it and may be favourable from a marketing perspective.

Also, the implementation of this technology could simplify the upstream process as organic removal and chloride removal steps are not required (removal is actually carried out in the kiln) which would have a cost benefit as these removal stages can be removed from the flowsheet. A full cost benefit analysis will be undertaken as part of the DFS work program.

Appointment of DFS Consultant

The trade-off studies and Phase 1 testwork successfully delivered the required inputs for the flowsheet development in the DFS. This led to the re-appointment of GR Engineering Services Limited (GRES) in July 2019 as the engineering and lead study consultant for DFS. GRES quickly engaged in the DFS work programs, due to the significant package of advanced technical work Boss has completed since it obtained the Honeymoon Uranium Project in South Australia from Uranium One (Australia) in December 2015, and specifically since the completion of the PFS in 2017.

The scope for the study is based on the following stages:

- Stage 1 – Re-commission the existing SX facility and infrastructure including the various modifications required to improve performance, rectify problems identified during previous operations and make preparation for Stage 2 expansion;

- Stage 2 – Supplement existing SX facility using a parallel IX process along with the expanded yellowcake drying and packaging capacity and modified raffinate / ground water treatment plant all to produce 2Mlb/annum U_3O_8 equivalent[1].

Boss will produce a combined DFS for the Stage 1 – Recommissioning, and Stage 2 – IX upgrade to achieve 2Mlb/annum U_3O_8 equivalent[1]. The DFS will improve on the work done in the PFS and deliver a Class 3 cost estimate with appropriate detail to achieve an accuracy of ±15%.

The DFS will report on the design of the leach patterns for the wellfields and associated production scheduling based on these patterns and summarise the testwork carried out to date. It will also provide updated Mineral Resource and report on progress made against the updated permits.

The final DFS report is due for completion this calendar year.

Renewal of Mineral Export Permit

The Company received a new Mineral Export Permission (MEP/402/UOC/OO5C) from the Australian Government in April 2019, allowing Boss to export natural uranium from the Honeymoon Uranium Project. Under the permit, Boss is able to export uranium to countries meeting Australia's uranium export policy, namely those observing the Treaty on the Non-Proliferation of Nuclear Weapons and other safeguard requirements as specified.

In approving the permit, Federal Resources Minister Matthew Canavan considered Regulation 9 of the Customs (Prohibited Exports) Regulations 1958 and Australia's approach to safeguard requirements.

The new MEP also includes environmental conditions, consistent with the Honeymoon Uranium Project's previous export permissions. The permit requires Boss to advise the government of any changes to Honeymoon which may lead to new or revised environmental requirements. Honeymoon's receipt of a MEP makes it one of only four fully permitted uranium mines in Australia. Three of these, being Olympic Dam, Honeymoon, and Beverley with Four Mile are located in the premier uranium mining state of South Australia. SA has proven safe uranium handling and transportation systems (> 30 years record) and hosts one port (Port Adelaide) of only two Australian ports approved for uranium exports.

The renewal of the export permit is a major step towards restarting production at Honeymoon, given uranium is Australia's most heavily regulated commodity.

Boss is in the advantageous position of being able to sign term agreements to export uranium in parallel with considering the decision to move forward with production. The Company is in discussions with utilities to enter into off-take agreements which it is considering in concert with the uranium price. This is a rare advantage for the Company, given in many instances, production may start several years after the decision to mine and only having obtained necessary permitting in supportive market conditions.

Native Title Finalised

Longstanding competing native title claims over Boss' tenements and mining licence held in South Australia, including Honeymoon and Gould's Dam, were concluded on 14 December 2018. As part of the Consent Determination, existing agreements with the Company were novated to the new native title body corporate, preserving their operation into the future and affirming one new claim group with whom the Company will correspond for all future programs.

Consent Determinations are currently the most widely used method of settling native title claims in Australia. Under the leadership of the State of South Australia, the three competing native title claimants were advised that by combining to form a new claim group, the State would consider acquiescing in a Determination of native title by consent.

A specially convened hearing of the Federal Court of Australia held at Orroroo, South Australia, pronounced a Consent Determination of native title held jointly by Adnyamathanha, Wilyakali No. 2 and Ngadjuri Nation native title holders over the region and its many mining projects from approximately Orroroo to Olary north of the Barrier Highway in South Australia. The court hearing settled native title claims that had been in dispute since 1996.

The Honeymoon Uranium Project forms a relatively small part of the affected region, but the Company actively committed to supporting this significant achievement and its satisfactory outcome.

Existing native title agreements over Company-held tenements and mining licence were already in place and these have been preserved, however the various stakeholders are now resolved that all native title

party interests will transfer to a new native title body corporate which will hold the native title for its constituents.

Sale of Burkina Faso Gold Interests

On 3 October 2018, the Company announced it had signed a share sale and purchase agreement to sell its interest in the Golden Hill and Gourma Projects in Burkina Faso, West Africa, to its joint venture partner Teranga Gold (Australia) Pty Ltd, a wholly owned subsidiary of Teranga Gold Corporation (TSX: TGZ), for consideration of A$10 million cash, strengthening the Company's balance sheet.

CORPORATE

Board and Management changes

On 24 June 2019, the Company announced the appointment of Bryn Jones as a Technical Director, which became effective on 15 September 2019, to assist in further driving development at Honeymoon. Adelaide-based Mr Jones (MMinEng) is an industrial chemist and a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM), with more than 20 years of experience in the Australian uranium industry. He has worked in all aspects of the mining cycle, particularly in uranium ISR and mine development and production.

Mr Jones spent nearly 10 years in roles with ISR uranium producer Heathgate Resources, owned by US based nuclear company General Atomics. Heathgate is the owner and operator of the Beverley and Beverley North Uranium Mines in South Australia, Australia's only other producing ISR uranium mine. Most recently he was the Chief Operating Officer of Canadian-based uranium developer Laramide Resources (ASX/TSX: LAM, OTC: LMRXF) which has a portfolio of uranium US-based assets and Australian project interests.

Mr Jones has been involved with the Honeymoon Project for nearly three years as part of his consultancy role with The Inception Group. The group has been working with Boss on the project since its Pre-Feasibility Study in 2016.

On 1 March 2019, the Company appointed Mr Mathew O'Hara (BCom, CA) as Chief Financial Officer (CFO) and Company Secretary. Mr O'Hara has more than 15 years' experience in corporate finance, accounting and governance and has been employed by, and acted as, company secretary and Chief Financial Officer of several companies in the resources sector.

In February 2019, Mr Grant Davey resigned from his role as Non-Executive Director.

Section 232 Petition

In July 2019, US President Donald Trump officially declined issuing quotas for domestic US uranium production as had been requested under a Section 232 Petition lodged in early 2018 by two US uranium producers. President Trump instead ordered a 90-day governmental review by a working group of federal agencies, with respect to the entire nuclear fuel supply chain. This decision was praised by US nuclear power utilities who were concerned restrictions on uranium imports would increase costs.

President Trump stated he did not concur with a US Commerce Department investigation that found uranium imports threaten to impair US national security. Boss believes this outcome is very positive for Australian producers and the uranium market as a whole, as the declined restrictions may have created long term distortions in the market which could have further impacted the recovery of the uranium market. Furthermore, US President Trumps decision is expected to assist unlocking buying activity from US utilities and accordingly, support a uranium price increase.

Mineral Resource Statement

The following information is provided in accordance with Listing Rule 5.21.

Mineral Resource Estimation Governance Statement

Boss ensures that the Mineral Resource estimates are subject to appropriate levels of governance and internal controls. The Mineral Resources have been generated by employees and consultants of the Company who are experienced in best practices in modelling and estimation methods and have undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource estimates follow standard industry methodology using geological interpretation and assay results from samples acquired through drilling.

Boss reports its Mineral Resources in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) (2012 Edition). Competent Persons named by the Company qualify as Competent Persons as defined in the JORC Code. The tables below set out Mineral Resources for 2018 and 2019 for the Honeymoon Uranium Project in South Australia.

Honeymoon Project Mineral Resource at 30 June 2019

Lower cut-off of 250 ppm U_3O_8

Resource Classification	Tonnage (Million Tonnes)	Average Grade (ppm U_3O_8)	Contained Metal (Kt, U_3O_8)	Contained Metal (Mlb, U_3O_8)
Jason's (March 2017)				
Inferred	6.2	790	4.9	10.7
Gould's Dam (April 2016)				
Indicated	4.4	650	2.9	6.3
Inferred	17.7	480	8.5	18.7
Honeymoon Re-Start Area (January 2019)				
Measured	3.1	1,100	3.4	7.6
Indicated	14.0	610	8.7	19
Inferred	7.0	590	4.1	9.1
TOTAL HONEYMOON URANIUM PROJECT				
Measured	3.1	1,100	3.4	7.6
Indicated	18.4	630	12.0	25.5
Inferred	30.9	570	18.0	38.5
Total	**52.4**	**620**	**32.5**	**71.6**

Honeymoon Project Mineral Resource at 30 June 2018

Lower cut-off of 250 ppm U_3O_8

Resource Classification	Tonnage (Million Tonnes)	Average Grade (ppm U_3O_8)	Contained Metal (Kt, U_3O_8)	Contained Metal (Mlb, U_3O_8)
Jason's (March 2017)				
Inferred	6.2	790	4.9	10.7
Gould's Dam (April 2016)				
Indicated	4.4	650	2.9	6.3
Inferred	17.7	480	8.5	18.7
Honeymoon Re-Start Area (January 2016)				
Measured	1.7	1,720	3.0	6.5
Indicated	1.5	1,270	1.9	4.2
Inferred	12.0	640	7.6	16.8
TOTAL HONEYMOON URANIUM PROJECT				
Measured	1.7	1,720	2.95	6.5
Indicated	5.9	810	4.80	10.6
Inferred	35.9	586	21.0	46.7
Total	**43.5**	**660**	**28.8**	**63.3**

Competent Persons Statements

Mineral Resources

The information in this report that relates to the Mineral Resources on the Honeymoon Project were initially reported by the Company to ASX on 20 January 2016, 8 April 2016, 15 March 2017 and 25 February 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Exploration Target and Exploration Results

The information contained in this report that relates to the Exploration Target was first reported by the Company to the ASX on 25 March 2019. The information contained in this report that relates to the exploration results was first reported by the Company to the ASX on 5 November 2018. The Company is not aware of any new information or data that materially affects the information included in the announcements. The Company confirms that the form and context in which the Competent Person's finding are presented have not been materially modified from the original announcements.

Directors' Report

Your Directors present their report on the Group for the year ended 30 June 2019.

Directors

The names of the Directors in office at any time during or since the end of the year are set out below. Directors were in office for the entire period unless otherwise stated.

Mr Mark Hohnen	(Non-Executive Chairman)
Mr Duncan Craib	(Managing Director)
Mr Bryn Jones	(Technical Director - appointed 15 September 2019)
Mr Evan Cranston	(Non-Executive Director)
Mr Peter Williams	(Non-Executive Director)
Mr Grant Davey	(Non-Executive Director - resigned 6 February 2019)

Information on Current Directors

Mr Mark Hohnen Non-Executive Chairman

Appointed 26 April 2016

Mr Hohnen has been involved in the mineral business since the late 1970s and has had extensive international business experience in a wide range of industries including mining and exploration, property, investment, software and agriculture. He is an experienced director having held a number of directorships in both public and private companies.

