



**ZAMANCO MINERALS LIMITED**

**2020 | ANNUAL REPORT**



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## Directors

Geoffrey Donohue  
Peter McIntyre  
Peter Ironside

## Company Secretary

Peter Ironside

## Registered Office

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## Solicitors

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

## Share Registry

Computershare Investor Services Pty Ltd  
Level 11  
172 St Georges Terrace  
PERTH WA 6000

## Auditor

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

## Bankers

ANZ Bank  
32 St Quentins Avenue  
CLAREMONT WA 6010

Dear Shareholder

Zamanco Minerals Limited is seeking to identify, evaluate and close a transaction of merit capable of becoming its major undertaking.

Several such transactions were considered and evaluated during the 2020 financial year. These opportunities were across a range of sectors.

Zamanco directors undertake the initial "fatal flaws" due diligence on such opportunities at no cost other than travel, accommodation and ancillary expenses. Retention of cash remains a primary objective until a transaction becomes contractual.

Seeking and evaluating transactions of merit remains very active and is ongoing. At the date of this report, the Company is in negotiation/evaluation of two opportunities. Should a transaction be identified/evaluated as containing sufficient merit then Shareholders will be kept fully informed in that regard. This will include adequate disclosure to allow Shareholders to make an informed decision should shareholder approval be required.

As advised previously, ASX delisted Zamanco on 27 September 2019. Whilst this is disappointing, the Company fully intends to seek a relisting on ASX which requires the Company to seek and be granted Shareholder approval at a general meeting for a transaction of merit and to have lodged a prospectus in that regard.

Zamanco, (as a result of being delisted) has recently begun making investments in liquid growth companies listed on ASX. A detailed and collaborative process is adopted in making such investment decisions. The logic to this is to seek better return on assets than term deposits provide.

The Company maintained a sound financial position during the 2020 financial year that should continue to afford it the time and financial resources to conclude a transaction of merit that over time may recover lost and create additional Shareholder value.

On behalf of the board I thank you for your continuing support.

Yours Sincerely



Geoff Donohue  
Chairman

## OVERVIEW

On 27 September 2016, Zamanco's securities were suspended from official quotation as ASX determined that the Company did not have sufficient operations to comply with Listing Rule 12.1.

On 27 September 2019, ASX removed Zamanco from the Official List of ASX under Listing Rule 17.12. The securities of the Company had been suspended from trading for a continuous period of more than 3 years and the removal was undertaken in accordance with the policy set out in section 3.4 of ASX Listing Guidance Note 33 *Removal of entities from the ASX Official List*.

As at 30 June 2020, the Company had \$2.66m in cash, standing it in a sound financial position.

Your Director's submit their report for the year ended 30 June 2020.

## DIRECTORS

The Directors in office at the date of this report and at any time during the year are as follows. Directors were in office for the entire period unless otherwise stated.

Geoffrey Donohue  
Peter McIntyre  
Peter Ironside

## INFORMATION ON DIRECTORS

### **Geoffrey Donohue (B.Com, CPA)**

#### **Chairman and Non-executive Director**

Mr Geoff Donohue has over 30 years' experience at both board and senior management level within public companies and the securities industry.

Mr Donohue holds a Bachelor of Commerce from James Cook University of North Queensland, Graduate Diploma in Financial Analysis from the Securities Institute of Australia and is a Certified Practising Accountant.

*Other Current Directorships of Listed Companies:* Aspermont Limited.

*Former Directorships of Listed Companies in last three years:* None.

### **Peter McIntyre (BSc, MBA, FIEAust)**

#### **Non-executive Director**

Mr Peter McIntyre has been in the mining industry for over 35 years.

As an engineer, he has been involved with the development of a number of major projects, and at a corporate level he has established and steered various companies through their early stages into significant companies.

As the Managing Director, he established Extract Resources Limited and grew the company from a junior explorer to an ASX100 company with a +A\$2B market capitalisation at the time of his departure. Extract's success was founded on the discovery of the world-class Rossing South uranium project in Namibia, which is ranked as one of the largest uranium projects in the world.

He was a founding director of Kalahari Minerals (AIM-listed) and was a non-executive director of Carbon Energy Ltd (an ASX listed company).

