PARKWAY MINERALS NL

A.C.N. 147 346 334

Annual Report

For the year ended
30 June 2019

Parkway Minerals NL
A.C.N. 147 346 334

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Corporate directory

Directors:
Adrian Griffin
Patrick McManus
Patrick Power
Bahay Ozcakmak

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Amanda Wilton-Heald

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Stock Exchange Listing
Parkway Minerals NL shares are listed on the Australian Securities Exchange (ASX code: PWN), OTC Pink (OTC Pink code: PWNNY) and Frankfurt Stock Exchange (Ticker: A1JH27).

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Parkway Minerals NL

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CHAIRMAN'S LETTER

Dear Shareholder

Parkway Minerals NL (Parkway) is a fertiliser minerals company that controls vast quantities of raw materials close to emerging and mature markets. These raw materials comprise greensand deposits in the Dandaragan Trough, close to the coast of Western Australia and only 150 kilometres north of Perth, the state's capital. Indeed, the Dandaragan Trough hosts one of the largest known greensand deposits worldwide. Although greensand is an unconventional source of fertiliser products, appropriate processing technology has the potential to unlock vast resources.

The Dandaragan Trough boasts well-developed infrastructure, as well as access to fertiliser blending operations and the established agricultural industries of the nearby Wheatbelt region. Significantly, its greensand deposits contain abundant phosphate and potassium resources, and to date, Parkway is the only company to successfully recover both these elements from this type of material. Parkway's proprietary K-Max® process can extract potassium from the greensand to produce high-purity sulphate of potash (SOP). SOP is a premium fertiliser product that enjoys a significant, and increasing, margin over the more commonly traded but less desirable, potassium chloride (MOP). Demand for SOP is increasing, and the, phosphate can also be recovered from the same greensand deposits by more conventional means.

Parkway has continued efforts to secure funding support to complete the next stage of feasibility studies on the Dinner Hill Project, within the Dandaragan Trough. In parallel to this we have been looking for other complementary opportunities to utilise the company's expertise and as a result recently acquired Consolidated Potash Corporation (CPC). The acquisition of CPC was completed in September 2019 and has delivered Parkway ownership of the proprietary aMES™ brine processing technology, and two projects, consisting of the Karinga Lakes Potash (SOP) project and the New Mexico Lithium brine project.

The aMES™ brine processing technology is highly innovative and incorporates a broad technology portfolio including patents and know-how, that offer a range of technical and economic advantages in the treatment of brine solutions. The technology has been successfully trialled in a number of different applications, including the Karinga Lakes Potash Project which is entering the pre-feasibility study stage of evaluation.

Parkway is fortunate in that it controls strategically located resources capable of supplying two of the three most critical macro-fertilisers – phosphorous and potassium – and can meet the region's requirements for both for many decades. Moreover, the location of Parkway's projects gives it a distinct advantage in terms of logistics. Australia imports all its SOP requirements, which would be the main product from the Karinga Lakes Potash project. Western Australia currently imports all of its phosphate requirements, while our regional neighbours are also net importers of both potash and phospahate products.

Parkway also holds 34.3 million shares in ASX-listed Davenport Resources (ASX: DAV), which is enjoying considerable success in establishing a significant potash inventory in Germany. The current Inferred Resource at the South Harz Project stands at approximately 5 Billion tonnes of ore at an average grade of 10.6 % K_2O, which represents a world-class potash asset.

Although depressed fertiliser prices have adversely affected Parkway's plans for commercialisation of Dinner Hill, I believe the complementary assets acquired through CPC will form a base from which we can grow Parkway. In particular, our portfolio of mineral and brine processing technologies, differentiates Parkway from most fertiliser mineral companies, and provides us with a unique range of growth opportunities. I would like to thank all Parkway shareholders for their support over the past year, as well as the company's staff, who have helped reposition Parkway for near-term growth.

Adrian Griffin
Chairman

* *Greensand is widely distributed in marine environments and found in ancient strata on the continents; it owes its colour to the presence of glauconite, a potassium-bearing mineral*

Parkway Minerals NL
A.C.N. 147 346 334

Directors' Report

The Directors present their report on Parkway Minerals NL and its controlled entities ("Parkway", "the Company" or "PWN") for the year ended 30 June 2019.

Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are set out below, directors were in office for the entire year unless otherwise stated.

Adrian Griffin (Non-executive Chairman)

Patrick McManus (Managing Director)

Patrick Power (Non-executive Director): appointed 17 September 2019

Bahay Ozcakmak (Executive Director): appointed 17 September 2019

Chew Wai Chuen (Non-executive Director): resigned 30 September 2018

Natalia Streltsova (Non-executive Director): resigned 17 September 2019

Names, qualifications, experience and special responsibilities

Adrian Griffin *Non-Executive Chairman* (appointed 12 November 2010)

Adrian Griffin, an Australian-trained mining professional, has had exposure to metal mining and processing worldwide during a career spanning more than three decades. A pioneer of the lateritic nickel processing industry, he has helped develop extraction technologies for a range of minerals over the years. Today, Adrian specialises in mine management and production. He is a former Chief Executive Officer of Dwyka Diamonds Limited, an AIM- and ASX-listed diamond producer, was a founding director and executive of Washington Resources Limited and also a founding director of Empire Resources Limited, Ferrum Crescent Limited and Reedy Lagoon Corporation Limited. Moreover, Mr Griffin was a founding director of ASX-listed Northern Minerals, of which company he is currently a non-executive director. He is also managing director of ASX-listed Lithium Australia NL.

Other listed company directorships during the last 3 years:
Northern Minerals Ltd (Director June 2006 – present), Reedy Lagoon Corporation Ltd (Director June 2014 – present) and Lithium Australia NL (Director February 2011 – present).

Adrian Griffin is also a member of the Audit & Risk Committee, Remuneration Committee (Chairman) and the Nomination Committee.

Patrick McManus *Managing Director* (appointed 23 November 2010)

Patrick McManus has a degree in mineral processing from Leeds University and an MBA from Curtin University. A mining professional for more than 30 years, his work has taken him to many sites within Australia and overseas, including Eneabba and the Murray Basin in Australia, and Madagascar, Indonesia and the United States. During that time, Patrick has worked in operational, technical and corporate roles for RioTinto, RGC Limited and Bemax Resources Limited. He was a founding director and, from January 2007 to March 2010, managing director of ASX-listed Corvette Resources Limited.

Other listed company directorships during the last 3 years:
Davenport Resources NL (Chairman January 2017 – present).

Directors' Report (continued)

Patrick Power *Non-executive Director* (appointed 17 September 2019)

Mr Patrick Power is the founder of Western Potash, and was instrumental in securing substantial investment for the company and advancing the Milestone (under construction) project in Saskatchewan, Canada. Mr Power brings over 25 years' experience in mining finance, management and venture capital. Mr Power is currently a director of Western Potash and President and CEO of Arctic Star Exploration, a diamond exploration company. He has served as a director of other mineral exploration companies including Amarillo Gold Corp., First Narrows Resources Corp., and Goldtex Resources Ltd.

Bahay Ozcakmak *Executive Director* (appointed 17 September 2019)

Mr Bahay Ozcakmak is the founder of Activated Water Technologies Pty Ltd and the CEO of AWT's parent company, Consolidated Potash Corporation Ltd. In addition to two decades of successful technology commercialisation experience, Mr Ozcakmak has extensive corporate development expertise, including M&A in the energy and mining sectors, where he has led the successful acquisition of several flagship projects and major corporate transactions, particularly with listed companies. Mr Ozcakmak has broad corporate experience ranging from business and corporate strategy development through to CEO and director level roles in the energy and mining sectors. Recent experience with resources companies have focused on gold, copper, nickel, cobalt, lithium, potash and uranium projects. Mr Ozcakmak is currently a director of several private and public companies including TSX-Venture listed Lions Bay Capital and Fidelity Minerals Corp.

Chew Wai Chuen *Non-Executive Director* (resigned 30 September 2018)

Mr Chew was a financial advisor with more than 18 years of industry experience, specialising in the provision of corporate and wealth management for ultra-high net worth individuals. With experience in South East Asia capital market and extensive networks of clients based in Singapore and Malaysia, Mr Chew provides important contributions to the Board. He has successfully worked with a number of financial institutions in Singapore such as, Standard Chartered Bank, OCBC Bank and Credit Suisse Singapore.

Mr Chew is now a Managing Partner with a financial advisory firm, providing personal investing planning and wealth management for high net worth individuals and has a good track record of investment into junior mining companies in Australia and South East Asia.

Other listed company directorships during the last 3 years:
Tungsten Mining NL (Director April 2014 – present)

Natalia Streltsova *Non-Executive Director* (resigned 17 September 2019)

Dr Natalia Streltsova is a senior executive with over 27 years' experience in the minerals industry of which 15 years, prior to forming her own consulting business in 2014, was spent in various leadership and technical roles with major mining houses including Vale SA (formerly CVRD), BHP Billiton and WMC Resources Limited. In all of these roles, there was considerable interaction with operations to provide support as well as to identify and implement innovative projects leading to increased production and cost reduction.

Dr Streltsova has a strong background in mineral processing and metallurgy with broad international experience in project, technical and business development capacities. Dr Streltsova has previously been a director on a number of Vale subsidiary boards as well as on several collaborative industry boards. She is also a Non-Executive Director on ASX listed Neometals Limited.

Other listed company directorships during the last 3 years:
Neometals Limited (Director April 2016 – present)

Natalia Streltsova was also a member of the Audit & Risk Committee, Remuneration Committee and the Nomination Committee (Chairman).

Company secretary

Amanda Wilton-Heald (appointed 7 March 2018)

Amanda is a Chartered Accountant with over 20 years of accounting, auditing (of both listed and non-listed companies) and company secretarial experience within Australia and the UK. Amanda has been involved in the listing of junior explorer companies on the ASX and has experience in corporate advisory and company secretarial services.

Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the directors (including related parties) in the shares and options of the company were:

	Number of ordinary shares	Number of options over ordinary shares	Partly paid contributing shares
Adrian Griffin	16,323,693	-	4,950,217
Patrick McManus	33,774,291	-	3,445,273
Patrick Power	-	-	-
Bahay Ozcakmak	203,920,534	-	52,424,060

Dividends

No dividend has been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

OPERATING AND FINANCIAL REVIEW

Principal activities

The principal activity of the entity during the financial year was the exploration for minerals, namely phosphate and potash.

Operating results for the year

The loss after income tax expense for the year ended 30 June 2019 was $2,009,060 (2018: $4,817,991).

Financial Performance

	2019 $	2018 $	% Increase/ (Decrease)
Total income	335,231	169,793	97.44%
Loss before tax	(2,009,060)	(5,637,365)	-64.36%
Loss after income tax expense	(2,009,060)	(4,817,991)	-58.30%
Loss per share (cents)	(0.28)	(0.81)	-65.79%

The financial position of the Group is presented in the attached Consolidated Statement of Financial Position.

As at 30 June 2019, the group had a net asset balance of $2,666,861, a decrease of $1,780,635 from 30 June 2018. The cash balance decreased $1,024,037 to $120,981 as at 30 June 2019. For further details, refer to the consolidated statement of financial position. Refer to subsequent event for subsequent cash position.

OPERATING AND FINANCIAL REVIEW (continued)

Introduction

During fiscal 2018-2019 Parkway Minerals NL ("**Parkway**" or "**the Company**") continued work to progress its fertiliser projects, drilling on Dandaragan Trough and sampling Lake Seabrook. Dandaragan Trough drilling has indicated a possible second project in at Dambadgee. As of the date of this report, Parkway owns 44.3 million shares in Davenport Resources and 6.3 Million shares in Lithium Australia NL.

The Company has been searching for a new project, as the investor support for advancing the Dandaragan Trough Project (**DTP**) has been limited. Accordingly, during the year a large number of projects were reviewed for their technical and commercial potential. The Board of Directors decided that the opportunity afforded by acquiring Consolidated Potash Corporation (**CPC**) was one that would benefit shareholders; accordingly, negotiations took place during the year, culminating in an announcement made on 5th August 2019 (See section: Significant events after balance date).

Key 2018-19 achievements included:

- Confirming an Exploration Target at Dambadgee, within the Dandaragan Trough Project, and
- Identifying and pursuing the opportunity to acquire CPC.

Our business strategy:

Parkway remains focused on fertiliser projects that meet the criteria of:

- large-scale,
- in regions of the world dependent on importing fertiliser products, with
- existing and robust export infrastructure, and
- low sovereign risk.

Parkway's current projects, the Dandaragan Trough, its shareholding in Davenport, and its planned purchase of CPC, meet these criteria and have the potential to be major fertiliser suppliers for many decades.

PROJECT SUMMARY

DANDARAGAN TROUGH

The Company has continued to advance the Dinner Hill and Dambadgee potash and phosphate deposits, 175km north of Perth in Western Australia (Figure 1). They form part of the larger Dandaragan Trough Fertiliser Project. Sedimentary deposits of greensands within the trough contain glauconite, a potash rich mica, and phosphate nodules. The project objective is to produce potash and phosphate fertilisers and a range of valuable by-products from the glauconite and phosphate present within the sediments of the Dandaragan Trough.

The Company has reviewed its tenement holding in the Dandaragan Trough. In order to reduce the holding costs associated with this extensive landholding, the Company has reduced some tenements size and withdrawn from other tenements. The areas affected were considered to be less prospective for mineralisation. These areas were also outside of the Dinner Hill resource area and the highly prospective Dambadgee project.

OPERATING AND FINANCIAL REVIEW (continued)

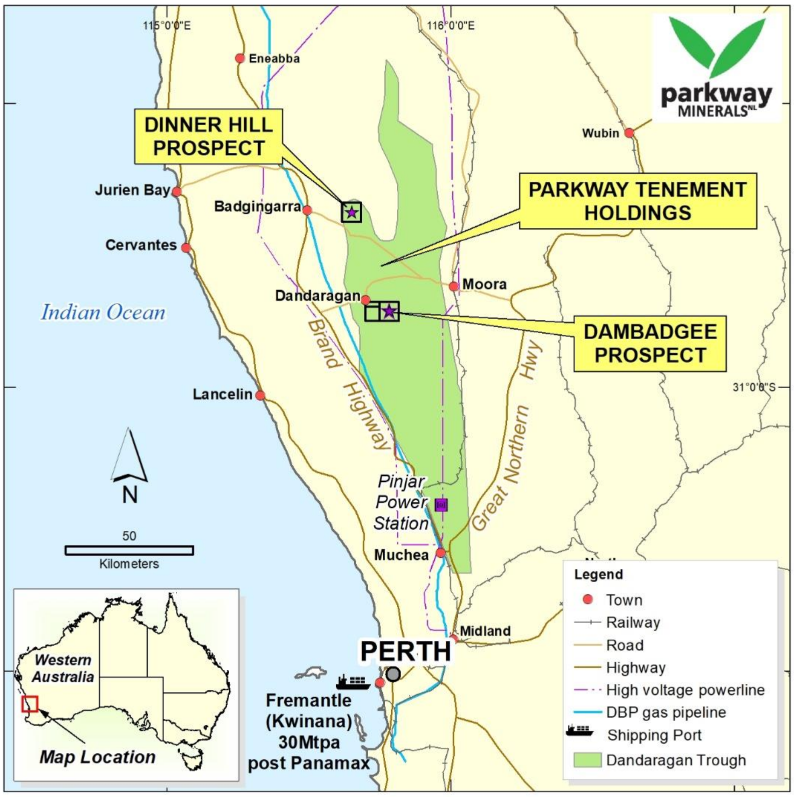

Figure 1. Dandaragan Trough location

Exploration drilling

The Exploration Target for the Dambadgee project was updated during the year and announced to the market on 7 January 2019.

The mineralisation is reported as being within an Exploration Target of between 6 billion tonnes and 8 billion tonnes at a grade of between 3.0% and 3.5% K2O and between 0.9% and 1.3% P2O5. **NOTE**: The potential quantities and grades of the target are conceptual in nature, as there has been insufficient exploration to estimate Mineral Resources over their areas and as it is uncertain if further exploration will result in the estimation of one or more Mineral Resources.

Annual Mineral Resource Statement as at 30 June 2019

The September 2017 resource update used drilling carried out in between 2011 and 2016 comprising a 222 aircore drill holes for 8,143m and 93 SG samples taken from four PQ diamond drill holes completed in 2012.

The Dinner Hill Deposit contains an Indicated Mineral Resource of phosphate mineralisation of 160Mt at 2.45% P_2O_5 and 4.2% K_2O and an Inferred Mineral Resource of 470Mt at 1.7% P_2O_5 and 4.4% K_2O.

Within the phosphate resource area there is a Potash Resource of 630Mt at 4.4 % K_2O (Indicated 160 Mt at 4.2% K_2O, Inferred 470Mt at 4.4% K_2O). An additional Indicated Mineral Resource of 50Mt at 2.65% K_2O and an additional Inferred Mineral Resource of 250Mt at 2.6% K_2O occur marginal to the phosphate resource.

Directors' Report (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Resource	Category	Tonnes (Mt)	P_2O_5 (%)	K_2O (%)
Phosphate	Indicated	160	2.45	4.2
	Inferred	470	1.7	4.4
	Total	**630**	**1.85**	**4.3**
Potash				
Potash resources included within the phosphate resource area	Indicated	160		4.2
	Inferred	470		4.4
	Total	630		4.3
Potash resource outside the phosphate resource area	Indicated	50		2.65
	Inferred	230		2.6
	Total	280		2.6
Total Potash Resources	Indicated	210		3.8
	Inferred	700		3.8
	Total	**910**		**3.8**

NB: Totals may differ from sum of individual items due to rounding

Table 1. Dinner Hill Resource

LAKE SEABROOK

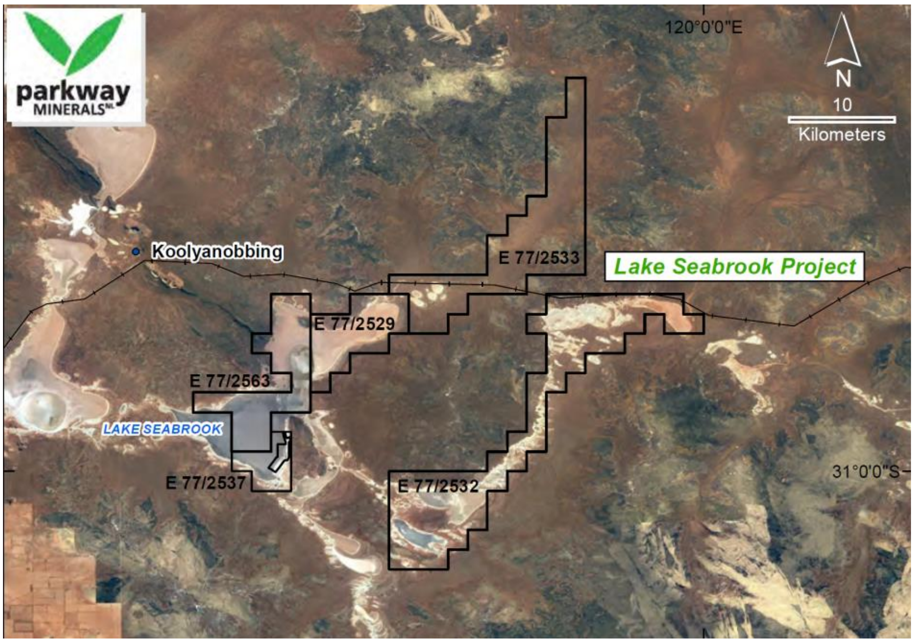

Figure 2. Lake Seabrook Tenements

Lake Seabrook consists of 5 exploration licences covering a salt lake close to the Koolyanobbing iron ore mining area, straddling the Perth to Kalgoorlie rail-line (figure 2). Near surface brine samples were taken from shallow holes on the surface of the lake and assayed for potassium (K). Figure 3 shows the sample location and brine assay. A peak assay of 4.2 gm/litre was considered encouraging.