Mr Hohnen was founding Executive Chairman of Kalahari Minerals Plc, a company founded in 2005 to explore for uranium and base metals in Namibia. Kalahari also held a 43% interest in Extract Resources Ltd; which was the subject of a China General Nuclear Power Corporation (CGN) corporate transaction in 2012 valued at US$2.2 billion for its majority shareholding in the world class Husab uranium mine in Namibia, one of the largest mining and processing uranium projects in the world. Mr Hohnen is a Non-Executive Director of ASX-listed Pensana Metals Limited (August 2017 – present), and Chairman/Executive Director of AIM-listed Bacanora Lithium Plc. During the three year period to the end of the financial year, Mr Hohnen held a directorship with Salt Lake Potash Limited (February 2010 – December 2017).

Mr Duncan Craib Managing Director

Appointed 1 August 2017

Mr Craib is Managing Director and CEO having joined the company on 9 January 2017. He is a Chartered Accountant by profession specialising in the mining, having gained vast experience in executive roles held in Australia, United Kingdom, Namibia, and China. For the past 12 years Mr Craib's career has been dedicated to the uranium industry.

Prior to commencing with Boss Resources, Mr Craib served as Finance Director to Swakop Uranium (Pty) Ltd and was heavily involved in the US$2.5 billion development and construction of its world class Husab uranium mine in Namibia. Its principal shareholder CGN, is the largest nuclear power operator in China and largest nuclear power constructor world-wide. Husab was commissioned in 2016, upon which Mr Craib was recruited to join Boss Resources.

During the three year period to the end of the financial year, Mr Craib held no directorships with any other listed companies.

Mr Bryn Jones Technical Director
Appointed 15 September 2019

Mr Jones is an industrial chemist and a Fellow of the Australian Institute of Mining and Metallurgy, with more than 20 years of experience in the Australian uranium industry. He has worked in all aspects of the mining cycle, particularly in uranium in-situ recovery (ISR) and mine development and production. Mr Jones spent nearly 10 years in roles with ISR uranium producer Heathgate Resources, owned by US-based nuclear company General Atomics. Heathgate is the owner and operator of the Beverley and Beverley North Uranium Mines in South Australia, Australia's only other operator ISR uranium mine. More recently he has been Chief Operating Officer of Canadian-based uranium developer Laramide Resources Ltd and the previous Managing Director of Uranium Equities Limited.

Mr Jones is a Non-Executive Director of DevEx Resources Limited (September 2009 – present) and Salt Lake Potash Limited (June 2017 – present).

Mr Evan Cranston Non-Executive Director
Appointed 2 May 2012

Mr Cranston is an experienced mining executive with a background in corporate and mining law. He is the principal of corporate advisory and administration firm Konkera Corporate and has extensive experience in the areas of equity capital markets, corporate finance, structuring, asset acquisition, corporate governance and external stakeholder relations. He holds both a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia.

Mr Cranston is a Non-Executive Director of New Century Resources Limited (October 2012 to present) and Non-Executive Chairman of Carbine Resources Limited (March 2010 to present). During the three year period to the end of the financial year, Mr Cranston held directorships with ASX listed companies Clancy Exploration Ltd (October 2014 – December 2017), Primary Gold Limited (March 2016 – November 2017) and Cradle Resources Limited (September 2011 – May 2016).

Mr Peter Williams Non-Executive Director
Appointed 20 August 2013

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that lead to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Mr Williams also has extensive experience in West Africa where he was the vendor of the Banfora Gold Project, was involved in the project generation of Papillion's Mali projects. He was a co-founder of the International Resource Sector Intelligence company, Intierra and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

Mr Williams is a Non-Executive Director of Superior Lake Resources Limited (February 2018 – present) and Managing Director of Alderan Resources Limited (May 2019 – present).

Mr Mathew O'Hara Company Secretary and Chief Financial Officer
Appointed 1 March 2019

Mr O'Hara is a Chartered Accountant and has over 15 years' experience in corporate finance, accounting and governance. He has been employed by, and acted as, company secretary and Chief Financial Officer of several companies in the resources sector. Prior to these roles Mr O'Hara spent several years with an international accounting firm specialising in the Corporate Finance, Advisory and Audit divisions gaining significant experience with ASX, TSX and AIM listed clients across a diverse range of industries.

Mr O'Hara is a Non-Executive Director of Carbine Resources Limited (September 2018 – present).

Meetings of Directors

During the financial year, 4 meetings of Directors were held, and 3 circular resolutions signed. Attendances by each Director during the year were as follows:

	Number of meetings eligible to attend	Number of meetings attended
Mr Duncan Craib	4	4
Mr Evan Cranston	4	4
Mr Mark Hohnen	4	4
Mr Peter Williams	4	4
Mr Grant Davey	4	4

Dividends Paid or Recommended

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.

Principal Activities

During the period the Group continued its focus on assessing the Honeymoon Uranium Project's near-term production with substantial exploration upside in underexplored tenements in South Australia, and sold its golds interests in Burkina Faso (for $10 million in cash).

Operating Results

The loss of the Group for the year ended 30 June 2019 after providing for income tax amounted to $1,221,691 (2018: loss of $4,685,079).

Financial Position

The net assets of the Group are $16,122,429 as at 30 June 2019 (2018: $16,902,764).

Significant Changes in State of Affairs

- On 3 October 2018, the Company sold its interest in the Golden Hill and Gourma Projects in Burkina Faso, West Africa to its joint venture partner, for consideration of A$10 million cash.
- On 19 December 2018, the Company announced the conclusion of long standing competing native title claims;
- On 25 February 2019, the Company announced an increase in its global uranium Mineral Resource to 71.6m lbs U_3O_8, of which 36m lbs is on the mine Re-start Area (149% increase) and increase in Exploration Target;
- On 8 April 2019, the Company announced that the Australian Government had renewed the uranium export permit for the Honeymoon Uranium Project;
- On 24 June 2019, the Company announced that Mr Bryn Jones would be appointed as an Executive Director, which became effective on 15 September 2019.

Matters subsequent to end of financial year

On 15 September 2019, Mr Bryn Jones' appointment as Executive Director became effective.

On 17 September 2019, the Company received a Research and Development tax rebate of $1,144,969 in relation to the financial year ended 30 June 2018.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Future Developments, Prospects and Business Strategies

Disclosure of further information regarding likely developments in the operations of the Group in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice of those operations, or that state of affairs of the Group in future financial periods.

Environmental Issues

The Group is aware of its environmental obligations with regards to its exploration and development activities and ensures that it complies with all regulations at all times.

Options

At the date of this report there are 70,500,000 unquoted share options and no quoted options on issue.

Type of Options	Date granted	Expiry date	Exercise price	Number
Unquoted options issued to Directors	09-Jan-17	09-Jan-20	$0.065	10,000,000
Unquoted options issued to Directors	09-Jan-17	09-Jan-20	$0.080	10,000,000
Unquoted options issued to Directors	09-Jan-17	09-Jan-20	$0.095	10,000,000
Unquoted options issued under ESOP	19-Mar-18	19-Mar-21	$0.065	3,500,000
Unquoted options issued under ESOP	19-Mar-18	19-Mar-21	$0.080	6,000,000
Unquoted options issued under ESOP	19-Mar-18	19-Mar-21	$0.095	6,000,000
Unquoted options issued to Advisors	23-Mar-18	31-Dec-21	$0.060	5,000,000
Unquoted options issued to Advisors	23-Mar-18	31-Dec-21	$0.070	5,000,000
Unquoted options issued under ESOP	04-Jul-19	30-Jun-22	$0.065	5,000,000
Unquoted options issued under ESOP	04-Jul-19	30-Jun-20	$0.080	5,000,000
Unquoted options issued under ESOP	04-Jul-19	30-Jun-20	$0.095	5,000,000

During the year 10,000,000 unquoted options were exercised by Carbine Resources Ltd (Carbine) at an exercise price of $0.02 each. These unquoted options were issued to Carbine in September 2015 in consideration for the provision of a guarantee over the initial cash payment for the acquisition of the Honeymoon Uranium Project by Boss. Carbine is a related party of Non-Executive Director, Evan Cranston, and Company Secretary/Chief Financial Officer, Mathew O'Hara.

Performance Rights

At the date of this report there are 47,333,333 unquote performance rights on issue.

Proceedings on Behalf of Company

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

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

Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by them in their capacity as Officer, or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The Company has agreed to pay a premium for Directors and Officers Insurance.

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 24 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2019, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

Officers of the company who are former partners of RSM Australia Partners

There are no officers of the company who are former partners of RSM Australia Partners.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

REMUNERATION REPORT - AUDITED

Remuneration Policy

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally.

Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

During the year ended 30 June 2019, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company's remuneration framework by external advisors, BDO Remuneration and Reward Services.

Performance-based Remuneration

The Board recognises that Boss operates in a global environment. To prosper in this environment it we must attract, motivate and retain key executive staff.

The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Group operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Group; and
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders.
- long term incentives are used to ensure that remuneration of Key Management Personnel reflects the Group's financial performance, with particular emphasis on the Group's earnings and the consequence of the Group's performance on shareholder wealth.

Additional Information for Consideration of Shareholder Wealth

This table summarises the earnings of the Group and other factors that are considered to affect shareholder wealth for the five years to 30 June 2019.

	2019	2018	2017	2016	2015
Loss after income tax attributable to shareholders ($)	(1,221,691)	(4,685,079)	(6,055,627)	(2,675,940)	(1,101,779)
Share price at financial year end ($)	0.044	0.073	0.048	0.041	0.0184
Movement in share price for the year ($)	(0.029)	0.025	0.007	0.0226	(0.076)
Total dividends declared (cents per share)	-	-	-	-	-
Returns of capital (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.077)	(0.39)	(0.64)	(0.36)	(0.20)

REMUNERATION REPORT – AUDITED (continued)

Market Comparisons

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Group's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the Board to reward key employees when they deliver consistently high performance.

Board Remuneration

The Board determines actual payments to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Voting and comments made at the Company's 2018 Annual General Meeting (AGM)

At the 2018 AGM, 99.78% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Directors' Fees

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders. The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Group has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

The Board's policy for determining the nature and amount of remuneration for Board members and executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for executive directors and executives, was developed and approved by the Board. All executives receive a fee, part of which may be taken as superannuation, and from time to time, securities. Securities issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Group's performance, executives' performance and comparable information from industry sectors and other listed companies in similar industries. The Board may in its discretion establish a performance-based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.

REMUNERATION REPORT – AUDITED (continued)

Directors' Fees (continued)

- Salaried executive directors and specified executives are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.
- All remuneration paid to directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).
- During the year ended 30 June 2019, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company's remuneration framework by external advisors, BDO Remuneration and Reward Services.

Details of Remuneration for Year Ended 30 June 2019

	Short-term benefits		Post-employment benefits	Share-based payments	
	Salary, Fees and Commissions	Short term bonus	Superannuation contribution	Equity settled options/ shares	Total
	$	$	$	$	$
Non-Executive Directors					
Mr Mark Hohnen	100,000	-	9,500	126,905	236,405
Mr Evan Cranston	50,000	-	-	-	50,000
Mr Peter Williams	49,992	-	-	115,873	165,865
Mr Grant Davey*	42,720	-	-	-	42,720
Executive Directors					
Mr Duncan Craib	284,046	-	25,000	-	309,046
Other Key Management Personnel					
Mr Mathew O'Hara**	15,000	-	1,425	-	16,425
Ms Oonagh Malone***	27,000	-	-	-	27,000
	568,758	-	35,925	242,778	847,461

* Mr Grant Davey resigned as a non-executive director and ceased being Key Management Personnel on 6 February 2019. Only his remuneration to 6 February 2019 is included here.
** Mr Mathew O'Hara was appointed as CFO and Company Secretary on 1 March 2019.
*** Ms Oonagh Malone resigned as Company Secretary and ceased being Key Management Personnel on 1 March 2019. Only her remuneration to 1 March 2019 is included here.

REMUNERATION REPORT – AUDITED (continued)

Details of Remuneration for Year Ended 30 June 2018

The Key Management Personnel of the group consist of all Directors and the company secretary.