Mr McIntyre is a chartered Civil Engineer and a Fellow, Institution of Engineers, Australia. He also completed an MBA program at the Massachusetts Institute of Technology in Boston.

*Other Current Directorships of Listed Companies:* Alligator Energy Limited.

*Former Directorships of Listed Companies in last three years:* None.

### **Peter Ironside (B.Com, CA)**

#### **Non-executive Director and Company Secretary**

Mr Peter Ironside has a Bachelor of Commerce Degree and is a Chartered Accountant and business consultant with over 30 years' experience in the exploration and mining industry. Mr Ironside has a significant level of accounting, financial compliance and corporate governance experience including corporate initiatives and capital raisings. Mr Ironside has been a Director and/or Company Secretary of several ASX listed companies including Integra Mining Limited and Extract Resources Limited (before \$2.18Bn takeover) and is currently a non-executive director of Stavely Minerals Limited.

*Other Current Directorships of Listed Companies:* Stavely Minerals Limited

*Former Directorships of Listed Companies in last three years:* None.

## MEETINGS OF THE COMPANY'S DIRECTORS

There was one meeting of the Company's Directors held during the year ended 30 June 2020 and the attendance by each Director was:

	Meetings Held	Meetings Attended
Geoff Donohue	1	1
Peter McIntyre	1	1
Peter Ironside	1	1

In addition to formal Board Meetings, the Directors held regular discussions throughout the year. Resolutions during the year were passed by a circulating resolution.

## DIRECTORS' SHAREHOLDING INTERESTS

The interest of each Director in the share capital of the Company at the date of this report is as follows:

	Fully Paid Ordinary Shares	
	Direct Interest	Indirect Interest
Geoffrey Donohue	-	11,625,022
Peter McIntyre	-	6,274,930
Peter Ironside	858,950	8,704,666

## EARNINGS PER SHARE

Basic Earnings Per Share was a loss of 0.25 cents (2019: loss of 0.08 cents).

## DIVIDENDS

No dividend has been paid or declared by the Company up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend.

## CORPORATE INFORMATION

### Corporate Structure

Zamanco Minerals Limited is a company limited by shares that is incorporated and domiciled in Australia. Zamanco Minerals Limited had no entities under its control as at year end and the financial report has been prepared on that basis.

### Nature of Operations and Principal Activities

The principal activities of the Company during the financial year were:

- to seek a transaction of merit capable of becoming the major undertaking of the Company.

### Review of Operations

Refer to the Review of Operations preceding this Directors' Report.



## SUMMARY OF FINANCIAL POSITION, ASSET TRANSACTIONS AND CORPORATE ACTIVITIES

A summary of key financial indicators for Zamanco, with prior period comparison, is set out in the following table:

	30 June 2020	30 June 2019
	\$	\$
Cash and cash equivalents held at year end	2,663,464	2,838,956
Net loss for the year after tax	(159,329)	(53,934)
Basic loss per share (cents)	(0.25)	(0.08)
Net cash used in operating activities	(175,492)	(52,472)
Net cash provided by investing activities	-	-

## SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial year ended 30 June 2020.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Zamanco will continue to consider and evaluate transactions of merit capable of becoming the major undertaking of the Company.

## ENVIRONMENTAL REGULATIONS

The Company's environmental obligations are regulated by the laws of the countries in which the Company has its operations. The Company has a policy to either meet or where possible, exceed its environmental obligations. No environmental breaches have been notified by any governmental agency as at the date of this report.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

## EVENTS OCCURRING AFTER THE REPORTING PERIOD

### ASX Listed Share Acquisitions

On 8 July 2020, the Company purchased 550,000 shares in Matador Mining Limited (MZZ) at \$0.28 per share (\$154,000) pursuant to a block trade of shares to sophisticated and professional investors following a Canadian Flow Through Placement.

On 30 July 2020, the Company purchased 78,948 shares in Capricorn Metals Limited (CMM) at \$1.90 per share (\$150,001.20) pursuant to a placement to sophisticated and professional investors.

### COVID-19

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential future impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other matters or circumstances that have arisen since 30 June 2020 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

## SHARES UNDER OPTION

There are no unissued ordinary shares of the Company under option at the date of this report.