OPERATING AND FINANCIAL REVIEW (continued)

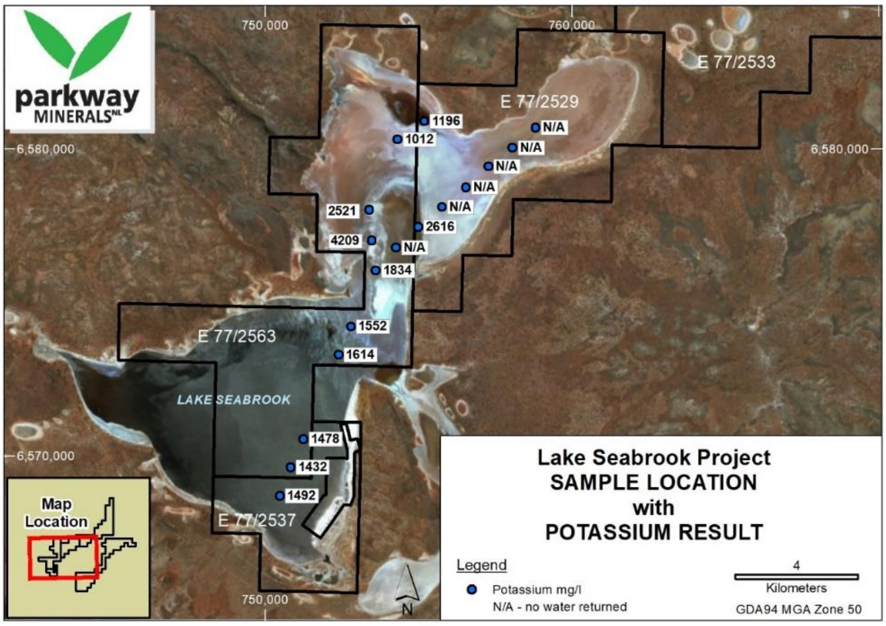

Figure 3. Lake Seabrook assay values

Parkway owns 34 million Davenport Resources Limited (ASX: DAV) shares, at the date of this report. Davenport owns two exploration licences and three mining licences in central Germany (Figures 4 & 5). More than 500 million tonnes of potash ore were extracted from the South Harz region in the period between 1970 and 1992, producing more than 100 million tonnes of potash fertiliser.

Davenport has purchased 3 mining licences within the South Harz field from the German Government. covering 216 $km^{2.}$ The Licences have been drilled extensively. The licences are perpetual, have no expenditure commitment liabilities and appear to have been part of short-term mining plans, prior to German Reunification.

Davenport also owns high quality data from over 200 drill holes in and around the mining licences. Most of the drilling was carried out in the 1960s and 1980s. Davenport is progressively updating the Historical Resources to JORC compliance. To date close to 5 billion tonnes of JORC inferred material, at a grade 10.6% K_2O has been identified, including 1.5 billion tonnes of sylvinite at a grade of 13% K_2O.

OPERATING AND FINANCIAL REVIEW (continued)

Figure 4. South Harz Project location

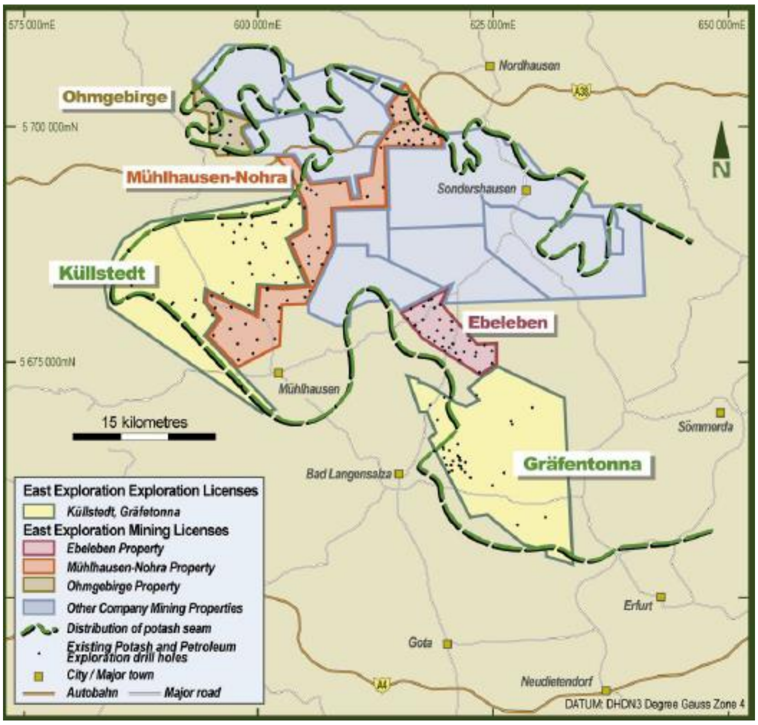

Figure 5. South Harz Project detail

OPERATING AND FINANCIAL REVIEW (continued)

K-Max technology

Parkway Minerals owns 100% of the intellectual property of the K-Max® process which unlocks the valuable elements that exist within the vast glauconite deposits of the Dandaragan Trough. We have been granted patents for this technology. The K-Max® process uses hot sulphuric acid to leach glauconite at atmospheric pressure, extracting potassium and other elements to make a range of products, including sulphate of potash (SOP), high magnesium SOP, (KMS), phosphoric acid, aluminium sulphate (alum) and iron oxide. The process is also applicable to other mica-like minerals, such as phlogopite.

Corporate Activity

Parkway owns 6.5 million Lithium Australia (ASX: LIT) shares. Lithium is a commodity that is facing very strong demand growth in the medium to long term. Lithium Australia has developed a business model, focussed on lithium, that involves exploring for lithium ores, lithium recycling and using new technology to unlock value from unconventional hard-rock lithium minerals. LIT is active in several parts of the world in exploration and project development, in its own name and joint ventures.

Parkway has continued to monitor activities and opportunities that maybe relevant to the company's objectives. As part of this practice it has monitored a wide range of projects within Australia and Overseas.

We have identified the opportunity to acquire Consolidated Potash Corporation (**CPC**) as a transaction that:

- Is aligned with the Parkway's strategy,
- Fits within Parkways broad skill sets and investment aims,
- Has ownership of projects with several near-term opportunities,
- Has identified, achievable, short-term milestones, and
- Can get to a positive cashflow without major dilution of existing Parkway shareholders.

CPC has developed brine treatment technology (aMES™) and is using that to earn into 2 projects, Karinga Lakes potash project and Lordsburg Playa lithium brine project.

Competent Person's Statements

Dandaragan Trough Project

The information in this report that relates to the estimation of the Mineral Resources is based on and fairly represents information and supporting documentation prepared by J.J.G. Doepel, who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Doepel, Principal Geologist of the independent consultancy, Continental Resource Management Pty Ltd, has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. He is qualified as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". This report is issued with Mr. Doepel's consent as to the form and context in which the Mineral Resource appears.

Forward-looking statements are necessarily based upon a number of estimates and assumptions related to future business, economic, market, political, social and other conditions that, while considered reasonable by Parkway Minerals, are inherently subject to significant uncertainties and contingencies.
Parkway Minerals disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and other similar expressions identify forward-looking statements. All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Directors' Report (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Significant changes in the state of affairs

There have been no significant changes in the state of affairs for the year.

Significant events after the balance date

On 5 August 2019 Parkway announced a transaction to acquire CPC, encompassing:

- The issue of 480 million Parkway Shares,
- 123 million Partly Paid shares,
- A capital raising of $450,000, and
- Transfer of 10 million Davenport shares.

The proposed transaction was described in detail in an ASX release on 5 August and a Notice of Meeting that was sent to shareholders on 14 August.

An EGM on 13 September 2019 voted in favour of the transaction.

Likely Developments and expected results

Post the Shareholder meeting, the initial focus of the Company will be on:

- Completing the purchase of CPC and combining both groups,
- Completing a Preliminary Feasibility Study on the Karinga Lakes potash project,
- Operating a semi-commercial Pilot Plant on Karinga Lakes feedstock, and
- Geological appraisal of the Lordsburg Playa licences, focussed on targeting a drilling programme.

Environmental regulation and performance

The Company's activities are subject to Australian legislation relating to the protection of the environment. The Company is subject to significant environmental legal regulations in respect to its exploration and evaluation activities. There have been no known breaches of these regulations and principles.

Indemnification and Insurance of directors and officers

The Company has entered into deeds of access and indemnity with the officers of the Company, indemnifying them against liability incurred, including costs and expenses in successfully defending legal proceedings. The indemnity applies to a liability for costs and expenses incurred by the director or officer acting in their capacity as a director or officer.

Except in the case of a liability for legal costs and expenses, it does not extend to a liability that is:

(a) owed to the Company or a related body corporate of the Company;

(b) for a pecuniary penalty order under section 1317G or a compensation order under section 1317H or section 1317HA of the *Corporations Act 2001*; or

Similarly, the indemnity does not extend to liability for legal costs and expense:

(c) owed to someone other than the Company or a related body corporate of the Company where the liability did not arise out of conduct in good faith. Similarly, the indemnity does not extend to liability for legal costs and expenses:

(d) in defending proceedings in which the officer is found to have a liability described in paragraph (a), (b) or (c);

(e) in proceedings successfully brought by the Australian Securities and Investments Commission or a liquidator; or

(f) in connection with proceedings for relief under the *Corporations Act 2001* in which the court denies the relief.

Directors' Report (continued)

Indemnification and Insurance of directors and officers (continued)

During or since the financial year, the Company has paid premiums in respect of a contract insuring all the Directors and Officers. The terms of the contract prohibit the disclosure of the details of the insurance contract and premiums paid.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Share Options

As at the date of this report there were 55,126,000 unissued ordinary shares under options.

During the financial year ended 30 June 2019, the Company issued 50,126,000 free attaching unlisted options exercisable at $0.02 expiring 17 August 2020.

The Company also issued 5,000,000 unlisted options exercisable at $0.02 expiring 17 August 2020 to the consultant as part of option based payment.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the company or any related body corporate.