	Short-term benefits		Post-employment benefits	Share-based payments	
	Salary, Fees and Commissions	Short term bonus	Superannuation contribution	Equity settled options/ shares	Total
	$	$	$	$	$
Non-Executive Directors					
Mr Mark Hohnen	109,500	-	-	183,215	292,715
Mr Evan Cranston	50,000	-	-	-	50,000
Mr Peter Williams	50,000	-	-	115,873	165,873
Mr Grant Davey	50,000	-	-	-	50,000
Dr Marat Abzalov **	9,132	-	868	3,386	13,386
Executive Directors					
Mr Duncan Craib *	260,862	30,000	27,707	-	318,569
Other Key Management Personnel					
Ms Oonagh Malone	36,000	-	-	35,120	71,120
	565,494	30,000	28,575	337,594	961,663

* Mr Duncan Craib was appointed as Managing Director on 1 August 2017.
** Dr Marat Abzalov resigned as a non-executive director and ceased being Key Management Personnel on 1 August 2017. Only his remuneration to 1 August 2017 is included here.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk – Short Term Incentive		At risk – Long Term incentive	
	2019	2018	2019	2018	2019	2018
Non-Executive Directors						
Mr Mark Hohnen	46%	37%	-	-	54%	63%
Mr Evan Cranston	100%	100%	-	-	-	-
Mr Peter Williams	30%	30%	-	-	70%	70%
Mr Grant Davey	100%	100%	-	-	-	-
Dr Marat Abzalov	100%	75%	-	-	-	25%
Executive Directors						
Mr Duncan Craib	100%	91%	-	9%	-	-
Other Key Management Personnel						
Mr Mathew O'Hara	100%	-	-	-	-	-
Ms Oonagh Malone	100%	51%	-	-	-	49%
	71%	62%	-	3%	29%	35%

REMUNERATION REPORT – AUDITED (continued)

Executive Remuneration

A summary of service agreements with Executives effective during the year is set out below:

Mr Duncan Craib – Managing Director and CEO

Mr Duncan Craib, commenced employment as CEO on 9 January 2017 and was subsequently appointed Managing Director on 1 August 2017. The terms of his remuneration during the year are as follows:

- A base salary of $300,000pa inclusive of statutory superannuation. This increased to $320,000pa from 1 July 2019. A termination period of 3 months.

- During the year ended 30 June 2019, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company's remuneration framework by external advisors, BDO Remuneration and Reward Services. Following this review, and as a result of several key outcomes achieved at the Honeymoon Uranium Project, the Board resolved to grant the Managing Director/CEO a total of 3 million shares as an annual bonus under the Company's Employee Securities Incentive Plan, subject to shareholder approval. The number of shares granted was determined by reference to the 20-day VWAP prior to 30 June 2019.

- Unquoted Options under the Employee Securities Incentive Plan were issued on 9 January 2017 with an expiry date of 3 years following issue and exercisable as follows:
    - 10,000,000 options exercisable at $0.065 each;
    - 10,000,000 options exercisable at $0.080 each; and
    - 10,000,000 options exercisable at $0.095 each.

- Subject to shareholder approval at the 2019 AGM and forfeiture of the existing Unquoted Options issued on 9 January 2017, and in recognition of the technical advancement of the project, the Board has agreed to issue the following Unquoted Options under the Employee Securities Incentive Plan, all having an expiry date of 30 June 2023:
    - 15,000,000 options exercisable at $0.065 each;
    - 15,000,000 options exercisable at $0.080 each; and
    - 15,000,000 options exercisable at $0.095 each.

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The maximum aggregate remuneration approved for non-executive directors is currently $300,000.

It is recognised that non-executive director remuneration is ideally structured to exclude equity-based remuneration. However, whilst the Company remains small and the full Board, including the Non-Executive Directors, are included in the operations of the Company more intimately than may be the case with larger companies, the Non-Executive Directors are entitled to participate in equity-based remuneration schemes.

All Directors (Executive and Non-Executive) are entitled to have their indemnity insurance paid by the Company.

REMUNERATION REPORT – AUDITED (continued)

Bonus or Profit Participation Plan

Performance incentives may be offered to executive directors and senior management of the Group through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

Shares issued as part of remuneration

During the year ended 30 June 2019, the Remuneration Committee undertook a comprehensive review of remuneration practices and commissioned a benchmarking exercise of the Company's remuneration framework by external advisors. Following this review, a performance bonus of 3,000,000 Shares was agreed to be issued to the Managing Director, Mr Duncan Craib, in recognition of technical advancement of the project. This issue of Shares is subject to shareholder approval, expected to be sought at the 2019 AGM.

No other shares were issued to Key Management Personnel during the financial year as part of remuneration.

Performance Rights issued as part of remuneration

The Board considers that the Performance Rights are a cost effective and efficient reward for the Company to make to appropriately incentivise the continued performance of the management, and are consistent with the strategic goals and targets of the Company. On meeting vesting conditions, the Performance Rights will each convert into one ordinary share with no further consideration.

On 16 August 2016, shareholders approved the issue of 18,000,000 Performance Rights to Mr Hohnen, which were issued to him on 25 August 2016. On 2 June 2017, upon completion of 12 months service with the Company 2,000,000 Performance Rights were vested and converted to ordinary shares. The remaining Performance Rights expire 5 years from their issue date on 25 August 2021.

Tranche	Performance Condition	Number
Tranche 3 Performance Rights	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Tranche 4 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,000,000
Tranche 5 Performance Rights	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

On 28 November 2014, shareholders approved the issue of 30,000,000 Performance Rights to Mr Williams. These Performance Rights were issued on 17 November 2015, and due to expire 5 years from their issue date on 17 November 2020.

REMUNERATION REPORT – AUDITED (continued)

Performance Rights issued as part of remuneration (continued)

The Performance Rights issued to Mr Williams will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Tranche 2 Performance Rights	Announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Tranche 3 Performance Rights	Announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000

Options Issued as part of remuneration

No options were issued to Key Management Personnel during the financial year as part of remuneration. Subsequent to the year end, on 4 July 2019, the Board agreed to grant and immediately issue options to the Company Secretary/Chief Financial Officer on the below terms.

Details of all options held by Key Management Personnel of the Group, at the date of this report are shown below.

Key Management Personnel	Grant date	Number granted	Value of options granted ($)	Vesting date	Expiry date	Vested %
Mr Duncan Craib	9/01/2017	10,000,000	333,200	9/01/2017	9/01/2020	100
Mr Duncan Craib	9/01/2017	10,000,000	308,900	9/01/2017	9/01/2020	100
Mr Duncan Craib	9/01/2017	10,000,000	288,400	9/01/2017	9/01/2020	100
Mr Mathew O'Hara	4/07/2019	2,500,000	39,400	4/07/2019	30/6/2022	100
Mr Mathew O'Hara	4/07/2019	2,500,000	32,600	4/07/2019	30/6/2022	100
Mr Mathew O'Hara	4/07/2019	2,500,000	27,400	4/07/2019	30/6/2022	100

No options issued to Key Management Personnel were exercised or lapsed during the financial year.

REMUNERATION REPORT – AUDITED (continued)

Additional Disclosures Relating to Key Management Personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of Key Management Personnel of the Group, including their personally related parties, is set out below:

2019 Ordinary shares	Balance at the start of the year	Received as part of remuneration	Perf. Rights vested	Options Exercised	Net changes other	Balance at the end of the year
Mr Mark Hohnen	20,666,667	-	-	-	-	20,666,667
Mr Duncan Craib	2,500,000	-	-	-	-	2,500,000
Mr Evan Cranston	6,666,667	-	-	-	-	6,666,667
Mr Peter Williams	32,505,979	-	-	-	-	32,505,979
Mr Grant Davey*	311,483,333	-	-	-	(165,600,000)	145,883,333
Mr Mathew O'Hara**	-	-	-	-	-	-
Ms Oonagh Malone***	30,000	-	-	-	(30,000)	-
	373,852,646	-	-	-	(165,630,000)	208,222,646

Option holding

The number of options held during the financial year by each Director and other members of Key Management Personnel of the Group, including their personally related parties, is set out below:

2019 Options over ordinary shares	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Mr Mark Hohnen	-	-	-	-	-
Mr Duncan Craib	30,000,000	-	-	-	30,000,000
Mr Evan Cranston	-	-	-	-	-
Mr Peter Williams	-	-	-	-	-
Mr Grant Davey*	-	-	-	-	-
Mr Mathew O'Hara**	-	-	-	-	-
Ms Oonagh Malone***	3,000,000	-	-	-	3,000,000
	33,000,000	-	-	-	33,000,000

* Mr Grant Davey resigned as a non-executive director on 6 February 2019.
** Mr Mathew O'Hara was appointed as Chief Financial Officer and Company Secretary on 1 March 2019.
*** Ms Oonagh Malone resigned as Company Secretary on 1 March 2019.

REMUNERATION REPORT – AUDITED (continued)

Additional Disclosures Relating to Key Management Personnel (continued)

Performance Rights

The number of Performance Rights held during the financial year by each Director and other members of Key Management Personnel of the Group, including their personally related parties, is set out below:

2019 Performance Rights over ordinary shares	Balance at the start of the year	Granted	Converted	Expired/ forfeited/ other	Balance at the end of the year
Mr Mark Hohnen	14,000,000	-	-	-	14,000,000
Mr Duncan Craib	-	-	-	-	-
Mr Evan Cranston	-	-	-	-	-
Mr Peter Williams	30,000,000	-	-	-	30,000,000
Mr Grant Davey*	-	-	-	-	-
Mr Mathew O'Hara**	-	-	-	-	-
Ms Oonagh Malone***	-	-	-	-	-
	44,000,000	-	-	-	44,000,000

* Mr Grant Davey resigned as a non-executive director on 6 February 2019.
** Mr Mathew O'Hara was appointed as Chief Financial Officer and Company Secretary on 1 March 2019.
*** Ms Oonagh Malone resigned as Company Secretary on 1 March 2019.

Other Transactions with Key Management Personnel and Their Related Parties

Konkera Corporate Pty Ltd (Konkera) received $120,000 (2018: $120,000) during the year for the provision of bookkeeping, financial and management accounting, geological drafting and administration services. At 30 June 2019, the Group had no creditor balances payable to Konkera. Konkera is a related party of Non-Executive Director, Evan Cranston.

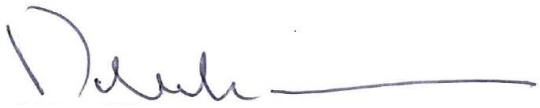
Kingslane Pty Ltd and associated entities (Kingslane) received $72,000 (2018: $72,000) during the year for office rent. At 30 June 2019, the Group had no creditor balances payable to Kingslane. Kingslane is a related party of Non-Executive Director, Evan Cranston.