## INDEMNIFICATION AND INSURANCE OF OFFICERS

There is no insurance in place at the present time.

## PROCEEDINGS ON BEHALF OF THE COMPANY

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

## AUDITOR'S INDEPENDENCE

The auditor's independence declaration as required by Section 307C of the Corporations Act 2001 for the year ended 30 June 2020 has been received and can be found on page 8.

## AUDITOR

BDO Audit (WA) Pty Ltd continues in office in accordance with Section 327 of the Corporations Act 2001.

## NON-AUDIT SERVICES

The following non-audit services were provided by associated entities of BDO Audit (WA) Pty Ltd. 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. The nature and scope of each type of non-audit service provided means that auditor's independence was not compromised.

Associated entities of BDO Audit (WA) Pty Ltd received or are due to receive the following amounts for the provision of non-audit services:

	2020	2019
	\$	\$
Tax Compliance Services	4,074	2,580
Other	-	220
	4,074	2,800

Refer to note 9 in the financial statements for details of fees paid / payable to the auditor of the Company.

## CORPORATE GOVERNANCE

The directors of the Company support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the Company's website for details of corporate governance policies:

<http://www.zamancominerals.com/about-us/corporate-governance.aspx>

Signed in accordance with a resolution of the Directors.



Geoffrey Donohue  
Chairman  
Perth, Western Australia  
22 September 2020



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Australia

## DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF ZAMANCO MINERALS LIMITED

As lead auditor of Zamanco Minerals Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Dean Just', is written over a light grey rectangular background.

**Dean Just**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth, 22 September 2020

# Statement of Profit or Loss and Other Comprehensive Income

## For the Year Ended 30 June 2020

	Note	Year Ended 30 June 2020 \$	Year Ended 30 June 2019 \$
<b>Revenues</b>			
Interest revenue		27,252	62,552
Other		4,597	5,392
<b>Total revenues</b>		31,849	67,944
<b>Expenses</b>			
Compliance costs		(39,751)	(44,881)
Accommodation & travel costs		(6,856)	(4,466)
Consultants Fees		(12,000)	(11,689)
Legal Fees		(74,173)	(6,952)
Other expenses		(58,398)	(53,890)
<b>Total expenses</b>		(191,178)	(121,878)
<b>Loss before income tax for the year</b>		(159,329)	(53,934)
Income tax expense	2	-	-
<b>Loss after income tax attributable to members of Zamanco Minerals Limited</b>		(159,329)	(53,934)
<b>Other comprehensive income/(loss)</b>			
<i>Items that will be reclassified to profit or loss:</i>			
Exchange difference on translation			-
<b>Other comprehensive loss after income tax</b>		(159,329)	(53,934)
<b>Total comprehensive loss net of tax</b>		(159,329)	(53,934)
<b>Loss per share for the year attributable to the members of Zamanco Minerals Limited</b>			
		<b>Cents</b>	<b>Cents</b>
Basic loss per share	3	(0.25)	(0.08)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# Statement of Financial Position

## As at 30 June 2020

	Note	30 June 2020 \$	30 June 2019 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4(a)	2,663,464	2,838,956
Trade and other receivables	5	9,708	1,813
<b>Total Current Assets</b>		2,673,172	2,840,769
<b>Total Assets</b>		2,673,172	2,840,769
 <b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	20,572	28,840
<b>Total Current Liabilities</b>		20,572	28,840
<b>Total Liabilities</b>		20,572	28,840
 <b>Net Assets</b>		2,652,600	2,811,929
 <b>Equity</b>			
Issued capital	7	10,122,974	10,122,974
Reserves		176	176
Accumulated losses		(7,470,550)	(7,311,221)
Capital and reserves attributable to members of Zamanco Minerals Limited		2,652,600	2,811,929
<b>Total Equity</b>		2,652,600	2,811,929