Non-audit services

The Company may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Company are important. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for audits by the *Corporations Act 2001.* The nature and scope of each type of non-audit service provide means that auditor independence was not compromised.

Details of the amounts paid or payable to the auditor, Ernst & Young, for non-audit services provided during the year are set out below.

	2019 $	2018 $
Remuneration of Ernst & Young for:		
- research & development tax concession	17,861	6,979
- tax compliance	11,072	14,214
	28,933	**21,193**

Directors' Report (continued)

Directors' meetings

Meetings of directors held and their attendance during the financial year were as follows:

Name of director:	Directors' meeting held whilst in office	Directors' meetings attended	Audit and Risk Committee meetings held	Audit and Risk Committee meetings attended	Remuneration Committee meetings held	Remuneration Committee meetings attended	Nomination committee meetings held	Nomination committee meetings attended
Adrian Griffin	6	6	2	2	1	1	1	1
Patrick McManus	6	6	-	-	-	-	-	-
Natalia Streltsova	6	6	2	2	1	1	1	1
Chew Wai Chuen	2	2	-	-	-	-	-	-

Remuneration Report (audited)

This Remuneration Report outlines the director and executive remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, and includes executives of the Company. The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The remuneration report for 2018 was adopted at the 2018 Annual General meeting. 67,886,868 votes were in favour of the report and 2,016,512 were against. No questions or comments were raised relating to the report.

No remuneration consultants were used during the year.

Details of Key Management Personnel

(i) Directors:

Adrian Griffin	Non-Executive Chairman
Patrick McManus	Managing Director
Natalia Streltsova	Non-Executive Director (resigned 17 September 2019)

(ii) Executives:

James Guy	Exploration Manager
Robert Van Der Laan	Chief Financial Officer

Subsequent to year end, Patrick Power (Non-executive Director) and Bahay Ozcakmak (Executive Director) were appointed 17 September 2019.

Directors' Report (continued)

Remuneration Report (audited) (continued)

Remuneration Philosophy

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Link executive rewards to shareholder value.

Shares and options issued under the incentive plans provide an incentive to stay with the Company. At this time, shares and options issued do not have performance criteria attached. This policy is considered to be appropriate for the Company, having regard to the current state of its development.

The Company does not have a policy which precludes directors and executives from entering into contracts to hedge their exposure to options or shares granted to them as remuneration.

The Company also recognises that, at this stage in its development, it is most economical to have only a few employees and to draw, as appropriate, upon a pool of consultants selected by the directors on the basis of their known management, geoscientific, and engineering and other professional and technical expertise and experience. The Company will nevertheless seek to apply the principles described above to its directors and executives, whether they are employees of/or consultants to the Company.

Remuneration Committee Responsibilities

The Committee assesses the appropriateness of the nature and amount of remuneration of directors and senior executives on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive and executive director remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Company's constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors must be determined from time to time by shareholders of the Company in a general meeting. An amount not exceeding the amount determined is then divided between the non-executive directors. As at the date of the report, the aggregate directors' fees for non-executive Directors has been set at an amount not exceeding $200,000 per annum (2018: $200,000 per annum).

Remuneration Report (audited) (continued)

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst non-executive directors is reviewed annually. The Board may consider advice from external consultants (none were used during the current year), as well as the fees paid to non-executive directors of comparable companies, when undertaking the annual review process. The remuneration report has been approved by shareholders at the annual general meeting.

Each non-executive director receives a fee for being a director of the Company. No additional fee is paid for participating in the Audit, Remuneration and Nomination Committees.

Non-executive directors are encouraged by the Board to hold shares in the Company (purchased on-market and in accordance with the Company's approved policies to ensure there is no insider trading). It is considered good governance for directors of a company to have a stake in that company. The non-executive directors of the Company may also participate in the share and option plans as described in this report.

As an incentive to employees, Directors, executive officers and consultants, the Company has adopted a scheme called the Parkway Minerals Employee Incentive Scheme ('the Scheme'). The purpose of the Scheme is to give employees, Directors, executive officers and consultants of the Company an opportunity to subscribe for shares and/or options in the Company. The Directors consider that the Scheme will enable the Company to retain and attract skilled and experienced employees, Board members and executive officers and provide them with the motivation to participate in the future growth of the Company and, upon becoming shareholders in the Company, to participate in the Company's profits and development.

Under the director fee and senior management fee sacrifice share plan, those participated directors and management sacrifice 30% of their fee toward shares each month. The share price is determined by market using 5 days VWAP calculation from the service date. These shares are issued every 6 months.

Executive director and senior management remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- reward executives for Company, business team and individual performance;
- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure

- At this time, the cash component of remuneration paid to the Executive directors, and other senior managers is not dependent upon the satisfaction of performance conditions.

- It is current policy that some executives be engaged by way of consultancy agreements with the Company, under which they receive a contract rate based upon the number of hours of service supplied to the Company. There is provision for yearly review and adjustment based on consumer price indices. Such remuneration is hence not dependent upon the achievement of specific performance conditions. This policy is considered to be appropriate for the Company, having regard to the current state of its development.

- Executive directors are encouraged by the Board to hold shares in the Company (purchased on-market and in accordance with the Company's approved policies to ensure there is no insider trading). It is considered good governance for directors of a company to have a stake in that company. The Executive directors of the Company may also participate in the share and option plans as described in this report.

Directors' Report (continued)

Remuneration Report (audited) (continued)

Performance table

The following table details the loss of the Company from continuing operations after income tax, together with the basic loss per share since the incorporation of the company:

	2019 $	2018 $	2017 $	2016 $	2015 $	2014 $	2013 $	2012 $
Net loss from continuing operations after income tax	(2,009,060)	(4,817,991)	(1,784,884)	(184,648)	(2,871,003)	(1,822,505)	(4,193,632)	(3,900,096)
Basic loss per share in cents	(0.28)	(0.81)	(0.43)	(0.07)	(1.33)	(1.72)	(5.85)	(5.76)
Share Price in Cents	0.4	1.0	1.0	3.2	4.9	3.60	12.0	23.0

No dividends were paid in any of these years.

Agreements with non-executive directors

The director's fees of $90,000 per annum inclusive of superannuation requirements were paid, or due and payable to Mr Adrian Griffin. In the event of termination, there is no notice period required.

The director's fees of $50,000 per annum inclusive of superannuation requirements were paid, or due and payable to Ms Natalia Streltsova. In the event of termination, there is no notice period required.

Executive director and senior management remuneration

Long-Term Incentive ("LTI") awards to executives are made under the Employee Share Plan ("ESP") and are delivered in the form of shares. There were no LTI awards issued during the current or prior year.

Agreement with Managing Director

On the 6 September 2012, the Remuneration Committee recommended to increase Mr Patrick McManus's annual remuneration inclusive of share based payments from $250,000 inclusive of superannuation requirements to $275,000 per annum inclusive of superannuation requirement, effective from 1 July 2012.

The agreement can be terminated by either party by giving three months' notice or payment of three months' salary in lieu of notice.

Agreement with Chief Financial Officer

Mr Robert Van Der Laan was appointed as Chief Financial Officer, effective on 13 May 2011. On 5 August 2011 the company entered into an agreement containing the terms and conditions under which the services of Chief Financial Officer are provided. In the event of termination, there is no notice period required.

The agreement involves the payment to the Company associated with Robert Van der Laan of an hourly fee of $120 and reimbursement of expenses. The hourly rate was revised up to $130 effective from 1 July 2013. Transaction is considered to be on normal commercial terms and conditions no more favourable than those available to other parties.

Remuneration Report (audited) (continued)

Agreement with Exploration Manager – James Guy

On 22 September 2016, the Company and a company associated with Mr James Guy entered into an agreement containing the terms and conditions under which the services of the Exploration Manager are provided to the Company. In the event of termination, there is no notice period required.

The agreement involves the payment to a company associated with Mr Guy of monthly fee of $4,000 and he will sacrifice 30% of additional consulting fees at a rate of $112 per hour in shares. Transaction is considered to be on normal commercial terms and conditions no more favourable than those available to other parties.

Directors' Remuneration 2019

	Short-term		Post-employment benefits		Share and Option Based Payments		
	Directors'	Salary and Consulting	Superannuation	Termination			
Director	**Fees $**	**Fees $**	**Contribution $**	**Benefits $**	**Shares $**	**Options $**	**Total $**
A Griffin	57,534	-	7,808	-	24,658	-	90,000
P McManus	-	175,799	23,858	-	75,343	-	275,000
C Chuen*	5,833	-	-	-	2,500	-	8,333
N Streltsova	31,963	-	4,338	-	13,699	-	50,000
Total	**95,330**	**175,799**	**36,004**	**-**	**116,200**	**-**	**423,333**

***** Resigned 30 September 2018

Executives' Remuneration 2019

	Short-term		Post-employment benefits		Share and Option Based Payments		
Executive	**Salary $**	**Consulting Fees $**	**Superannuation Contribution $**	**Termination Benefits $**	**Shares $**	**Options $**	**Total $**
J Guy	-	60,978	-	-	8,193	-	69,171
R Van der Laan	-	45,303	-	-	51,352	-	96,655
Total	**-**	**106,281**	**-**	**-**	**59,545**	**-**	**165,826**
Total Directors' and Executives' Remuneration	**95,330**	**282,080**	**36,004**	**-**	**175,745**	**-**	**589,159**

Directors' Report (continued)

Remuneration Report (audited) (continued)

Directors' Remuneration 2018

Director	Short-term Directors' Fees $	Short-term Salary and Consulting Fees $	Post-employment benefits Superannuation Contribution $	Post-employment benefits Termination Benefits $	Share and Option Based Payments Shares $	Share and Option Based Payments Options $	Total $
A Griffin	57,534	-	7,808	-	24,658	-	90,000
P McManus	-	205,055	23,858	-	75,343	-	304,256
C Chuen	35,000	-	-	-	15,000	-	50,000
N Streltsova	31,963	-	4,338	-	13,699	-	50,000
Total	**124,497**	**205,055**	**36,004**	**-**	**128,700**	**-**	**494,256**

Executives' Remuneration 2018

Executive	Short-term Salary $	Short-term Consulting Fees $	Post-employment benefits Superannuation Contribution $	Post-employment benefits Termination Benefits $	Share and Option Based Payments Shares $	Share and Option Based Payments Options $	Total $
J Guy	-	69,260	-	-	9,726	-	78,986
R Van der Laan	-	99,320	-	-	-	-	99,320
Total	**-**	**168,580**	**-**	**-**	**9,726**	**-**	**178,306**
Total Directors' and Executives' Remuneration	**124,497**	**373,635**	**36,004**	**-**	**138,426**	**-**	**672,562**

<u>Incentive shares and options: Granted and vested during the year</u>

<u>Shares</u>

There were no shares issued to key management personnel as part of the incentive plan during the year ended 30 June 2019 (2018: nil). The shares issued to key management personnel as disclosed in the table above were in lieu of Directors' fees and consulting fees.