During the year 10,000,000 unquoted options were exercised by Carbine Resources Ltd (Carbine) at an exercise price of $0.02 each. These unquoted options were issued to Carbine in September 2015 in consideration for the provision of a guarantee over the initial cash payment for the acquisition of the Honeymoon Uranium Project by Boss. Carbine is a related party of Non-Executive Director, Evan Cranston, and Company Secretary/CFO, Mathew O'Hara.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

[END OF AUDITED REMUNERATION REPORT]

Signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporations Act



Mark Hohnen
Chairman
DATED at PERTH this 26th day of September 2019

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Resources Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 26 September 2019

TUTU PHONG
Partner

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Revenue	2	383,397	258,721
Other income	2	1,144,969	871,468
Gain on disposal of exploration interests	9	4,800,000	-
Employees and consultants	2	(1,295,548)	(1,102,578)
Professional and service fees	2	(528,299)	(839,149)
Financing charges	2	(246,652)	(259,683)
Exploration and evaluation expenditure	9	(5,176,672)	(3,803,888)
Gain on/(impairment of) financial assets		(1,756)	20,853
Gain on disposal of plant and equipment		4,140	8,517
Other expenses	2	(305,270)	(514,216)
Loss before income tax expense		(1,221,691)	(5,359,955)
Income tax expense	3	-	-
Loss after income tax expense		(1,221,691)	(5,359,955)
Attributable to non-controlling interests		-	(674,876)
Attributable to members of Boss Resources Limited		(1,221,691)	(4,685,079)
Other comprehensive income:			
Items that may be reclassified subsequently to operating result:		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive (loss) for the year		(1,221,691)	(5,359,955)
Attributable to non-controlling interests		-	(674,876)
Attributable to members of Boss Resources Limited		(1,221,691)	(4,685,079)
Loss per share attributable to members of Boss Resources Limited			
Basic and diluted (loss) per share (cents per share)	18	(0.077)	(0.39)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
CURRENT ASSETS			
Cash and cash equivalents	4	10,528,381	6,961,345
Trade and other receivables	5	1,254,210	184,207
Other assets	6	37,253	8,431
Total Current Assets		11,819,844	7,153,983
NON-CURRENT ASSETS			
Plant and equipment	7	177,606	278,524
Other financial assets	8	8,990,331	8,999,087
Exploration and evaluation expenditure	9	8,708,944	13,496,388
Total Non-Current Assets		17,876,881	22,773,999
TOTAL ASSETS		29,696,725	29,927,982
CURRENT LIABILITIES			
Trade and other payables	10	814,310	488,583
Employee benefits		43,056	32,261
Borrowings	11	4,000,000	-
Total Current Liabilities		4,857,366	520,844
NON-CURRENT LIABILITIES			
Borrowings	11	-	4,000,000
Provisions	12	8,716,930	8,504,374
Total Non-Current Liabilities		8,716,930	12,504,374
TOTAL LIABILITIES		13,574,296	13,025,218
NET ASSETS		16,122,429	16,902,764
EQUITY			
Issued capital	13	79,132,493	79,081,215
Reserves	14	9,702,390	9,312,312
Accumulated losses	15	(72,712,454)	(71,490,763)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		16,122,429	16,902,764
Non-controlling interest	16	-	-
TOTAL EQUITY		16,122,429	16,902,764

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2019

Consolidated	Issued Capital	Accumulated Losses	Option Reserve	Non-controlling Interest	Total
	$	$	$	$	$
Balance at 1 July 2018	79,081,215	(71,490,763)	9,312,312	-	16,902,764
Loss for the year after income tax	-	(1,221,691)	-	-	(1,221,691)
Total comprehensive (loss) for the year	-	(1,221,691)	-	-	(1,221,691)
Shares issued during the year	200,000	-	-	-	200,000
Options issued during the year	1,000	-	-	-	1,000
Capital raising costs	(149,722)	-	-	-	(149,722)
Share based payments	-	-	390,078	-	390,078
Balance at 30 June 2019	79,132,493	(72,712,454)	9,702,390	-	16,122,429
Balance at 1 July 2017	56,209,988	(52,484,360)	8,899,544	(1,046,448)	11,578,724
Loss for the year after income tax	-	(4,685,079)	-	(674,876)	(5,359,955)
Total comprehensive (loss) for the year	-	(4,685,079)	-	(674,876)	(5,359,955)
Shares issued during the year	11,000,005	-	-	-	11,000,005
Capital raising costs	(728,778)	-	-	-	(728,778)
Share based payments	-	-	412,768	-	412,768
Acquisition of non-controlling interest	12,600,000	(14,321,324)	-	1,721,324	-
Balance at 30 June 2018	79,081,215	(71,490,763)	9,312,312	-	16,902,764

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
		Inflows / (Outflows)	
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,975,386)	(1,774,781)
Expenditure on mining interests		(4,925,743)	(4,545,679)
Interest received		470,365	179,785
R&D tax rebate received		-	871,468
Net cash (used in) operating activities	17	(6,430,764)	(5,269,207)
Cash Flows from Investing Activities			
Purchase of plant and equipment		-	(30,344)
Proceeds on disposal of plant and equipment		11,458	30,586
Proceeds on disposal of mineral exploration interests		9,800,000	-
Other – security bonds		-	100,000
Net cash provided by investing activities		9,811,458	100,242
Cash Flows from Financing Activities			
Repayment of promissory note		-	(3,000,000)
Proceeds from issue of share capital		198,578	10,271,227
Net cash provided by financing activities		198,578	7,271,227
Net increase in cash and cash equivalents		3,579,272	2,102,262
Cash and cash equivalents at beginning of the financial year		6,961,345	4,876,784
Exchange differences on cash and cash equivalents		(12,236)	(17,701)
Cash and cash equivalents at the end of the financial year	4	10,528,381	6,961,345

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the Year Ended 30 June 2019

These consolidated financial statements and notes represent those of Boss Resources Limited (the 'Company' or 'parent entity') and Controlled Entities (the "Group" or "consolidated entity"). Boss Resources Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Boss Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in Note 27.

The financial statements were authorised for issue on 26th September 2019 by the Directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through profit or loss.

Critical accounting estimates

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

New and Amended Accounting Policies adopted by the Group

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group 's accounting policies.

The adoption of AASB 9 Financial Instruments from 1 July 2018 has not affected balances of the Group because no financial instrument held by the Group is recognised or measured differently by this standard. Although the shares in listed investments disclosed in Note 8 are now classified as being measured at fair value through profit or loss, this change in language has had no effect on reported balances. The Group has no expected credit losses on financial instruments. Future effects of the implementation of this standard will mostly depend on any form of hedging by the Group.

The adoption of AASB 15 Revenue from Contracts with Customers from 1 July 2018 has not affected balances of the Group because no revenue or potential revenue of the Group is recognised or measured differently by this standard. Future effects of the implementation of this standard will mostly depend on the wording and effect of relevant contracts.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2019. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Group will adopt this standard from 1 July 2019. The Group has assessed that the implementation of this standard will not have a material effect on reported balances for the year ending 30 June 2020 because the only potentially relevant lease, being the lease over office premises is due to expire in February 2020 with a three-year option. As at the date of this report it is not reasonably certain that the Group will exercise the three-year option. Future effects of the implementation of this standard will depend on details in future agreements.

Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Boss Resources Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 19.

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Principles of Consolidation (continued)

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

When the Group changes the proportion of ownership of a non-controlling interest, including the acquisition of a minority interest as occurred in March 2018, the difference between the fair value of the consideration paid or received and the adjustment to the balance of the non-controlling interest, is recognised in equity as an adjustment to retained earnings. Such an adjustment to retained earnings does not meet definitions of profit and loss, or other comprehensive income, so is not disclosed in the statement of profit or loss and other comprehensive income. Consideration paid or received for a non-controlling interest is valued as at the transaction date, not as at an earlier authorisation or contract date, because it does not meet the definition of a share-based payment.

b) Operating Segments

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

c) Current and Non-Current Classification

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Cash and Cash Equivalents

Cash on hand and in banks and short-term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

e) Foreign Currency Translation

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the parent company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the Group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

f) Financial Instruments

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted

For financial liabilities, the portion of the change in fair value that relates to the Group’s credit risk is presented in other comprehensive income.

Hedge accounting requirements align the accounting treatment with the Group’s risk management activities. The Group does not currently have any impaired financial assets, financial liabilities with changes in fair value due to credit risk presented in other comprehensive income, or financial instruments requiring hedge accounting.

g) Trade and Other Payables

Trade payables and other accounts are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

h) Trade and Other Receivables

Trade account receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for expected credit loss.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Income Tax

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

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

j) Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement profit or loss and other comprehensive income during the financial period in which they are incurred.

k) Depreciation

The depreciable amount of all plant and is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	*Depreciation Rate*
Plant and equipment	16.67% - 40%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement profit or loss and other comprehensive income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Exploration and Development Expenditure

For each area of interest, expenditure incurred in the exploration for, and evaluation of, mineral resources are either expensed as incurred or capitalised and recognised as an exploration and evaluation asset.

Exploration, evaluation and development expenditure capitalised are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that 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.

Where permits for capitalised areas of interest are not held directly by the Group, the Group has enforceable current rights to the capitalised areas of interest.

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 that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

m) Leases

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are changes as expenses in the periods in which they are incurred.

n) Revenue and Other Income

Revenue from contracts with customers is recognised based on the transfer of promised goods or services to customers with an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services.

Other revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Research and development tax offset income is recognised when it is received or when the right to receive payment is established. Revenue is measured at the fair value of the consideration received or receivable.

Interest income is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax (GST).

o) Goods and Services Tax

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

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

q) Share-Based Payment Transactions

The Company provides benefits to Key Management Personnel of the Group in the form of share-based payments, whereby the Key Management Personnel render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share-based payments.

The cost of equity settled transactions with Key Management Personnel are measured by reference to the fair value of the equity instruments at the date at which they are granted.

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

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement profit or loss and other comprehensive income net of any reimbursement.

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

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

t) Issued Capital

Ordinary shares are classified as equity.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

u) Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Boss Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

v) Provision for Restoration

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount may be capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location. The capitalised cost is amortised over the life of the project and the provision is accredited periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as interest expense. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs are determined on the basis that restoration will be completed within one year of abandoning a site.

w) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

x) Critical Accounting Estimates and Assumptions

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

Capitalised Exploration and Evaluation Expenditure

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical Accounting Estimates and Assumptions (continued)

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Restoration provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Exploration expenditure commitments

The Company is currently in discussions with the Department for Energy and Mining in South Australia in relation to its ongoing exploration expenditure commitments for the five exploration licences that it currently holds in South Australia. The exploration commitments disclosed in Note 22 represent the Group's expected expenditure commitments for the five exploration licences as at the date of this Report.

	Consolidated	
	2019 $	2018 $
NOTE 2: SIGNIFICANT INCOMES AND EXPENDITURES		
Income		
Interest income	383,397	258,721
	383,397	**258,721**
Other income		
Research and Development tax rebate	1,144,969	871,468
	1,144,969	**871,468**
Employees and consultants		
Superannuation	(51,000)	(27,908)
Share based payments expense	(242,778)	(412,768)
Other employee and consultant charges	(1,001,770)	(661,902)
	(1,295,548)	**(1,102,578)**
Financing charges		
Bank fees including guarantee fees	(172,179)	(154,541)
Interest on promissory notes	(74,473)	(105,142)
	(246,652)	**(259,683)**
Professional and service fees		
Tax accounting	(129,239)	(113,705)
Legal fees	(42,627)	(140,822)
Audit fees	(31,500)	(38,500)
Travel and accommodation	(130,504)	(88,783)
Regulatory fees	(72,011)	(54,963)
Office rent	(69,236)	(82,671)
Other professional and service fees	(53,182)	(319,705)
	(528,299)	**(839,149)**
Other expenses		
Depreciation	(122,682)	(121,519)
Stamp duty	-	(209,770)
Other expenses	(182,588)	(182,927)
	(305,270)	**(514,216)**

	Consolidated	
	2019 $	2018 $
NOTE 3: INCOME TAX EXPENSE		
a. Income tax expense		
Current tax	-	-
Deferred tax	-	-
Under/ (over) provision in respect of prior years	-	-
	-	**-**
b. Numerical reconciliation of income tax benefit to prima facie tax payable		
Loss from continuing operations before income tax expense	(1,221,691)	(5,359,955)
Tax at the Australian tax rate of 27.5% (2018: 27.5%)	(335,965)	(1,473,988)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share based payments	66,764	113,511
Impairment of assets/ (Reversal of impairment)	483	(5,735)
Capital loss on disposal of subsidiaries	7,027,411	-
Other non-deductible expenses and non-assessable income	771,465	(338,456)
Income tax benefit not recognised	8,067,594	1,704,668
Income tax expense	**-**	**-**
c. Unrecognised deferred tax assets – tax losses		
Unused tax losses for which no deferred tax asset has been recognised	101,648,069	114,799,008
Potential tax benefit at the Australian tax rate of 27.5% (2018: 27.5%)	**27,953,219**	**31,569,727**

The Group is estimated to have Australian tax losses for which no deferred tax asset is recognised of $101,648,069 (2018: $114,799,008). A specialist tax adviser, PricewaterhouseCoopers, was engaged to assess the tax consolidation of the Group as at 19 March 2018, being the date at which the non-controlling interest in Wattle Mining Pty Ltd was acquired and a consolidated tax group was formed (refer Note 19b). The 2019 balance includes $80,945,321 of income tax losses and $20,702,748 of capital losses following disposal of Burkina Faso exploration interests during the year ended 30 June 2019.

d. Unrecognised temporary differences		
Unrecognised deferred tax asset at 30 June relates to the following:		
Accumulated impairment of assets	2,280,756	9,280,130
Capital raising costs recognised directly in equity	226,980	298,759
Other unrecognised temporary differences	4,566,009	(4,913)
	7,073,745	**9,573,976**

The temporary differences have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable, for the year 30 June 2019. The benefit of these deferred tax assets will only be obtained if:

(1) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;

(2) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and

(3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

No franking credits are available.