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

# Statement of Cash Flows

## For the Year Ended 30 June 2020

		Year Ended 30 June 2020	Year Ended 30 June 2019
	Note	\$	\$
<b>Cash flows from operating activities</b>			
Receipts (mostly GST)		20,736	17,753
Interest received		22,540	65,387
Payments to suppliers and employees		(218,768)	(135,612)
<b>Net cash outflows used in operating activities</b>	4(b)	<u>(175,492)</u>	<u>(52,472)</u>
<b>Cash flows from investing activities</b>			
<b>Net cash flows provided by investing activities</b>		<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
<b>Net cash inflows from financing activities</b>		<u>-</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents held</b>		(175,492)	(52,472)
Add opening cash and cash equivalents brought forward		<u>2,838,956</u>	<u>2,891,428</u>
<b>Closing cash and cash equivalents carried forward</b>		<u><u>2,663,464</u></u>	<u><u>2,838,956</u></u>

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

# Statement of Changes in Equity

## For the Year Ended 30 June 2020

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>At 1 July 2018</b>	<b>10,122,974</b>	<b>176</b>	<b>(7,257,287)</b>	<b>2,865,863</b>
Loss for the year	-	-	(53,934)	(53,934)
Total comprehensive income for the year	-	-	(53,934)	(53,934)
<b>Transactions with owners in their capacity as owners:</b>				
Issue of share capital, net of transaction costs	-	-	-	-
Share based payments	-	-	-	-
<b>At 30 June 2019</b>	<b>10,122,974</b>	<b>176</b>	<b>(7,311,221)</b>	<b>2,811,929</b>
Loss for the year	-	-	(159,329)	(159,329)
Total comprehensive income for the year	-	-	(159,329)	(159,329)
<b>Transactions with owners in their capacity as owners:</b>				
Issue of share capital, net of transaction costs	-	-	-	-
Share based payments	-	-	-	-
<b>At 30 June 2020</b>	<b>10,122,974</b>	<b>176</b>	<b>(7,470,550)</b>	<b>2,652,600</b>

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

## NOTE 1: ACCOUNTING POLICIES

### (i) Basis of Accounting

These general purpose financial statements for year ended 30 June 2020 have been prepared in accordance with Corporations Act 2001 and Australian Accounting Standards (including Australian Accounting Interpretations) and authoritative pronouncements of the Australian Accounting Standards Board. These financial statements have been prepared in accordance with the historical costs convention with the exception of investments which have been measured at fair value. Zamanco Minerals Limited is a for-profit entity for the purpose of preparing the financial statements.

The functional currency and presentation currency of Zamanco Minerals Limited is Australian dollars.

The financial report of Zamanco Minerals Limited for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of Directors on 22 September 2020.

### (ii) Statement of Compliance

This financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### (iii) Adoption of New and Revised Standards

#### Early adoption of accounting standards

The Company has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2019.

#### New and amended standards adopted by the Company

The Company has adopted the following new accounting policy for the current reporting period:

- AASB 16 Leases

The new accounting policy is disclosed below. There is no impact on the Company for the year ended 30 June 2020.

#### *AASB 16 Leases*

AASB 16 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months. As the Company has no lease liabilities and right-of-use assets there is no impact on the accounts.

All other standards that are required to be adopted have been.

#### New and amended standards not yet adopted by the Company

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2020 reporting period. The assessment of the impact of these new standards and interpretations that may have an impact on the Company is set out below:

#### *Conceptual Framework for Financial Reporting (Conceptual Framework)*

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the Company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Company's financial statements.

There are no other material new or amended standards not yet adopted by the Company.



## NOTE 1: ACCOUNTING POLICIES - continued

### Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

#### *Coronavirus (COVID-19) Pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. Currently there is no significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

## NOTE 2: INCOME TAX

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

Deferred income tax is provided on all temporary differences in the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised for all taxable temporary differences, except where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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

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

### Goods and Service Tax (GST)

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in Statements of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

## NOTE 2: INCOME TAX - continued

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

	Year ended 30 June 2020	Year ended 30 June 2019
	\$	\$
<b>(a) Income Tax Expense</b>		
The reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable income tax rate is as follows:		
Loss before income tax	(159,329)	(53,934)
Income tax (benefit) @ 30% (2019: 27.5%)	(47,799)	(14,832)
Tax effect of non-deductible items	307	722
Net deferred tax assets not brought to account	47,492	14,110
Income tax attributable to operating loss	-	-
<b>(b) Deferred tax assets and liabilities not recognised relate to the following:</b>		
DTA - Tax losses	333,040	252,092
DTL - Other temporary differences	(3,355)	(1,486)
<b>Net deferred tax assets not recognised</b>	<b>329,685</b>	<b>250,606</b>