<u>Options</u>

There were no options granted to key management personnel as part of the incentive plan during the year ended 30 June 2019 (2018: nil).

Remuneration Report (audited) (continued)

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel, which including the directors and executives.

(a) Share holdings of Key Management Personnel

2019	Balance at 1 July 2018 Ordinary	Granted as remuneration Ordinary*	On Exercise of Options Ordinary	Net change other Ordinary	Balance at 30 June 2019 Ordinary
Directors					
A Griffin	11,557,179	1,833,131	-	-	13,390,310
P McManus	19,209,979	5,601,221	-	-	24,811,200
N Streltsova	2,914,102	1,018,401	-	-	3,932,503
C Chuen	3,335,939	-	-	(3,335,939)*	-
Total	**37,017,199**	**8,452,753**	**-**	**(3,335,939)**	**42,134,013**
Executives					
J Guy	1,255,296	436,276	-	-	1,691,572
R Van der Laan	39,286,751	1,307,609	-	-	40,594,360
Total	**40,542,047**	**1,743,885**	**-**	**-**	**42,285,932**
Total Directors' and Executives' Share holdings	**77,559,246**	**10,196,638**	**-**	**(3,335,939)**	**84,419,945**

*****Share holding at the date of resignation on 30 September 2018

Remuneration Report (audited) (continued)

*Shares granted as remuneration were as follows:

Adrian Griffin
- 1,833,131 shares at $0.0067 each issued on 22 January 2019.

Patrick McManus
- 5,601,221 shares at $0.0067 each issued on 22 January 2019.

Natalie Streltsova
- 1,018,401 shares at $0.0067 each issued on 22 January 2019.

James Guy
- 436,276 shares at $0.0074 each issued on 22 January 2019.

Robert Van der Laan
- 1,307,609 shares at $0.0050 each issued on 22 January 2019.

(b) Partly Paid Contributing Shares of Key Management Personnel

2019	Balance at 1 July 2018	Granted as remuneration	On Exercise of Options	Bonus issue received	Net change other	Balance at 30 June 2019
	Partly Paid	Partly Paid	Partly Paid	Partly Paid	Partly Paid	Partly Paid
Directors						
A Griffin	4,950,217	-	-	-	-	4,950,217
P McManus	3,445,273	-	-	-	-	3,445,273
N Streltsova	139,973	-	-	-	-	139,973
C Chuen	326,396	-	-	-	(326,396)*	-
Total	**8,861,859**	**-**	**-**	**-**	**(326,396)**	**8,535,463**
Executives						
J Guy	-	-	-	-	-	-
R Van der Laan	3,178,610	-	-	-	-	3,178,610
Total	**3,178,610**	**-**	**-**	**-**	**-**	**3,178,610**
Total Directors' and Executives' Share holdings	**12,040,469**	**-**	**-**	**-**	**(326,396)**	**11,714,073**

*****Share holding at the date of resignation on 30 September 2018

Remuneration Report (audited) (continued)

The partly paid contributing share are issued with outstanding calls of 4.9 cents each. The partly paid contributing share carry a right to a dividend on the same basis as holders of Ordinary Shares. Partly paid contributing shares carry the right to vote in proportion which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited). The company has the power to forfeit any shares where the call remains unpaid 14 days after the call was payable. The company must then offer the shares forfeited for public auction within six weeks of the call becoming payable.

(c) Option holdings of Key Management Personnel

<u>2019</u>: There were no Options granted to Key management personnel as part of the incentive plan during the year ended 30 June 2019.

<u>2018</u>: There were no Options granted to Key management personnel as part of the incentive plan during the year ended 30 June 2018.

(d) Other Transactions with Key Management Personnel

Other transactions with key management personnel are set out below:

	30-Jun-19 $	30-Jun-18 $
Corporate advisory were paid to Precious Capital Pte Ltd, a company of which Chew Wai Chuen is a director and shareholder	1,276	9,220
Fees were paid to Horn Resources Pty Ltd, a company of which Robert Van der Laan is a director and shareholder. Fees included investor relations, corporate advisory, accounting staff (excluding fees directly related to Robert Van der Laan) and exploration staffs. Service fees paid are considered to be on normal commercial terms and conditions.	70,189	165,041
	71,465	**174,261**

Trade and other payables to related party as at 30 June 2019 amounted to $12,219 (30 June 2018: $23,549).

All related party transactions are considered to be on an arms' length basis.

End of Remuneration Report (audited).

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 25 and forms part of this report.

This report is made in accordance with a resolution of directors.

Patrick McManus
Managing Director
Perth
Dated: 26 September 2019

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Auditor's Independence Declaration to the Directors of Parkway Minerals NL

As lead auditor for the audit of the financial report of Parkway Minerals NL for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

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

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

This declaration is in respect of Parkway Minerals NL and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

V L Hoang
Partner
26 September 2019

Parkway Minerals NL
A.C.N. 147 346 334

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	For the year ended 30 June 2019 $	For the year ended 30 June 2018 $
INCOME FROM CONTINUING ACTIVITIES			
Other income		109,361	58,818
Stamp Duty Refund		-	88,453
Loss from disposal of financial assets	12	147	-
Interest		5,195	22,522
Government Grant		168,828	-
TOTAL INCOME		335,231	169,793
EXPENSES			
Write-off of exploration expenditure		-	2,855,000
Fair value movement of financial assets	12	236,917	-
Impairment of investment in associate	11	4,355	107,754
General & Administration expenses		433,531	659,111
Depreciation		27,380	11,431
Equity based payments	18	196,746	234,424
Exploration		307,192	841,684
Legal		17,388	59,123
Occupancy		43,714	63,452
Remuneration (excluding share based payments)		342,580	354,130
Share of net losses of associate	11	682,788	581,480
LOSS BEFORE INCOME TAX		**(2,009,060)**	**(5,637,365)**
Income Tax Benefit	4	-	819,374
NET LOSS FOR THE YEAR		**(2,009,060)**	**(4,817,991)**
OTHER COMPREHENSIVE INCOME			
Items that may be subsequently reclassified to profit or loss:			
Available for sale financial assets			
- Current year gain/(losses)		-	1,576,375
- Reclassified to profit or loss		-	-
- Income tax on items that may be reclassified to profit or loss		-	(433,503)
Equity accounted investments - share of comprehensive income	11	31,681	36,112
TOTAL OTHER COMPREHENSIVE INCOME		31,681	1,178,984
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(1,977,379)**	**(3,639,007)**
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Basic and diluted loss per share (cents per share)	7	(0.28)	(0.81)

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Parkway Minerals NL
A.C.N. 147 346 334

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	As at 30 June 2019 $	As at 30 June 2018 $
CURRENT ASSETS			
Cash and cash equivalents	8	120,981	1,145,018
Trade and other receivables	9	111,645	136,681
Other assets	10	18,484	35,918
Total Current Assets		**251,110**	**1,317,617**
NON CURRENT ASSETS			
Trade and other receivables	9	20,000	500,000
Investment in associate	11	2,257,653	2,413,115
Financial assets	12	399,374	687,990
Plant and equipment	13	21,912	45,827
Total Non Current Assets		**2,698,939**	**3,646,932**
TOTAL ASSETS		**2,950,049**	**4,964,549**
CURRENT LIABILITIES			
Trade and other payables	14	145,769	402,071
Provisions	15	137,418	114,982
Total Current Liabilities		**283,187**	**517,053**
TOTAL LIABILITIES		**283,187**	**517,053**
NET ASSETS		**2,666,861**	**4,447,496**
EQUITY			
Contributed Equity	16	23,159,732	22,974,071
Reserves	17	1,827,265	1,890,627
Accumulated losses		(22,320,136)	(20,417,202)
TOTAL EQUITY		**2,666,861**	**4,447,496**

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

Parkway Minerals NL

A.C.N. 147 346 334

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

	Contributed equity	Accumulated Losses	Share and Option Based Payment Reserve	Financial Asset Reserve	Foreign Currency translation reserve	Total
	$	$	$	$	$	$
Balance at 1 July 2017	**20,981,821**	**(15,599,211)**	**688,643**	**-**	**-**	**6,071,253**
Loss for the year	-	(4,817,991)	-	-	-	(4,817,991)
Other comprehensive income (net of tax)						
Available for sale financial asset gains	-	-	-	1,142,872	-	1,142,872
Equity accounted investments - share of other comprehensive income	-	-	-	-	36,112	36,112
Total comprehensive loss for the year	-	(4,817,991)	-	1,142,872	36,112	(3,639,007)
Transactions with owners in their capacity as owners:						
Shares issued	1,878,260	-	-	-	-	1,878,260
Share issue transaction costs	(146,834)	-	23,000	-	-	(123,834)
Share and option based payments	260,824	-	-	-	-	260,824
Balance at 30 June 2018	**22,974,071**	**(20,417,202)**	**711,643**	**1,142,872**	**36,112**	**4,447,496**