	Consolidated	
	2019 $	2018 $
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	1,686,001	361,345
Term deposit	8,842,380	6,600,000
	10,528,381	**6,961,345**
NOTE 5: TRADE AND OTHER RECEIVABLES		
Trade receivables	109,241	184,207
Research and Development tax rebate receivable	1,144,969	-
	1,254,210	**184,207**

Receivables are non-interest bearing and generally repayable within 30 days. The Research and Development tax rebate receivable was received on 17 September 2019. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

NOTE 6: OTHER ASSETS		
Prepaid expenses	37,253	8,431
	37,253	**8,431**
NOTE 7: PLANT AND EQUIPMENT		
Cost	590,840	585,395
Accumulated depreciation	(413,234)	(306,871)
	177,606	**278,524**
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	278,524	421,839
Additions	29,082	-
Discount on plant purchased in prior year	-	(15,314)
Disposals	(7,318)	(6,482)
Depreciation expense	(122,682)	(121,519)
Carrying amount at end of the year	**177,606**	**278,524**
NOTE 8: OTHER FINANCIAL ASSETS		
Security bonds	8,944,680	8,951,680
Financial assets – at fair value through profit or loss (2018: available for sale)	45,651	47,407
	8,990,331	**8,999,087**
Listed investments, at fair value		
- Shares in listed corporations	**45,651**	**47,407**
Movement in listed investments at fair value		
Opening fair value	47,407	42,140
(Decline)/Gain in value	(1,756)	5,267
Closing fair value	**45,651**	**47,407**

	Consolidated	
	2019 $	2018 $

NOTE 8: OTHER FINANCIAL ASSETS (continued)

Movement in security bonds		
Opening value	8,951,680	9,053,319
Security bond refunded	-	(100,000)
Security bond written off	(7,000)	(1,639)
Closing value	**8,944,680**	**8,951,680**

Listed investments at fair value comprise an investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. Movements in the value of listed investments at fair value are recognised in profit or loss.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks with at least 'A' credit rankings. No impairment provisions are recognised for security bonds as they are expected to be fully recoverable.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

Balance at the beginning of the year	13,496,388	13,337,810
Disposal of exploration interest	(5,000,000)	-
Exploration expenditure incurred	5,176,672	3,803,888
Increase in associated restoration provision (Note 12)	212,556	158,578
Exploration expenditure expensed	(5,176,672)	(3,803,888)
Balance at the end of the year	**8,708,944**	**13,496,388**

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

During the year, the Burkina Faso exploration interests were sold for $10,000,000 with the disposal of the remaining shares held in the holding companies detailed in Note 19. The $5,000,000 value of these exploration interests is deducted from the balance of capitalised exploration and evaluation expenditure. There was $200,000 in disposal costs associated with the transaction resulting in the $4,800,000 gain on this disposal is recognised in profit or loss.

The remaining balance of capitalised exploration and evaluation expenditure at 30 June 2019 of $8,708,944 relates solely to the Honeymoon Uranium Project.

NOTE 10: TRADE AND OTHER PAYABLES

Trade payables	438,825	151,815
Accrued expenditure	68,335	104,091
Interest payable	307,150	232,677
	814,310	**488,583**

All payables are on industry standard payment terms.

	Consolidated	
	2019	2018
	$	$

NOTE 11: BORROWINGS

Current borrowings

Promissory notes	4,000,000	-
	4,000,000	**-**

Non-current borrowings

Promissory notes	-	4,000,000
	-	**4,000,000**

During the financial year ended 30 June 2016, two promissory notes were issued by the Company, for $3,000,000 and $4,000,000, to the vendor of the Honeymoon Project on behalf of Boss Energy Pty Ltd (Boss Energy) to enable Boss Energy to partially repay loans owning to the vendor of the Honeymoon Project. The $3,000,000 promissory note was repaid during the year ended 30 June 2018. Repayment of the remaining $4,000,000 promissory note is due on the earliest of: any change in control of the Company; any sale of the Honeymoon Project; or at the longstop date of 30 November 2019.

At 30 June 2019, the face value of the $4,000,000 promissory note is recognised as a current borrowing and the accrued interest payable of $307,150 (2018: $232,677) is included in the balance of current trade and other payables. Interest on these promissory notes accrues daily on the principal, at interest rates equal to the bank interest rates paid on performance bonds over the Honeymoon Project.

The promissory notes are secured by a charge in favour of the noteholder over all current and future assets of the Company and the vendor can transfer these notes, on the consent of the Company, which consent must not be unreasonably withheld.

NOTE 12: NON-CURRENT PROVISIONS

Restoration provision	8,716,930	8,504,374
	8,716,930	**8,504,374**
Movement in restoration provision		
Opening carrying amount at the start of the period	8,504,374	8,345,796
Increase in restoration provision (Note 9)	212,556	158,578
Closing carrying amount at the end of the period	**8,716,930**	**8,504,374**

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location.

	Consolidated	
	2019	2018
	$	$

NOTE 13: ISSUED CAPITAL

a. Movements in issued capital

Issued Capital – share options issued for cash	1,000	-
Issued Capital - fully paid ordinary shares	79,131,493	79,081,215
Issued Capital - fully paid ordinary shares	**79,132,493**	**79,081,215**

2019	**Number**	**$**
Ordinary Shares		
Balance at 1 July 2018	1,574,403,008	79,081,215
Share issue – 27 August 2018 at $0.02 per share on exercise of Options	10,000,000	200,000
Share issue costs	-	(149,722)
Balance at 30 June 2019	**1,584,403,008**	**79,131,493**

2018		
Ordinary Shares		
Balance at 1 July 2017	1,012,402,908	56,209,988
Share issue – 11 August 2017 at $0.05 per share	60,000,000	3,000,000
Share issue – 31 August 2017 at $0.05 per share	100	5
Share issue – 19 March at $0.042 per share (Note 19b)	300,000,000	12,600,000
Share issue – 4 April 2018 at $0.04 per share	200,000,000	8,000,000
Share issue – 27 April 2018 on vesting of Performance Rights (Note 25)	2,000,000	-
Share issue costs	-	(728,778)
Balance at 30 June 2018	**1,574,403,008**	**79,081,215**

Ordinary shareholders participate in dividends and the proceeds in winding up of the parent entity in proportion to the shares held.

b. Capital Risk Management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The Company does not have a defined share buy-back plan. No dividends were paid or declared in the years ending 2019 and 2018. The Group is not subject to any externally imposed capital requirements.

	Consolidated	
	2019	2018
	$	$
NOTE 14: RESERVES		
Options reserve	9,702,390	9,312,312
	9,702,390	**9,312,312**

Options reserve	**Number of Options**	**$**
2019		
Balance at 1 July 2018	55,500,000	9,312,312
Exercise of options	(10,000,000)	-
Recognition of Performance Rights expense over vesting period	-	242,778
Options issued for capital raising services that vested immediately	10,000,000	147,300
Balance at 30 June 2019	**55,500,000**	**9,702,390**
2018		
Balance at 1 July 2017	40,000,000	8,899,544
Options issued under ESOP that vested immediately	15,500,000	176,220
Recognition of Performance Rights over vesting period	-	318,559
Cancellation of previously recognised Performance Rights expense	-	(82,011)
Balance at 30 June 2018	**55,500,000**	**9,312,312**

The options reserve represents the charge for outstanding options and Performance Rights which have met all conditions precedent to vest, but which have not been exercised.

The charge for options issued for capital raising services has been recognised in share issue costs for the year and have not been expensed. As such, only $242,778 has been recognised through the profit and loss.

NOTE 15: ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	(71,490,763)	(52,484,360)
Loss after income tax expense for the year that is attributable to members of Boss Resources Limited	(1,221,691)	(4,685,079)
Acquisition of balance of non-controlling interest (Note 19b)	-	(14,321,324)
Accumulated losses at the end of the year	**(72,712,454)**	**(71,490,763)**

NOTE 16: NON-CONTROLLING INTEREST

Non-controlling interest at the beginning of the year	-	(1,046,448)
Loss of subsidiary attributable to non-controlling interest	-	(674,876)
Acquisition of balance of non-controlling interest (Note 19b)	-	1,721,324
Non-controlling interest at the end of the year	**-**	**-**

NOTE 17: CASHFLOW INFORMATION

a. Reconciliation of net cash used in operating activities with loss after income tax

For the purpose of the statement of cash flows, cash includes cash on hand and at bank and deposits. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

	Consolidated	
	2019	2018
	$	$
Cash at bank and on hand	**10,582,381**	**6,961,345**
Reconciliation of loss after related income tax to net cash used in operating activities:		
Operating loss	(1,221,691)	(5,359,955)
Adjustments for:		
Depreciation	122,682	121,519
Reversal of impaired receivables	-	(15,586)
Write off of security bond	7,000	-
(Gain on)/ decline in value of investment	1,756	(20,853)
Exchange differences	12,236	30,360
Share based payment expense	242,778	412,768
Gain on disposal of exploration interests	(4,800,000)	-
Gain on disposal of fixed assets	(4,140)	(8,517)
Net changes in working capital:		
Provisions	10,795	23,515
Payables	296,645	(476,253)
Receivables	(1,070,003)	32,226
Other assets	(28,822)	(8,431)
Net cash used in operating activities	**(6,430,764)**	**(5,269,207)**

b. Non-cash Financing and Investing Activities

During 2019, the Company sold all of its shares held in Boss Minerals Pty Ltd and Askia Gold Pty Ltd (and their subsidiaries) to Teranga Gold (Australia) Pty Ltd, for consideration of $10,000,000 less disposal costs of $200,000.