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

## NOTE 3: EARNINGS PER SHARE

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

Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

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

	30 June 2020	30 June 2019
	Cents	Cents
(a) Basic earnings per share	(0.25)	(0.08)
Total basic loss per share attributable to members of Zamanco Minerals Limited	(0.25)	(0.08)
(b) Reconciliations of earnings used in calculating earnings per share	\$	\$
Loss attributable to members of Zamanco Minerals Limited used in the calculation of basic loss per share	(159,329)	(53,934)
	(159,329)	(53,934)
(c) Weighted average number of shares used as the denominator	30 June 2020	30 June 2019
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	64,550,000	64,550,000

## NOTE 4: CASH AND CASH EQUIVALENTS

Cash and short-term deposits comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

### Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

## NOTE 4: CASH AND CASH EQUIVALENTS - continued

	Year Ended 30 June 2020	Year Ended 30 June 2019
	\$	\$
RECONCILIATION TO THE STATEMENT OF CASH FLOWS		
<b>(a) Cash and cash equivalents</b>		
Cash at bank and in hand	663,464	338,956
Short-term deposits	2,000,000	2,500,000
	2,663,464	2,838,956

The Company's exposure to interest rate risk is discussed in note 11. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

### **(b) Reconciliation of profit/(loss) after tax to the net cash flows used in operations**

Loss after income tax	(159,329)	(53,934)
Non-Cash Items:		
Depreciation/Amortisation	-	653
Change in assets and liabilities:		
(Increase)/decrease in receivables	(3,183)	403
Increase/(decrease) in payables	(12,980)	406
Net cash flows used in operating activities	(175,492)	(52,472)

## NOTE 5: TRADE AND OTHER RECEIVABLES

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less allowance for doubtful debts. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months. They are recognised initially at fair value and subsequently at amortised cost.

There are no receivables that are past the due date. There are no financial instruments carried at fair value that require level 1, 2 or 3 disclosures.

	30 June 2020	30 June 2019
	\$	\$
<b>Current</b>		
GST refundable	3,628	1,813
Other	6,080	-
	9,708	1,813

### *Fair Value and Risk Exposures:*

- (i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
- (ii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.
- (iii) Details regarding interest rate risk exposure are disclosed in note 11.
- (iv) Other receivables generally have repayments between 30 and 90 days.

## NOTE 6: TRADE AND OTHER PAYABLES

Trade payables and other payables are recognised initially at fair value and subsequently at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

	30 June 2020	30 June 2019
	\$	\$
<b>Current</b>		
Trade creditors and accruals	20,572	28,840

### Fair Value and Risk Exposures

- (i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.
- (ii) Trade and other payables are unsecured and usually paid within 60 days of recognition.
- (iii) All amounts are expected to be paid within 12 months.

## NOTE 7: CONTRIBUTED EQUITY

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

	30 June 2020	30 June 2019
	\$	\$
<b>(a) Issued Capital</b>		
Ordinary shares fully paid	10,122,974	10,122,974
	<u>10,122,974</u>	<u>10,122,974</u>

### (b) Movements in Ordinary Share Capital

Number of Shares	Summary of Movements	\$
64,550,000	Opening balance as at 1 July 2018	10,122,974
<u>64,550,000</u>	Closing Balance at 30 June 2019	<u>10,122,974</u>
64,550,000	Opening balance as at 1 July 2019	10,122,974
<u>64,550,000</u>	Closing Balance at 30 June 2020	<u>10,122,974</u>

### (c) Terms and Conditions of Issued Capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

## NOTE 7: CONTRIBUTED EQUITY - continued

### (d) Capital Management

When managing capital, management's objective is to ensure the entity 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 entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. Management has no current plans to adjust the capital structure. There are no plans to distribute dividends in the next year.

Total capital is equity as shown in the statement of financial position. The Company is not subject to any externally imposed capital requirements.