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

Parkway Minerals NL

A.C.N. 147 346 334

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

	Contributed equity	Accumulated Losses	Share and Option Based Payment Reserve	Financial Asset Reserve	Foreign Currency translation reserve	Total
	$	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2018	**22,974,071**	**(20,417,202)**	**711,643**	**1,142,872**	**36,112**	**4,447,496**
Effect of adoption of AASB9	-	106,126	-	(106,126)	-	-
Balance at 1 July 2018	**22,974,071**	**(20,311,076)**	**711,643**	**1,036,746**	**36,112**	**4,447,496**
Loss for the year	-	(2,009,060)	-	-	-	(2,009,060)
Other comprehensive income (net of tax)						
Equity accounted investments - share of other comprehensive income	-	-	-	-	31,681	31,681
Total comprehensive loss for the year	-	(2,009,060)	-	-	31,681	(1,977,379)
Transactions with owners in their capacity as owners:						
Share issue transaction costs	(11,083)	-	11,083	-	-	-
Share and option based payments	196,744	-	-	-	-	196,744
Balance at 30 June 2019	**23,159,732**	**(22,320,136)**	**722,726**	**1,036,746**	**67,793**	**2,666,861**

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

Parkway Minerals NL
A.C.N. 147 346 334

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

	Note	For the year ended 30 June 2019 $	For the year ended 30 June 2018 $
OPERATING ACTIVITIES			
Other Receipts		146,550	13,461
Payments to suppliers and employees		(1,340,962)	(1,974,966)
Stamp duty refunded		-	88,453
R&D tax rebate		69,787	-
Interest received		5,195	22,522
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**22**	**(1,119,430)**	**(1,850,530)**
INVESTING ACTIVITIES			
Deposit paid		-	(20,000)
Payment for shares in associate not yet issued		-	(500,000)
Purchase of plant and equipment		(3,463)	(13,213)
Payment for exploration expenditure		-	(85,000)
Proceeds from sale of investment		51,847	-
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		**48,384**	**(618,213)**
FINANCING ACTIVITIES			
Proceeds from issue of shares		68,905	1,808,260
Share issue costs		(21,896)	(75,538)
NET CASH FLOWS FROM FINANCING ACTIVITIES		**47,009**	**1,732,722**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(1,024,037)	(736,021)
Cash and cash equivalents at the beginning of the year		1,145,018	1,881,039
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**8**	**120,981**	**1,145,018**

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

Notes to Financial Statements

Note 1: Corporate information

The financial report of Parkway Minerals NL (the “Company” or “Parkway”) and its controlled entity (the “consolidated entity” or the “Group”) for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of directors on 25 September 2019.

Parkway Minerals NL is a company limited by shares incorporated in Australia whose share are publicly traded on the Australian Securities Exchange (ASX), OTC Pink and the Frankfurt Stock Exchange.

The nature of operations and principal activities of the Consolidated Entity are described in the directors’ report.

Note 2: Statement of significant accounting policies

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law. Parkway Minerals NL is a for-profit entity for the purpose of preparing the financial statements.

The accounting policies detailed below have been consistently applied throughout the year presented unless otherwise stated.

The financial report has also been prepared on a historical cost basis with the exception of equity instrument at fair value through profit and loss. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars.

The company is a listed public company, incorporated in Australia and operating in Australia. The entity’s principal activity is mineral exploration.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

(b) Adoption of new revised or amending accounting standards and interpretations

The Group applied all new and amended Australian Accounting Standards and Interpretations which were relevant to the Group, which are effective for annual periods beginning on 1 July 2018 including:

i. AASB 15 Revenue from Contracts with Customers

The Group adopted AASB 15 with the date of initial recognition being 1 July 2018.

AASB 15 supersedes AASB 118 Revenue, AASB 111 Construction Contracts and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in scope with other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

At 1 July 2018 it was determined that the adoption of AASB 15 had no impact on the Group as there are no material revenue streams that are under the scope of the new standard.

Note 2: Statement of significant accounting policies (continued)

The Group recognises other income from reimbursement of geological services costs overtime as services are rendered. This treatment remains the same under AASB 15.

ii. AASB 9 Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement ("AASB 139"), bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Group adopted AASB 9 retrospectively, with the initial application date of 1 July 2018. The group has not restated comparative information, which continues to be reported under AASB 139. Differences arising from the adoption of AASB 9 have been recognised directly in retained earnings and other components of equity.

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss (FVTPL), amortised cost, or fair value through other comprehensive income (FVOCI).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets measured at amortised cost pass the SPPI test and are in a business model with the objective to hold the financial asset in order to collect contractual cashflows.

At the date of initial application, existing financial assets and liabilities of the Group were assessed in terms of the requirements of AASB 9. The assessment was conducted on instruments that had not been derecognised as at 1 July 2018. In this regard, the Group has determined that the adoption of AASB 9 has impacted the classification of financial instruments at 1 July 2018 as follows:

Class of financial instrument presented in the statement of financial position	Original measurement category under AASB 139 (i.e. prior to 1 July 2018)	New measurement category under AASB 9 (i.e. from 1 July 2018)	Carrying value at 1 July under AASB 139 $	Carrying value at 1 July under AASB 9 $
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost	1,145,018	1,145,018
Trade and other receivables	Loans and receivables	Financial assets at amortised cost	136,681	136,681
Financial assets	Available-for-sale financial assets	Financial Assets at Fair value through profit and loss (FVTPL)	687,990	687,990
Trade and other payables	Financial liabilities at amortised cost	Financial liabilities at amortised cost	402,071	402,071

Note 2: Statement of significant accounting policies (continued)

The change in classification for cash and cash equivalents, trade and other receivables, and trade and other payables has not resulted in any re-measurement adjustments at 1 July 2018. The impact of the change on financial assets is discussed further below:

Financial assets at FVTPL

Financial assets at fair value through profit or loss include financial assets held for trading, e.g., derivative instruments, financial assets designated upon initial recognition at fair value through profit or loss, e.g., debt or equity instruments, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that do not pass the SPPI test are required to be classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

With the implementation of AASB 9, the Group has classified the investment in Lithium Australia NL previously classified as available for sale financial assets as a financial asset at fair value through profit and loss. This is on the basis that this investment is not expected to be held on a long-term basis. Accordingly, the prior period fair value gain of $106,126 recorded in the financial asset reserve has been transferred to accumulated losses to align the impact of AASB 9 at 1 July 2018. There have been no other changes as a result of the adoption of AASB 9.

Impairment of financial assets

In respect of financial assets carried at amortised cost, AASB 9 requires an expected credit loss model to be applied as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. In particular, AASB 9 requires the Group to measure the loss allowance at an amount equal to lifetime expected credit loss (“ECL”) if the credit risk on the instrument has increased significantly since initial recognition. On the other hand, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to the portion of the lifetime ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date. ECL’s are based on the difference between contractual cashflows due in accordance with the contract and all the Group expects to receive. The shortfall is then discounted at an approximation to the assets original effective interest rate.

As at 1 July 2018, management reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information. In accordance with AASB 9, where the directors concluded that it would require undue cost and effort to determine the credit risk of a financial asset on initial recognition, the Group recognises lifetime ECL. No material impact was noted as a result of the assessment.

Note 2: Statement of significant accounting policies (continued)

New accounting standards not yet adopted

The following standards that have been issued but not yet effective which may impact the consolidated entity in the period of initial application have not been early adopted in preparing this financial report. Management is currently in the process of estimating the impact of these standards. The adoption of these Accounting

Standards and Interpretations is not expected to have a material impact on the financial performance or position of the consolidated entity.

AASB 16 Leases

AASB 16 requires lessees to account for all leases under a single on- balance sheet model in a similar way to finance leases under AASB 117 Leases. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The Group does not expect any material impact from this standard since there are no current operating lease commitments in place.

(c) Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

(d) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the year in which the estimate is revised if it affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Note 2: Statement of significant accounting policies (continued)

Share-based payment transactions

The Company measures the share-based payment transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 18.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only when management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next two years together with future tax planning strategies.

Investment in an associate

The Group's investment in an associate is accounted for using the equity method. Significant judgement is also used to determine if there is considered to be significant influence exerted over the investment. Impairment is reviewed by considering the higher of the value in use or fair value less cost of disposal of the investment. For the prior year it was determined that the fair value less cost of disposal (determined by the share price of the investment at 30 June 2018) was below the carrying value of the investment at 30 June 2018. Accordingly, an impairment charge of $107,754 was recorded. For the current year it was determined that the fair value less cost of disposal (determined by the share price of the investment at 30 June 2019) continued to be below the carrying value of the investment at 30 June 2019. Accordingly, an impairment charge of $4,355 was recorded in the current period.

(e) Share-based payment transactions

Employees (including senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the 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 income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in equity based payments expense (Note 18).

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting are conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Note 2: Statement of significant accounting policies (continued)

(e) Share-based payment transactions (continued)

When an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (further details are given in Note 7).

(f) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The Consolidated entity has incurred a net loss after tax for the year ended 30 June 2019 of $2,009,060 (2018: $4,817,991) and experienced net cash outflows from operating activities of $1,119,430 (2018: $1,850,830). As at 30 June 2019 the consolidated entity had cash and cash equivalents of $120,981 (2018: $1,145,018). Subsequent to the financial year ended 30 June 2019, the Company raised $450,000 via s708 placement. The Directors recognise the need to raise additional funds via equity raising or sale of financial assets to fund future planned exploration activities.

The Directors have reviewed the Consolidated entity's financial position and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Consolidated entity will be successful in securing additional funds through equity issues.

Should the Consolidated entity not achieve the matters set out above, there is significant uncertainty whether the Consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Consolidated entity not be able to continue as a going concern.

(g) Exploration and evaluation expenditure

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.
Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future. Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(h) Plant & equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment in value. Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset as follows:

Plant and equipment – over 2 to 15 years

Note 2: Statement of significant accounting policies (continued)

(h) Plant & equipment (continued)

Impairment
The carrying values of plant and equipment are reviewed for impairment when impairment indicators exist under the accounting standards.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any indication exists of impairment and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Derecognition
An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the period the item is derecognised.

(i) Income tax

Current tax assets and liabilities for the current year and prior periods are measured at amounts expected to be recovered from or paid to the taxation authorities based on the current year's taxable income. The tax rates and tax laws used for computations are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of goodwill 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 credits 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 except where the deferred income tax asset relating to the deductible temporary difference 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.

The carrying amount of deferred income tax assets is reviewed at each balance 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.

Unrecognised deferred income tax assets are reassessed at each balance 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.