NOTE 18: LOSS PER SHARE

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

Loss for the year attributable to members of the Company	(1,221,691)	(4,685,079)
	Number	**Number**
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share	1,582,813,967	1,198,178,333

NOTE 19: DETAILS OF CONTROLLED ENTITIES

a. Information about Principal Subsidiaries

	Country of Incorporation	Percentage Owned %	
		2019	2018
Parent Entity:			
Boss Resources Limited	Australia		
Subsidiaries of Boss Resources Limited:			
Wattle Mining Pty Ltd	Australia	100	100
Boss Energy Pty Ltd	Australia	100	100
Boss Uranium Pty Ltd	Australia	100	100
Askia Gold Pty Ltd*	Australia	-	49
Boss Minerals Pty Ltd*	Australia	-	49
Boss Resources Sweden Pty Ltd	Australia	100	100
Subsidiary of Askia Gold Pty Ltd:			
Boss Gold SARL (formerly Askia Gold SARL)*	Burkina Faso	-	49
Subsidiary of Boss Minerals Pty Ltd:			
Boss Minerals SARL*	Burkina Faso	-	49

** During 2019, the Company sold all of its shares held in Boss Minerals Pty Ltd and Askia Gold Pty Ltd (and their subsidiaries) to Teranga Gold (Australia) Pty Ltd, for consideration of A$10 million cash.*

There have been no other movements in percentage ownership or costs of controlled entities during 2019.

b. Acquisition of Non-controlling Interests

On 19 March 2018, following shareholder approval on 28 February 2018, the Company issued 300,000,000 shares for the acquisition of Wattle. These shares were valued at $0.042 each, being the fair value on 19 March 2018 based on the closing share price on the ASX, for a total value of $12,600,000 as disclosed in Note 13a. This value of $12,600,000 plus the recognised minority interest proportion of accumulated losses at transaction date of $1,721,324 totals $14,321,324, which was recognised in accumulated losses in 2018 as shown in Note 15.

NOTE 20: KEY MANAGEMENT PERSONNEL

Compensation of Key Management Personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's Key Management Personnel For the Year Ended 30 June 2019.

	Consolidated	
	2019 $	2018 $
Short term employment benefit	578,258	595,494
Other benefits	26,425	28,575
Share based payments	242,778	337,594
	847,461	**961,663**

NOTE 21: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The contingent liabilities of the Group to the vendor of the Honeymoon Uranium Project, Uranium One Inc, are:

- $2 million payable in cash and/or shares upon either 90 days of continuous production of uranium or by 30 November 2020, whichever is the later.
- 10% of positive annual net operating cash flow in the production of uranium, provided the aggregate of all such yearly payments does not exceed $3 million in total.

The contingent assets of the Group are:

- Boss Uranium has agreed to potentially sell up to 1.3 million pounds of uranium oxide (U_3O_8) to a United States customer, calculated as at least 20% of each prior quarter's production up to a total of 250,000 pounds per year. The price is to be determined based on future market prices.

NOTE 22: COMMITMENTS

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial statements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended. The expected minimum expenditure commitments on the tenements are:

	Consolidated	
	2019	**2018**
	$	**$**
Exploration expenditure		
Less than 12 months	750,000	904,000
12 months to 5 years	2,000,000	217,068
	2,750,000	**1,121,068**
Administration Services and serviced office		
Less than 12 months	96,000	96,000
12 months to 5 years	-	-
	96,000	**96,000**
Operating lease commitment		
Less than 12 months	52,992	120,694
12 months to 5 years	-	155,272
	52,992	**275,966**
Executive services commitment		
Less than 12 months	167,920	150,578
12 months to 5 years	-	-
	167,920	**150,578**

NOTE 23: SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The Group's operations in 2019 were managed in Australia and involved exploration of its mineral interests. During the year, assets were located in Australia (Uranium) and Burkina Faso (Gold) however these Burkina Faso assets were sold in October 2018. Segment assets are allocated to countries based on where the assets are located.

GOLD

The Group had farmed out tenements considered prospective for gold which were sold in October 2018. No income was derived from the recovery of gold during the year (2018: Nil).

URANIUM

The Group conducted exploration and feasibility studies upon tenements considered prospective for uranium. No income was derived from the recovery of uranium during the year (2018: Nil).

SEGMENT INFORMATION

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2019 and 30 June 2018 are as follows:

Consolidated	**Gold**	**Uranium**	**Corporate**	**Total**
2019	**$**	**$**	**$**	**$**
Revenue				
Other revenues from external customers	-	-	-	-
Total segment revenue	-	-	-	-
Segment result	4,800,000	(5,263,044)	(758,647)	(1,221,691)
Interest revenue	-	182,535	200,862	383,397
Depreciation	-	(118,392)	(4,290)	(122,682)
Assets and Liabilities				
Segment assets				
Exploration and evaluation expenditure	-	8,708,944	-	8,708,944
Plant and equipment	-	170,467	7,139	177,606
Cash and cash equivalents	-	8,864,928	1,663,453	10,528,381
Other assets	-	15,054	22,199	37,253
Trade and other receivables	-	4,942	1,249,268	1,254,210
Other financial assets	-	8,842,380	147,951	8,990,331
Total assets as per Statement of Financial Position	-	26,606,715	3,090,010	29,696,725
Segment liabilities				
Trade and other payables	-	(44,169)	(770,141)	(814,310)
Employee benefits	-	-	(43,056)	(43,056)
Current borrowings	-	(4,000,000)	-	(4,000,000)
Non-current provisions	-	(8,716,930)	-	(8,716,930)
Total liabilities as per Statement of Financial Position	-	(12,761,099)	(813,197)	(13,574,296)

NOTE 23: SEGMENT REPORTING (continued)

Consolidated 2018	Gold $	Uranium $	Corporate $	Total $
Revenue				
Other revenues from external customers	-	-	-	-
Total segment revenue	-	-	-	-
Segment result	-	(3,946,086)	(1,413,869)	(5,359,955)
Interest revenue	-	185,227	73,494	258,721
Depreciation	-	(116,509)	(5,010)	(121,519)
Assets and Liabilities				
Segment assets				
Exploration and evaluation expenditure	5,000,000	8,496,388	-	13,496,388
Plant and equipment	-	267,096	11,428	278,524
Cash and cash equivalents	-	20,731	6,940,614	6,961,345
Other assets	-	-	8,431	8,431
Trade and other receivables	-	67,447	116,760	184,207
Other financial assets	-	8,842,380	156,707	8,999,087
Total assets as per Statement of Financial Position	5,000,000	17,694,042	7,233,940	29,927,982
Segment liabilities				
Trade and other payables	-	(63,674)	(424,909)	(488,583)
Employee benefits	-	-	(32,261)	(32,261)
Non-current borrowings	-	(4,000,000)	-	(4,000,000)
Non-current provisions	-	(8,504,374)	-	(8,504,374)
Total liabilities as per Statement of Financial Position	-	(12,568,048)	(457,170)	(13,025,218)

	Consolidated	
	2019 $	2018 $
NOTE 24: AUDITORS' REMUNERATION		
The auditor of Boss Resources Limited is RSM Australia Partners.		
Amounts, received or due and receivable by RSM Australia Partners for:		
Auditing or review services	31,500	38,500
Research and Development tax incentive services	-	11,520

NOTE 25: SHARE-BASED PAYMENTS

a. Value of share-based payments in the financial statements

Share based payments for employees expensed	242,778	412,768
Options issued for capital raising services	147,300	-
	390,078	412,768

NOTE 25: SHARE-BASED PAYMENTS (continued)

Set out below are the summaries of Options and Performance Rights granted as share based payments:

Options – 2019

Grant Date	Expiry Date	Ex. Price	Balance 01/07/18	Granted during the year	Exercised during the year	Balance 30/06/19	Number vested and exercisable
1/09/15	31/08/18	0.020	10,000,000	-	10,000,000	-	-
9/01/17	9/01/20	0.065	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.080	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.095	10,000,000	-	-	10,000,000	10,000,000
19/03/18	19/03/20	0.065	3,500,000	-	-	3,500,000	3,500,000
19/03/18	19/03/20	0.080	6,000,000	-	-	6,000,000	6,000,000
19/03/18	19/03/20	0.095	6,000,000	-	-	6,000,000	6,000,000
21/03/18	31/12/21	0.060	-	5,000,000	-	5,000,000	5,000,000
21/03/18	31/12/21	0.070	-	5,000,000	-	5,000,000	5,000,000
			55,500,000	10,000,000	10,000,000	55,500,000	55,500,000
Weighted average exercise price			$0.0699	$0.065	$0.020	$0.078	$0.078

Options – 2018

Grant Date	Expiry Date	Ex. Price	Balance 01/07/17	Granted during the year	Exercised during the year	Balance 30/06/18	Number vested and exercisable
1/09/15	31/08/18	0.020	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.065	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.080	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.095	10,000,000	-	-	10,000,000	10,000,000
19/03/18	19/03/20	0.065	-	3,500,000	-	3,500,000	3,500,000
19/03/18	19/03/20	0.080	-	6,000,000	-	6,000,000	6,000,000
19/03/18	19/03/20	0.095	-	6,000,000	-	6,000,000	6,000,000
			40,000,000	15,500,000	-	55,500,000	55,500,000
Weighted average exercise price			$0.065	$0.0824	-	$0.0699	$0.0699

Performance Rights – 2019

Grant Date	Expiry Date	Balance 01/07/18	Granted during the year	Converted during the year	Balance 30/06/19
17/11/15	17/11/20	33,333,333	-	-	33,333,333
16/08/16	25/08/21	14,000,000	-	-	14,000,000
		47,333,333	-	-	47,333,333

NOTE 25: SHARE-BASED PAYMENTS (continued)

Performance Rights – 2018

Grant Date	Expiry Date	Balance 01/07/17	Granted during the year	Vested during the year	Cancelled/ replaced with Options	Balance 30/06/18
17/11/15	17/11/20	39,999,999	-	-	6,666,666	33,333,333
16/08/16	25/08/21	16,000,000	-	2,000,000	-	14,000,000
		55,999,999		2,000,000	6,666,666	47,333,333

On 17 November 2015, 30,000,000 Performance Rights were issued to Mr Williams and 9,999,999 Performance Rights were issued to Dr Abzalov. These Performance Rights are due to expire 5 years from their issue date on 17 November 2020. On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration.

The outstanding Performance Rights issued to Mr Williams will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Tranche 2 Performance Rights	Announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Tranche 3 Performance Rights	Announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000

The outstanding Performance Rights issued to Dr Abzalov will vest on meeting the following performance condition before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's Shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,333,333

Dr Abzalov's Tranche 2 and Tranche 3 Performance Rights were cancelled on 19 March 2018, and replaced with share options.

These Performance Rights were valued at their issue dates at $855,800 for Mr Williams and $284,333 for Dr Abzalov for a total value of $1,140,133. An expense of $115,873 for Mr Williams has been recognised during 2019 (2018: $115,873) as these Performance Rights are expensed over the expected vesting periods.

NOTE 25: SHARE-BASED PAYMENTS (continued)

On 25 August 2016, 18,000,000 Performance Rights were issued to Mr Hohnen. The outstanding Performance Rights issued to Mr Hohnen will vest on meeting the following performance condition before the expiry date:

Tranche	Milestone	Number
Tranche 3 Performance Rights	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Tranche 4 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,000,000
Tranche 5 Performance Rights	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

In addition to the above outstanding Performance Rights, Mr Hohnen's 2,000,000 Tranche 1 Performance Rights vested and converted to shares on 2 June 2017 after completion of 12 months of service. Mr Hohnen's 2,000,000 Tranche 2 Performance Rights vested and converted to shares on 27 April 2018 after completion of 24 months of service. These Performance Rights were valued at their issue dates at $1,038,000. An expense of $126,905 has been recognised during 2019 (2018: $183,215) as these Performance Rights are expensed over expected vesting periods. Performance Rights were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions as detailed in this table. The expected vesting period for each Performance Right for performance-based vesting conditions is the period until expiry of the performance right.