## NOTE 8: RELATED PARTY TRANSACTIONS

	30 June 2020	30 June 2019
	\$	\$
<i>Key Management Personnel Compensation</i>		
Short-term employment benefits	-	-

### *Other transactions with Key Management Personnel*

Mr Peter Ironside, Director, is a shareholder and director of Ironside Pty Ltd. Ironside Pty Ltd is a shareholder of the 168 Stirling Highway Syndicate, the entity which owns the premises Zamanco occupies in Western Australia. Mr Geoff Donohue, Director, is a shareholder and director of Rembu Pty Ltd. Rembu Pty Ltd is also a shareholder of the 168 Stirling Highway Syndicate, the entity which owns the premises Zamanco occupies in Western Australia. During the year an amount of \$34,151 (net of GST) (2019: \$37,630) was paid for office rental at normal commercial rates.

Mr Geoff Donohue, Director, is a shareholder and director of Rembu Pty Ltd. During the year an amount of \$4,597 (net of GST) (2019: \$5,392) was paid to the Company for office rental at normal commercial rates.

## NOTE 9: AUDITORS' REMUNERATION

	30 June 2020	30 June 2019
	\$	\$
Amount received or due and receivable by BDO Australia:		
Audit and review of financial statements	18,446	18,353
Other services - taxation	4,074	2,800
	<u>22,520</u>	<u>21,153</u>

## NOTE 10: SEGMENT INFORMATION

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

The Company does not have any material operating segments with discrete financial information. The Company does not have any customers and all its' assets and liabilities are located within Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

## NOTE 11: FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND INSTRUMENTS

### *Interest revenue*

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

The Company's principal financial instruments comprise cash and short-term deposits. The main purpose of these financial instruments is to provide working capital for the Company's operations.

The Company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below.

### *Liquidity Risk*

The Company has no significant exposure to liquidity risk as there is effectively no debt. Trade payables are all expected to be paid within 30 days. The Company manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

### *Interest Rate Risk*

At reporting date, the Company's exposure to market risk for changes in interest rates relates primarily to the Company's short-term cash deposits. The Company constantly analyses its exposure to interest rates, with consideration given to potential renewal of existing positions, the mix of fixed and variable interest rates and the period to which deposits may be fixed.

At reporting date, the Company had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	2020	2019
	\$	\$
Financial Assets:		
Cash and cash equivalents (interest-bearing accounts)	2,127,177	2,783,673
Net exposure	<u>2,127,177</u>	<u>2,783,673</u>

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date for variable interest bearing accounts. The 0.5% sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical LIBOR movements over the last 3 years.

At 30 June 2020, if interest rates had moved on variable interest bearing accounts, as illustrated in the table below, with all other variables held constant, post tax profit and equity relating to financial assets of the Company would have been affected as follows:

	2020	2019
	\$	\$
Judgements of reasonably possible movements:		
Post tax profit - higher / (lower)		
+ 0.5%	10,636	13,918
- 0.5%	(10,064)	(12,784)
Equity - higher / (lower)		
+ 0.5%	10,636	13,918
- 0.5%	(10,064)	(12,784)

## NOTE 11: FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND INSTRUMENTS - continued

The sensitivity in 2020 is lower than in 2019, due to a lower average cash balance during the year. The Company does not expect interest rates to increase in the next year.

### *Credit Risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Company has a credit risk in relation to its cash at bank, short-term deposits and receivables. However, this risk is minimised as the cash is deposited only with AA or greater (Moody's) rated financial institutions. The Company does not have any other significant credit risk exposure to a single counterparty or any Company of counterparties having similar characteristics.

Impairment losses are recorded against receivables unless the Company is satisfied that no recovery of the amount owing is possible; at that point the amount is considered irrecoverable and is written off against the financial asset directly.

Management believes the reporting date risk exposures are representative of the risk exposure inherent in financial instruments.

### *Foreign Exchange Risk*

The Company has financial assets of US\$38,684 in a US dollar denominated account. At 30 June 2020, any movement in exchange rates would not have a material effect on post tax profit and equity (2019: no material effect on post tax profit and equity).

## NOTE 12: EVENTS OCCURRING AFTER THE REPORTING PERIOD

### *ASX Listed Share Acquisitions*

On 8 July 2020, the Company purchased 550,000 shares in Matador Mining Limited (MZZ) at \$0.28 per share (\$154,000) pursuant to a block trade of shares to sophisticated and professional investors following a Canadian Flow Through Placement.