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 balance date.

Notes to Financial Statements (continued)

Note 2: Statement of significant accounting policies (continued)

(i) Income tax (continued)

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

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.

i Tax Consolidation

Parkway Minerals NL and its 100% owned subsidiaries have entered into tax consolidated group which takes effect from 1 July 2016. Parkway Minerals NL is the head entity of the tax consolidated group.

(j) GST

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

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

- receivables and payables are stated with the amount of GST included.

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

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

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

(k) Provisions and employee benefits

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Notes to Financial Statements (continued)

Note 2: Statement of significant accounting policies (continued)

(k) Provisions and employee benefits (continued)

Employee leave benefits

i. Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries including non-monetary benefits, annual leave and accumulating sick leave due to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

ii. Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(l) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

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

(m) Trade and other receivables *(new policy applied from 1 July 2018 due to adoption of AASB9)*

Policy up to 30 June 2018
Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for any uncollectible amounts.

Collectability or receivables are reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt.

Policy from 1 July 2018
Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

Notes to Financial Statements (continued)

Note 2: Statement of significant accounting policies (continued)

(m) Trade and other receivables (*new policy applied from 1 July 2018 due to adoption of AASB9*) (continued)

For all other receivables measured at amortised cost, the Group recognised lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If on the other hand the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to expected credit losses within the next 12 months.

(n) Prepayments

Prepayment for goods and services which are to be provided in future years are recognised as prepayments. Prepayments are recorded in the other assets in the statement of financial position.

(o) Revenue recognition

Revenue
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer.

Other Income
Revenue from rental and geological services provided is recognised overtime as the services are rendered, the revenue and the costs incurred or to be incurred in respect of the transactions can be measured reliably and the economic benefits associated with the transaction will flow to the Company.

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

Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

When the Company receives non-monetary grants, the asset and the grant are recorded gross at nominal amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grants.

(p) Contributed equity

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

Own equity instruments (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group’s own equity instruments.

Notes to Financial Statements (continued)

Note 2: Statement of significant accounting policies (continued)

(q) Trade and other payables

Trade payables and other payables are carried at amortised costs 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.

(r) 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) 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);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(s) Investments and other financial assets

Policy up to 30 June 2018
Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

(i) Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit and loss when the investment are derecognised or impaired, as well as through the amortisation process.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Notes to Financial Statements (continued)

Note 2: Statement of significant accounting policies (continued)

(iii) Available for sale (AFS) financial assets
AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's AFS financial assets relate to listed securities. AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

Reversals of impairment losses for AFS debt securities are recognised in profit or loss if the reversal can be objectively related to an event occurring after the impairment loss was recognised. For AFS equity investments impairment reversals are not recognised in profit loss and any subsequent increase in fair value is recognised in other comprehensive income.

Policy from 1 July 2018
Initial recognition and measurement:

Other financial assets are classified, at initial recognition, at amortised cost, financial assets at fair value through profit or loss, fair value through other comprehensive income as appropriate. Other financial assets, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The Group has not recognised any financial assets at fair value through other comprehensive income.

Subsequent measurement:

The subsequent measurement of other financial assets depends on their classification as described below:

a) Financial assets at fair value through profit or loss
Financial assets are classified at "fair value through profit or loss" include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented in the statement of comprehensive income.

b) Amortised cost
In order for a financial asset to qualify for measurement as amortised cost, it has to pass both the contractual cash flow characteristics test as well as the business model test. Under the contractual cash flow characteristics test, an entity has to assess, whether the cash flows resulting from the financial asset are solely payments for principal and interest on the outstanding principal amount. Under the business model test the objective is to hold the financial assets in order to collect contractual cash flows.

Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principle and interest are classified and subsequently measured at amortised cost using the effective interest rate method. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

Note 2: Statement of significant accounting policies (continued)

(t) Impairment of financial assets

The Company assesses at each balance date whether a financial asset or group of financial assets is impaired.

Policy up to 30 June 2018
Available-for-sale investments
If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognised in profit and loss, is transferred from equity to the statement of comprehensive income. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit and loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Policy from 1 July 2018
The Group assesses on a forward looking basis the expected credit loss associated with other financial assets. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For other financial assets, the expected credit loss is based on the 12-month expected credit loss. The 12-month expected credit loss is the portion of lifetime expected credit losses that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss.

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(u) Leases

Operating Lease payments are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and the reduction of the liability.

(v) Investment in associate

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

Notes to Financial Statements (continued)

Note 2: Statement of significant accounting policies (continued)

(v) Investment in associate (continued)

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of comprehensive income.

(w) Comparative Figures

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

(x) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- 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 the 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

The Group classifies all other liabilities as non-current.

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

(y) Treasury shares

Own equity instruments that are issued (treasury shares) are recognised nil value on the date of issue and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Note 3: Segment information

The Group has based its operating segment on the internal reports that are reviewed and used by the executive management team ("Chief Operating Decision Makers") in assessing performance and in determining the allocation of resources.

The Group currently does not have production and is only involved in exploration. As a consequence, activities in the operating segment are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of the manager and country of expenditure. Information is reviewed on a whole of entity basis.

Based on these criteria the Group has only one operating segment, being exploration, and the segment operations and results are reported internally based on the accounting policies as described in Note 2 for the computation of the Group's results presented in this set of financial statements.

Note 4: Income tax

	2019 $	2018 $
(a) Income tax (benefit)/expense		
Current tax	-	-
Deferred tax	-	(819,374)
Total tax (benefit)/expense	-	(819,374)
(b) Income tax recognised in equity		
Deferred tax liability recognised	-	433,503
Total income tax recognised in equity	-	433,503
(c) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(2,009,060)	(5,637,365)
Prima facie tax benefit at the Australian tax rate of 27.5%	(552,492)	(1,550,275)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Share based payment	54,105	64,467
Non-deductible expenses	1,486	2,020
Non-assessable income	-	-
Gain on sale of shares	14,258	-
Deferred tax assets not brought to account	482,643	664,414
Income tax (benefit)/expense	-	(819,374)

Notes to Financial Statements (continued)

Note 4: Income tax (continued)

(c) Deferred tax assets	2019 $	2018 $
Capitalised Expenditure	84,478	64,728
Accrued expenses	9,857	23,566
Business related deduction	112,505	105,219
Employee entitlement provisions	37,790	31,620
Capital losses	14,217	98,071
Revenue losses	989,853	758,087
	1,248,700	1,081,291
Deferred tax asset not recognised	(518,018)	(345,364)
	730,682	735,927
Offset against deferred tax liabilities	(730,682)	(735,927)
Total deferred tax assets	-	-
(d) Deferred tax liabilities		
Investment in associate	620,854	567,355
Exploration tenement	-	-
Financial Assets	109,828	168,572
	730,682	735,927
Offset against deferred tax assets	(730,682)	(735,927)
Net deferred tax liabilities	-	-

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The taxation benefits of certain tax losses and temporary differences have not been brought to account since it is not probable whether future assessable income would be derived of a nature and of an amount sufficient to enable the benefits from the deductions to be realised.

Note 5: Key management personnel remuneration

	2019 $	2018 $
Short-term employee benefits	377,410	498,132
Post-employment benefits	36,004	36,004
Share-based payments	175,745	138,426
Total compensation	**589,159**	**672,562**

Refer to Note 21 for other related parties transactions.

Note 6: Auditor's remuneration

The auditor of the Company is Ernst & Young Australia	2019 $	2018 $
Remuneration of the auditor of the Company for:		
- auditing or reviewing the financial report	39,255	37,338
- Non-audit services:		
- research & development tax concession	17,861	6,979
- tax compliance	11,072	14,214
	68,188	**58,531**

Notes to Financial Statements (continued)

Note 7: Loss per share

	2019 $	2018 $
Basic loss per share (cents per share)	0.28	0.81
Diluted loss per share (cents per share)	0.28	0.81
Net loss	(2,009,060)	(4,817,991)
Loss used in calculating basic and diluted loss per share	(2,009,060)	(4,817,991)
	Number	**Number**
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	724,922,750	591,335,306

During the year there were no listed or key management personnel options exercised.

The options issued under Employee Option Plan (EOP) are not considered dilutive for the purpose of the calculation of diluted earnings/loss per share as their conversion to ordinary shares would not decrease the net profit from continuing operations per share. Consequently, diluted earnings/loss per share is the same as basic loss per share. As of 30 June 2019, a total of 188,426,321 potential ordinary shares had been issued, this is including 65,126,000 (2018: 30,804,503) options and 123,300,321 (2018: 123,300,321) partly paid shares respectively.

Note 8: Cash and cash equivalents

	30-Jun-19 $	30-Jun-18 $
Cash at bank and on hand	120,981	1,145,018
	120,981	1,145,018

Note 9: Trade and other receivables

	30-Jun-19	30-Jun-18
Current	**$**	**$**
Trade debtors	5,223	46,211
GST Receivables	7,981	20,470
Other Receivables	99,041	70,000
	111,645	136,681
Non-Current		
Shares subscribed but not yet issued (a)	-	500,000
Other receivables	20,000	-
	20,000	500,000

Trade debtors are non-interest bearing and are generally on 30-90 days terms. The carrying amounts of all trade and other receivables represent fair value and are not considered to be impaired.

Other receivables – Non-Current relates to security bonds held with a reputable Australian bank.

(a) On 25 June 2018, the consolidated entity had participated in Davenport Resources Limited's share purchase plan, and subscribed to 7,142,850 shares at $0.07 per share. These shares were subsequently issued on 5 July 2018. The consolidated entity was also eligible to receive 7,142,850 free-attaching options as part of this placement. These options will have an exercise price of $0.20 and expire on 31 July 2023. These options were approved by Davenport Resources' shareholders at a general meeting on 30 August 2018.