Recipient	Tranche	Grant date	Expiry date	Balance outstanding at 30 June 2019	Share price at grant date ($)	Discount applied to share price at grant date to reflect market based vesting condition	Value per Performance Right ($)
Mr Williams	1	17/11/15	17/11/20	10,000,000	0.029	4.89%	0.02758
Mr Williams	2	17/11/15	17/11/20	10,000,000	0.029	-	0.02900
Mr Williams	3	17/11/15	17/11/20	10,000,000	0.029	-	0.02900
Dr Abzalov	1	17/11/15	17/11/20	3,333,333	0.029	5.85%	0.02730
Mr Hohnen	3	16/08/16	16/08/21	3,000,000	0.058	-	0.05800
Mr Hohnen	4	16/08/16	16/08/21	3,000,000	0.058	3.44%	0.05600
Mr Hohnen	5	16/08/16	16/08/21	8,000,000	0.058	-	0.05800

Fair values of share options are determined using the Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	09/01/17	09/01/17	09/01/17
Expiry date	09/01/20	09/01/20	09/01/20
Dividend yield (%)	-	-	-
Expected volatility (%)	97%	97%	97%
Risk-free interest rate (%)	1.98%	1.98%	1.98%
Expected life of options (years)	3.00	3.00	3.00
Underlying share price ($)	0.057	0.057	0.057
Option exercise price ($)	$0.065	$0.08	$0.095
Value of option ($)	0.0333	0.0309	0.0288
Payment received per option ($)	-	-	-
Number of options issued	10,00,000	10,00,000	10,00,000

NOTE 25: SHARE-BASED PAYMENTS (continued)

Grant date	19/03/18	19/03/18	19/03/18	21/03/18	21/03/18
Expiry date	19/03/21	19/03/21	19/03/21	31/12/21	31/12/21
Dividend yield (%)	-	-	-	-	-
Expected volatility (%)	66%	66%	66%	66%	66%
Risk-free interest rate (%)	2.065%	2.065%	2.065%	2.26%	2.26%
Expected life of options (years)	3.00	3.00	3.00	3.93	3.93
Underlying share price ($)	0.042	0.042	0.042	0.039	0.039
Option exercise price ($)	$0.065	$0.08	$0.095	$0.06	$0.07
Value of option ($)	0.0138	0.0115	0.0098	0.01558	0.01408
Payment received per option ($)	-	-	-	$0.0001	$0.0001
Number of options issued	3,500,000	6,000,000	6,000,000	5,000,000	5,000,000

The two tranches of 5 million options were issued on 31 December 2018 and were in consideration for capital raising services provided during March 2018.

b. Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options outstanding as at 30 June 2019 was 1.2 years (2018: 1.6 years). The weighted average remaining contractual life of Performance Rights that were outstanding as at 30 June 2019 was 1.6 years (2018: 2.6 years).

c. Weighted average fair value

The weighted average fair value of options outstanding as at 30 June 2019 was $0.023 (2018: $0.023). The weighted average fair value of Performance Rights outstanding as at 30 June 2019 was $0.038 (2018: $0.038).

NOTE 26: FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, available for sale financial assets, trade and other receivables and trade and other payables.

The Group manages its exposure to key financial risks, including interest rate, liquidity and credit risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

NOTE 26: FINANCIAL INSTRUMENTS (continued)

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

The totals of each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated 2019 $	Consolidated 2018 $
Financial Assets			
Cash and cash equivalents	4	10,528,381	6,961,345
Trade and other receivables	5	1,254,210	184,207
Other assets	8	8,944,680	8,951,680
Financial assets at fair value through profit or loss (listed investments)	8	45,651	47,407
Total Financial Assets		**20,772,922**	**16,144,639**
Financial Liabilities			
Trade and other payables	10	814,310	488,583
Current borrowings	11	4,000,000	-
Non-current borrowings	11	-	4,000,000
Total Financial Liabilities		**4,814,310**	**4,488,583**

Risk exposures and responses

i. Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2019	Floating Interest Rate	Fixed Interest Rate 1 Year or Less	Fixed Interest Rate 1 to 5 Years	Non-Interest Bearing	Total	Weighted Effective Interest Rate
	$	$	$	$	$	
Financial Assets						
Cash	1,685,936	8,842,380	-	65	10,528,381	1.70%
Trade and other receivables	-	-	-	1,254,210	1,254,210	NA
Other financial assets	-	8,944,680	-	45,651	8,990,331	1.07%
Total Financial Assets	**1,685,936**	**17,787,060**	**-**	**1,299,926**	**20,772,922**	**1.32%**
Financial Liabilities						
Trade and other payables	6,938	-	-	807,372	814,310	0.00%
Current borrowings	-	4,000,000	-	-	4,000,000	1.06%
Total Financial Liabilities	**6,938**	**4,000,000**	**-**	**807,372**	**4,814,310**	**0.88%**

NOTE 26: FINANCIAL INSTRUMENTS (continued)

2018	Floating Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total	Weighted Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	$	$	$	$	$	
Financial Assets						
Cash	313,049	6,600,000	-	48,296	6,691,345	2.46%
Trade and other receivables	-	-	-	184,207	184,207	NA
Other financial assets	-	8,951,680	-	47,407	8,999,087	2.41%
Total Financial Assets	**313,049**	**15,551,680**	**-**	**279,910**	**16,144,639**	**2.40%**
Financial Liabilities						
Trade and other payables	8,492	-	-	479,641	488,583	0.00%
Non-current borrowings	-	-	4,000,000	-	4,000,000	2.42%
Total Financial Liabilities	**8,492**	**-**	**4,000,000**	**479,641**	**4,488,583**	**2.16%**

ii. Sensitivity Analysis

As at 30 June 2019, if interest rates had changed by -/+75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $115,995 lower/higher (2018 - $88,918 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

iii. Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate access to funds are maintained.

iv. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments.

Fair value hierarchy

The following tables detail the Groups assets and liabilities, measured or disclosed at fair value using a three level hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2019	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets:				
Fair value through profit or loss:				
Listed investments	45,651	-	-	45,651

2018

Financial assets:				
Available-for-sale financial assets:				
Listed investments	47,407	-	-	47,407

NOTE 26: FINANCIAL INSTRUMENTS (continued)

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the last trade price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

NOTE 27: PARENT ENTITY DISCLOSURES

	2019	2018
Statement of Financial Position	**$**	**$**
Assets		
Current assets	2,934,919	7,065,804
Non-current assets	45,431,467	36,387,372
Total assets	**48,366,386**	**43,453,176**
Liabilities		
Current liabilities	4,813,197	457,170
Non-current liabilities	-	4,000,000
Total liabilities	**4,813,197**	**4,457,170**
Equity		
Issued capital	79,132,493	79,081,215
Reserves	9,702,390	9,312,312
Accumulated losses	(45,281,694)	(49,397,521)
Total equity	**43,553,189**	**38,996,006**
Statement of Profit or Loss and Other Comprehensive Income		
Profit/(loss) for the year	4,115,827	(1,098,954)
Total comprehensive loss for the year	**(4,115,827)**	**(1,098,954)**

Guarantees

Boss Resources Limited has not entered into any guarantees in the current or previous financial year in relation to the debts of its subsidiaries.

Other Commitments and Contingencies

Boss Resources Limited has no commitments to acquire property, plant and equipment and has no contingent liabilities other than those already disclosed in the notes to the financial statements.

NOTE 28: RELATED PARTY TRANSACTIONS

Konkera Corporate Pty Ltd (Konkera) received $120,000 (2018: $120,000) during the year for the provision of bookkeeping, financial and management accounting, geological drafting and administration services. At 30 June 2019, the Group had no creditor balances payable to Konkera. Konkera is a related party of Non-Executive Director, Evan Cranston.

Kingslane Pty Ltd and associated entities (Kingslane) received $72,000 (2018: $72,000) during the year for office rent. At 30 June 2019, the Group had no creditor balances payable to Kingslane. Kingslane is a related party of Non-Executive Director, Evan Cranston.

During the year 10,000,000 unquoted options were exercised by Carbine Resources Ltd (Carbine) at an exercise price of $0.02 each. These unquoted options were issued to Carbine in September 2015 in consideration for the provision of a guarantee over the initial cash payment for the acquisition of the Honeymoon Uranium Project by Boss. Carbine is a related party of Non-Executive Director, Evan Cranston, and Company Secretary/CFO, Mathew O'Hara.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 29: EVENTS SUBSEQUENT TO BALANCE DATE

On 15 September 2019, Mr Bryn Jones' appointment as Executive Director became effective.

On 17 September 2019, the Company received a Research and Development tax rebate of $1,144,969 in relation to the financial year ended 30 June 2018.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Mark Hohnen
Chairman

DATED at PERTH this 26th day of September 2019

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOSS RESOURCES LIMITED

Opinion

We have audited the financial report of Boss Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 30 June 2019, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
Exploration and evaluation expenditure Refer to Note 9 in the financial statements	
The Group has capitalised exploration and evaluation expenditure with a carrying value of $8,708,944 at the reporting date. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the assets including: • Determination of whether the exploration and evaluation expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; and • Assessing whether any indicators of impairment are present at the reporting date.	Our audit procedures included: • Ensuring that the right to tenure of the area of interest is current; • Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest; • Ensuring the cost of the area of interest that was disposed during the year was deducted from capitalised exploration and evaluation expenditure and the resulting gain was calculated and recorded correctly in profit or loss; • Enquiring with management and reviewing budgets to test that the Group will incur substantive expenditure for each area of interest in the future; • Through discussions with the management and review of the Board Minutes, ASX announcements and other relevant documentation, assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined; and • Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019 but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Boss Resources Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 26 September 2019

Corporate Governance

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition). The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the principles and recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2019.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's Report.

The independent Directors of the Company are Mr Mark Hohnen and Mr Peter Williams.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

Diversity Policy

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people.

Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.

The Company's strategies are to:

1. recruit and manage on the basis of an individual's competence, qualification and performance;
2. create a culture that embraces diversity and that rewards people to act in accordance with this policy;
3. appreciate and respect the unique aspects that individual brings to the workplace;
4. foster an inclusive and supportive culture to enable people to develop to their full potential;
5. identify factors to be taken into account in the employee selection process to ensure we have the right person for the right job;
6. take action to prevent and stop discrimination, bullying and harassment; and
7. recognise that employees at all levels of the Company may have domestic responsibilities.

The Board is accountable for ensuring this policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved.

Compliance with ASX Recommendations

Recommendation	Boss Resources Limited Current Practice
1.1 A listed entity should disclose: (a) The respective roles and responsibilities of its board and management; and (b) Those matters expressly reserved to the board and those delegated to management.	The Company's Board Charter sets out the roles and responsibilities of the Board and Management. It is available for review at www.bossresources.com.au.
1.2 A listed entity should: (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) Provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	The Company has implemented a policy of undertaking police and bankruptcy checks on all directors before appointment or putting to shareholders for election. The Company provides all relevant information on all directors in its annual report and on its website.
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their employment.	The Company requires that a detailed letter of appointment or employment contract is agreed with each director and employee prior to the commencement of duties.
1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	The Company's organisation chart reflects the position of the Company Secretary within the Company structure.
1.5 A listed entity should: (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) Disclose that policy or a summary of it; and (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: i. The respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or ii. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	The Company has adopted a formal Diversity Policy, a summary of which is provided above. As at 30 June 2019: • The Board comprised four members, all of whom were male. • The senior executives comprised eight people, six of whom were male and two female. • The whole organisation comprises twelve people, nine of whom are male and three female.
1.6 A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Board Performance Evaluation Policy is available at www.bossresources.com.au. During the reporting period, the Board collectively assessed their respective roles and contributions to the Company and determined they were appropriate.