On 30 July 2020, the Company purchased 78,948 shares in Capricorn Metals Limited (CMM) at \$1.90 per share (\$150,001.20) pursuant to a placement to sophisticated and professional investors.

### *COVID-19*

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential future impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other matters or circumstances that have arisen since 30 June 2020 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial years.

## NOTE 13: COMMITMENTS AND CONTINGENCIES

The Company has no commitments or contingent liabilities.



In the opinion of the Directors:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company's financial position at 30 June 2020 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (iii) complying with International Financial Reporting Standards (IFRS) as stated in note 1 of the financial statements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

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

On behalf of the Board



Geoffrey Donohue  
Chairman  
Perth, Western Australia  
22 September 2020



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## INDEPENDENT AUDITOR'S REPORT

To the members of Zamanco Minerals Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Zamanco Minerals Limited (the Company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

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

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

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

#### Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Company's annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



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

#### **Responsibilities of the directors for the Financial Report**

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

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

#### **Auditor's responsibilities for the audit of the Financial Report**

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

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

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO Audit (WA) Pty Ltd**

A handwritten signature in black ink, appearing to read 'Dean Just', written over a faint, larger 'BDO' watermark.

**Dean Just**

**Director**

Perth, 22 September 2020

## Additional Shareholder Information

Additional shareholder information not shown elsewhere in this report is as follows. The information is current as at 18 September 2020.

### Twenty Largest Holders of Shares

Name	Number of Ordinary Shares	Percentage of Issued Capital
1 HSBC Custody Nominees (Australia) Limited	12,301,780	19.06
2 Ironside Pty Ltd <Ironside Super Fund A/C>	8,704,666	13.49
3 Rembu Pty Ltd <The Donohue Investment A/C>	5,675,022	8.79
4 Mrs Tracy Fraser	4,208,560	6.52
5 National Nominees Limited <DB A/C>	2,643,229	4.09
6 Muirhead Electrical Pty Ltd	1,749,722	2.71
7 Equity Trustees Limited <Augusta Investors Inc>	1,434,879	2.22
8 HSBC Custody Nominees (Australia) Limited - A/C 2	1,400,000	2.17
9 Ninetyeast Trustees (Mauritius) Limited <MCR A/C>	1,212,500	1.88
10 KSLCORP Pty Ltd	1,200,000	1.86
11 National Nominees Limited	1,200,000	1.86
12 Keiser Investments Pty Ltd <Gann Family Retirement A/C>	1,057,292	1.64
13 S G J Investments Pty Ltd	1,023,301	1.58
14 Ginga Pty Ltd	1,000,000	1.55
15 Mr Jeremy Tobias	870,000	1.35
16 Mr Jeremy Tobias	865,486	1.34
17 Mr Peter Ironside	858,950	1.33
18 Berne No 132 Nominees Pty Ltd <W 1253671 A/C>	700,000	1.08
19 Mr Geoffrey Charles Nathan + Mrs Elizabeth Melva Nathan <The Nathan Super Fund A/C>	677,324	1.05
20 GAD Pty Ltd	575,000	0.89
	<u>49,357,711</u>	<u>76.46</u>
Shares on issue as at 18 September 2020	<u>64,550,000</u>	

### Substantial Shareholders

An extract of the Company's register of substantial shareholders is as follows:

Name	Number of Ordinary Shares
Geoff Donohue	11,625,022
Peter Reynold Ironside	9,563,616
Labonne Enterprises Pty Ltd <McIntyre Family A/c>	6,274,930
Tracy Fraser	4,208,560

## Distribution of Shares

Size of Holding	Number of Shareholders	Number of Ordinary Shares	Percentage of Issued Capital
1 - 1,000	7	121	0.00
1,001 - 5,000	30	101,987	0.16
5,001 - 10,000	59	543,158	0.84
10,001 - 100,000	155	5,119,194	7.93
100,001 and over	65	58,785,540	91.07
Total Shareholders	316	64,550,000	100 %

## Voting Rights

All shares carry one vote per share without restriction.

## Options

There were no options on issue as at 18 September 2020. During the year no options expired, no options were issued and no options exercised.

## Use of Cash

During the reporting period, the use of cash has been consistent with the Company's business objectives.

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