1.7	A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Board constantly assesses the performance of the Managing Director, the Company Secretary and other Key Management Personnel during the course of the year.
2.1	The board of a listed entity should: (a) Have a nomination committee which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or (b) If it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	The Board consider that given the current size of the Board and the Company, this function is efficiently achieved with full Board participation and by the Remuneration Committee. Accordingly, the Board has not established a separate nomination committee. The Board has adopted a Nomination Committee Charter by which it abides. The charter is available at the Company's website www.bossresources.com.au
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	The Board Charter which is available at www.bossresources.com.au incorporates a set of skills and abilities that are desirable for the composition of the Board. The Board is satisfied that it currently possesses an appropriate mix of desired skills in the areas of geology, exploration, mining, commerce, the uranium industry and finance to act effectively.
2.3	A listed entity should disclose: (a) The names of the directors considered by the board to be independent directors; (b) If a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) The length of service of each director.	The Company considers that both Mark Hohnen and Peter Williams are the only independent director on the Board due to the other directors acting, or having acted, in an executive capacity in the last three years. The Company discloses the length of service for each director in the Director's Report of its annual report.
2.4	A majority of the board of a listed entity should be independent directors.	As there are two independent directors on the Board, the Company does not comply with this recommendation. However, the Directors are of the opinion that each Director will act in the best interests of the Company and shareholders.

2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The Company complies with this recommendation.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively.	The Company has an induction program for all new directors to appropriately familiarise them with the policies and procedures of the Company. The Company encourages and facilitates all Directors to develop their skills, including with the provision of in-house seminars to maintain compliance in areas such as risk and disclosure.
3.1	A listed entity should: (a) Have a code of conduct for its directors, senior executives and employees; and (b) Disclose that code or a summary of it.	The Company's Code of Conduct is available at www.bossresources.com.au.
4.1	The board of a listed entity should: (a) Have an audit committee which: i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and ii. is chaired by an independent director, who is not the chair of the board; and disclose: iii. the charter of the committee; iv. the relevant qualifications and experience of the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or (b) If it does not have an audit committee, disclose the fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	The Company has an Audit Committee which is not chaired by the chair of the Board, however, due to the chair having previously been employed as an executive of the Company, cannot be deemed to be independent. The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee. The Board has adopted a formal policy regarding the appointment, removal and rotation of the Company's external auditor and audit partner.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal controls which is operating effectively.	The Board receives a section 295A declaration from the equivalent of the CEO and CFO for each quarterly, half yearly and full year report in advance of approval of these reports.
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	The Company's auditor is required to attend the Company's AGM and is available to answer questions relevant to the audit.

5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	The Board has adopted a formal Continuous Disclosure Policy to ensure compliance with the ASX Listing Rules. The Policy is available at www.bossresources.com.au.
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Company complies with this recommendation and all relevant information can be found at www.bossresources.com.au.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company has developed a Shareholder Communications Strategy to ensure all relevant information is identified and reported accordingly.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	The Company encourages all shareholders to attend General Meetings of the Company via its notices of meeting, and in the event they cannot attend, to participate by recording their votes. The Company has implemented an online voting system to further encourage participation by shareholders.
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	The Company and its share registry actively encourage electronic communication. All new shareholders are issued with a letter encouraging the registration of electronic contact methods.
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings: or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	The Board has a Compliance Committee to undertake the risk management role. The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	The Board reviews its risk management strategy annually.

7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	The Company is not of the size or scale to warrant the cost of an internal audit function. This function is undertaken by the Board as a whole via the regular and consistent reporting in all risk areas.
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	The Company does not currently have any material exposure to any economic, environmental and social sustainability risks.
8.1	The board of a listed entity should: (a) have a remuneration committee which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	The Board has a Remuneration Committee which is not chaired by the chair of the Company, however, due to the chair having previously been employed as an executive of the Company, cannot be deemed to be independent. The Board considers industry peers when evaluating the remuneration for all directors and executives. The Board is cognisant of the fact that it wishes to attract and retain the best people, and considers strategies other than monetary to balance the need for the best people and the financial position of the Company.
8.2	A listed entity should separately disclose its policies and practises regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Company discloses is policies on remuneration in the Remuneration Report set out in its Annual Report.
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	The Company recognises that Directors, executives and employees may hold securities in the Company and that most investors are encouraged by these holdings. The Company's Securities Trading Policy (available at www.bossresources.com.au) explains and reinforces the Corporations Act 2001 requirements relating to insider trading. The Policy applies to all Directors, executives, employees and consultants and their associates and closely related parties. The Company has an Employee Securities Incentive Plan which has been approved by shareholders. Performance rights and unquoted options have been offered to key personnel under the plan.

Additional Information

Class of Shares and Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

Distribution of Shareholders (as at 24 September 2019)

Spread of Holdings	Number of Holders
1-1,000	101
1,001-5,000	48
5,001 - 10,000	699
10,001 -100,000	1,874
Over 100,001	778
Total	**3,500**

There are 371 holders of unmarketable parcels comprising a total of 1,796,415 ordinary shares.

There are currently no shares subject to voluntary escrow.

There is no current on-market buy back taking place.

Company Secretary

Mathew O'Hara

Registered Office

Suite 23, 513 Hay Street
Subiaco WA 6008
Telephone: (08) 6143 6730

Share Registry

Automic Registry Services
Level 3 50 Holt Street
Surry Hills NSW 2010
Ph: (02) 9698 5414

Substantial Shareholders (as per notices lodged with the ASX)

Name	Number of Shares	%
Paradice Investment Management Pty Ltd	155,411,727	9.81
Tribeca Investment Partners Pty Ltd	150,839,449	9.52
Grant Davey	145,883,333	9.21

Twenty Largest Shareholders (as at 24 September 2019)

	Name	Number of Shares	%
1	HSBC Custody Nominees (Australia) Limited	176,341,378	11.13%
2	Citicorp Nominees Pty Limited	105,292,169	6.65%
3	USB Nominees Pty Ltd	97,255,056	6.14%
4	Mr Antonius Joseph Smit	83,000,000	5.24%
5	Davey Holdings (Aus) Pty Ltd <Burnaford A/C>	80,365,000	5.07%
6	HSBC Custody Nominees (Australia) Limited-GSCO ECA	40,972,930	2.59%
7	BNP Paribas Nominees Pty Ltd <IB Au Noms Retailclient DRP>	36,440,539	2.30%
8	The Purple Bougainvillea Pty Ltd <Williams Family Super A/C>	32,505,979	2.05%
9	Kingslane Pty Ltd <Cranston Superannuation A/C>	31,433,609	1.98%
10	National Nominees Limited	31,000,000	1.96%
11	Davey Holdings (Aus) Pty Ltd <Burnaford A/C>	30,500,000	1.92%
12	Sachem Cove Special Opportunities Fund LP	29,650,000	1.87%
13	JP Morgan Nominees Australia Pty Limited	27,828,815	1.76%
14	Mr James David Taylor	25,700,000	1.62%
15	Davey Holdings (Aus) Pty Ltd <Burnaford A/C>	24,035,000	1.52%
16	BNP Paribas Noms Pty Ltd <DRP>	19,360,667	1.22%
17	McNeil Nominees Pty Limited	17,996,619	1.14%
18	Vynben Pty Ltd <Mark Hohnen Super Fund A/C>	16,666,667	1.05%
19	Epic Feast Pty Ltd	15,833,333	1.00%
20	Morgan Stanley Australia Securities (Nominee) Pty Limited <No 1 Account>	15,571,376	0.98%
	TOTAL	**937,749,137**	**59.19%**

Unquoted Securities (as at 24 September 2019)

Class	Number
Performance rights vest on price of $0.075 for 20 consecutive days expiring 17-Nov-20	10,000,000
Performance rights vest on price of $0.085 for 20 consecutive days expiring 17-Nov- 20	3,333,333
Performance rights vest on discovery of 75,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17-Nov-20	10,000,000
Performance rights vest on discovery of 12,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17-Nov-20	10,000,000
Performance rights vest on price of $0.085 for 20 consecutive days expiring 16-Aug-21	3,000,000
Performance rights vest on facilitation and completion of a capital raising for an amount not less than $5 million expiring 16-Aug-21	3,000,000
Performance rights vest on the successful raising of capital required for the extended plant construction as contemplated by a Board approved DFS expiring 16-Aug-21	8,000,000
Unquoted options exercisable at $0.065 each on or before 9-Jan-20	10,000,000
Unquoted options exercisable at $0.080 each on or before 9-Jan-20	10,000,000
Unquoted options exercisable at $0.095 each on or before 9-Jan-20	10,000,000
Unquoted options exercisable at $0.065 each on or before 19-Mar-21	3,500,000
Unquoted options exercisable at $0.080 each on or before 19-Mar-21	6,000,000
Unquoted options exercisable at $0.095 each on or before 19-Mar-21	6,000,000
Unquoted options exercisable at $0.060 each on or before 31-Dec-21	5,000,000
Unquoted options exercisable at $0.070 each on or before 31-Dec-21	5,000,000
Unquoted options exercisable at $0.065 each on or before 30-Jun-22	5,000,000
Unquoted options exercisable at $0.080 each on or before 30-Jun-22	5,000,000
Unquoted options exercisable at $0.095 each on or before 30-Jun-22	5,000,000

Unquoted Securities >20% Holders (as at 24 September 2019)

Class	Holder	Number	%
Performance rights vest on price of $0.075 for 20 consecutive days expiring 17-Nov-20	Peter Williams	10,000,000	100%
Performance rights vest on price of $0.085 for 20 consecutive days expiring 17-Nov-20	Marat Abzalov	3,333,333	100%
Performance rights vest on discovery of 75,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17-Nov-20	Peter Williams	10,000,000	100%
Performance rights vest on discovery of 12,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17-Nov-20	Peter Williams	10,000,000	100%
Performance rights vest on price of $0.085 for 20 consecutive days expiring 16-Aug-21	Mark Hohnen	3,000,000	100%
Performance rights vesting on completion of a capital raising for an amount not less than $5 million expiring 16-Aug-21	Mark Hohnen	3,000,000	100%
Performance rights vest on the successful raising of capital required for the extended plant construction as contemplated by a Board approved DFS expiring 16-Aug-21	Mark Hohnen	8,000,000	100%
Unquoted options exercisable at $0.065 each on or before 9-Jan-20	Duncan Craib	10,000,000	100%
Unquoted options exercisable at $0.080 each on or before 9-Jan-20	Duncan Craib	10,000,000	100%
Unquoted options exercisable at $0.095 each on or before 9-Jan-20	Duncan Craib	10,000,000	100%
Unquoted options exercisable at $0.065 each on or before 19-Mar-21	Sashi Davies Oonagh Malone	2,500,000 1,000,000	71% 29%
Unquoted options exercisable at $0.080 each on or before 19-Mar-21	Sashi Davies Marat Abzalov	2,500,000 2,500,000	42% 42%
Unquoted options exercisable at $0.095 each on or before 19-Mar-21	Sashi Davies Marat Abzalov	2,500,000 2,500,000	42% 42%
Unquoted options exercisable at $0.06 each on or before 31-Dec-21	TR Nominees	5,000,000	100%
Unquoted options exercisable at $0.07 each on or before 31-Dec-21	TR Nominees	5,000,000	100%
Unquoted options exercisable at $0.065 each on or before 30-Jun-22	Mathew O'Hara Asha Rao	2,500,000 2,500,000	50% 50%
Unquoted options exercisable at $0.080 each on or before 30-Jun-22	Mathew O'Hara Asha Rao	2,500,000 2,500,000	50% 50%
Unquoted options exercisable at $0.095 each on or before 30-Jun-22	Mathew O'Hara Asha Rao	2,500,000 2,500,000	50% 50%

Schedule of Mining Tenements

Tenement Name	Location	Licence Number	Interest
Yarramba	South Australia	EL5621	100%
South Eagle	South Australia	EL6081	100%
Gould's Dam	South Australia	EL5623	100%
Katchiwilleroo	South Australia	EL5622	100%
Ethiudna	South Australia	EL6020	100%
Gould's Dam	South Australia	RL83-85	100%
Honeymoon Mine	South Australia	ML6109	100%