Note 10: Other assets

	30-Jun-19 $	30-Jun-18 $
Short term investment	-	20,000
Prepayments	18,484	15,918
	18,484	**35,918**

Note 11: Investment in associate

The Group's interest in Davenport Resources Limited ("Davenport"), a potash exploration group incorporated in Australia and listed on ASX, is accounted for using the equity method in the consolidated financial statements. This is on the basis that it was concluded Parkway has significant influence due to the 31% interest that it has in the entity as at 30 June 2019 (30 June 2018: 34.2%), and due to a Director of Parkway being the non-executive chairman of Davenport. The following table sets out the summarised financial information of the Group's investment in Davenport:

	30-Jun-19 $	30-Jun-18 $
Balance at the beginning of the financial year	2,413,115	1,636,243
Receipt of subscription shares	500,000	-
Receipt of milestone shares	-	1,429,994
Share of other comprehensive income for the period	31,681	36,112
Share of losses for the period	(682,788)	(581,480)
Impairment	(4,355)	(107,754)
Balance at the end of the financial year	**2,257,653**	**2,413,115**

As at 30 June 2018 the consolidated entity undertook an assessment for impairment as the fair value of the investment was below its carrying value, an impairment charge of $107,754 was recorded to bring the carrying value to its fair value of asset. This assessment was undertaken again at 30 June 2019, whereby it was determined that the fair value less cost of disposal was below the carrying value, and accordingly a further impairment was recorded of $4,355. The fair value was determined using the quoted price of Davenport shares at 30 June 2019 of $0.051.

The following is summarised financial information for the assets and liabilities in Davenport at 30 June 2019 based on its consolidated financial statements modified for differences in the Group's accounting policies:

	30-Jun-19 $	30-Jun-18 $
Current assets	740,102	2,742,216
Non-current assets	1,962,007	1,963,343
Current liabilities	(170,631)	(2,195,410)
Non-current liabilities	-	-
	2,531,478	**2,150,149**

Note 11: Investment in associate (continued)

The following summarises the share of other income, loss from continuing operations and other comprehensive income:

	For the year ended 30 June 2019 $	For the year ended 30 June 2018 $
Other income	8,354	42,176
Loss from continuing operations	**(682,788)**	**(581,480)**
Other comprehensive income	31,681	36,112
Total comprehensive loss for the period	**(651,107)**	**(545,368)**

Contingent liabilities
The associate has guaranteed a rental bond for the operating premises. At 30 June 2019 the extent of possible exposure is nil (2018: $104,212). The lease expired on 31 July 2018 and was not renewed. On 27 August 2018, the associate settled with the landlord the associate's make good obligations for $56,419 was released in the financial year.

Commitments
Lease of office premises for three year term and a lease of a business centre for a one year term were expired during this financial year. The associate no longer has commitments.

	2019	2018
Exploration expenditure	**$**	**$**
Payable within one year	-	89,650
	-	**89,650**
Operating leases		
Payable within one year	-	25,724
Payable in one to five years	-	-
	-	**25,724**

Note 12: Financial assets

	30-Jun-19 $	30-Jun-18 $
Investment - available for sale financial assets	-	687,990
Investment – fair value through P&L	399,374	-
	399,374	687,990
Reconciliation of movement for the period:		
Opening Balance	687,990	541,609
Sale	(51,700)	-
Gain/(Loss) on increase/(decline) in fair value at the end of the period	(236,916)	146,381
	399,374	**687,990**

Notes to Financial Statements (continued)

Note 12: Financial assets (continued)

For the year ended 30 June 2018, the Consolidated entity has recognised a gain of $146,381 resulting from the increase in the fair value of the financial assets. During the current financial year ended 30 June 2019, the Consolidated entity disposed 550,000 shares and has recognised a gain on sale of $147. The Consolidated entity also has recognised a loss of $236,917 resulting from the decrease in the fair value of the financial assets.

Financial assets relate to shares in a listed group. The Company plans to dispose these assets in the near future and is therefore classified as fair value through profit and loss.

Fair value of the financial assets at 30 June 2019 and 30 June 2018 has been determined by reference to quoted bid prices in active markets at the reporting date and are categorised within Level 1 of the fair value hierarchy.

Note 13: Plant and equipment

	30-Jun-19 $	30-Jun-18 $
Office equipment at cost	31,510	28,047
Less accumulated depreciation	(16,580)	(11,766)
	14,930	**16,281**
Plant and equipment at cost	70,275	70,275
Less accumulated depreciation	(68,065)	(53,430)
	2,210	**16,845**
Computer software at cost	40,340	40,340
Less accumulated depreciation	(40,340)	(33,995)
	-	**6,345**
Furniture fixtures at cost	8,644	8,644
Less accumulated depreciation	(3,872)	(2,288)
	4,772	**6,356**
Total plant and equipment	**21,912**	**45,827**

	Office Equipment $	Plant & Equipment $	Computer Software $	Furniture Fixtures $	Total $
Year ended 30 June 2018					
Opening net carrying value	7,110	20,017	8,452	8,466	44,045
Additions	12,304	909	-	-	13,213
Depreciation charge for the year	(3,133)	(4,081)	(2,107)	(2,110)	(11,431)
Closing net carrying value	**16,281**	**16,845**	**6,345**	**6,356**	**45,827**
Year ended 30 June 2019					
Opening net carrying value	16,281	16,845	6,345	6,356	45,827
Additions	3,463	-	-	-	3,463
Depreciation charge for the year	(4,814)	(14,635)	(6,345)	(1,584)	(27,378)
Closing net carrying value	**14,930**	**2,210**	**-**	**4,772**	**21,912**

Notes to Financial Statements (continued)

Note 14: Trade and other payables

	30-Jun-19 $	30-Jun-18 $
Current		
Unsecured liabilities		
Option fees payable (a)	-	180,000
Trade payables	145,769	222,071
	145,769	**402,071**

Due to short term nature of these payables, their carrying value is assumed to approximate their fair value.

(a) Option fees payable relate to a settlement negotiated for the option fees for land at the Dandaragan Trough. The amount was fully settled during the final year.

Note 15: Provisions

	30-Jun-19 $	30-Jun-18 $
Employee benefits – current liability	137,418	114,982
	137,418	**114,982**

Note 16: Contributed equity

	NOTE	30-Jun-19 No.	30-Jun-19 $	30-Jun-18 No.	30-Jun-18 $
Ordinary shares - fully paid	16B	633,932,540	23,159,732	594,814,654	22,974,071
Contributing shares - partly paid	16C	123,300,321	-	123,300,321	-
Treasury shares	16A	(24,000,000)	-	(24,000,000)	-
		733,232,861	23,159,732	694,114,975	22,974,071

When managing capital (which is defined as the Company's total equity amounting to $2,583,212 (2018: $4,447,496), the Board'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. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available for future exploration and development activity. The Company is not subject to any externally imposed capital requirements.

Notes to Financial Statements (continued)

16A: Movements in treasury shares are as follows:

	2019 Number	2019 $	2018 Number	2018 $
At the beginning of reporting year	(24,000,000)	-	-	-
Issued during the year	-	-	(24,000,000)	-
At the end of the year	(24,000,000)	-	(24,000,000)	-

In January 2018, the Company entered into a Controlled Placement Agreement ("CPA") with Acuity Capital Investment Management Pty Ltd as trustee for the Acuity Capital Holdings Trust ("Acuity"). The CPA grants an option to Acuity to issue Parkway shares at the discretion of Parkway, and which Acuity has the discretion to either accept or decline. The exercise price of each option is the greater of a 90% volume weighted average price of Parkway shares traded during the relevant valuation period and a floor price that is set by Parkway. The maximum option size is $3,000,000 and the option expires on 21 January 2021. During the year there were no options exercised. As part of the CPA, the Company have issued a total of 24,000,000 Parkway ordinary shares to Acuity which Acuity holds in the favour of Parkway. These shares are therefore deemed to be treasury shares. The shares are held by Acuity as collateral over the CPA arrangement and at the expiry date the shares may either be bought back by Parkway for nil consideration, issued to Acuity for a price that is to be agreed or transferred to a third party nominated by Parkway with no consideration being due or payable by Acuity. The shares had a value of $312,000 at the time of issue.

16B: Movements in fully paid ordinary shares on issue of the legal parent are:

	2019 Number	2018 Number	2019 $	2018 $
At the beginning of reporting year	594,814,654	359,237,974	23,309,096	21,316,846
Issue of nil shares (2018: 135,126,000 shares) via share placements *	-	135,126,000	-	1,351,260
Issue of nil shares (2018: 52,700,000 shares) via share purchase plan	-	52,700,000	-	527,000
Issue of 13,512,266 shares (2018: 23,750,680 shares) as share-based payments	13,512,266	23,750,680	90,113	260,824
Issue of nil treasury shares (2018: 24,000,000 shares) pursuant to the Controlled Placement Facility (see note 17A)	-	24,000,000	-	-
Shares to be issued	25,605,620	-	106,631	-
Equity Raising Costs	-	-	(11,083)	(146,834)
	633,932,540	594,814,654	23,494,757	23,309,096
Reserved shares	(3,150,000)	(3,150,000)	(335,025)	(335,025)
At the end of the reporting year	630,782,540	591,664,654	23,159,732	22,974,071

*As part of the issue of 50,126,000 shares issued on 29 June 2018, there were 50,126,000 free-attaching options that were approved by shareholders on 15 August 2018 and subsequently issued.

Notes to Financial Statements (continued)

16C: Movements in partly paid ordinary shares on issue of the legal parent are:

There was no changes in the partly paid contributing shares in this financial year.
Outstanding amount per partly paid contributing share at 30 June 2019 is $0.049 (2018: $0.049).

The partly paid contributing share are issued with outstanding calls of 4.9 cents each. The partly paid contributing share carry a right to a dividend on the same basis as holders of Ordinary Shares. Partly paid contributing shares carry the right to vote in proportion which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited). The company has the power to forfeit any shares where the call remains unpaid 14 days after the call was payable. The company must then offer the shares forfeited for public auction within six weeks of the call becoming payable.

Note 17: Reserves

	Note	30-Jun-19 $	30-Jun-18 $
Share based payment reserve	17A	722,726	711,643
Financial Asset reserve	17B	1,036,746	1,142,872
Foreign currency translation reserve	17C	67,793	36,112
		1,827,265	**1,890,627**

Reconciliation of total options on issue:

	Options issued as share-based payments (*)	Other options issued (**)	Reserved shares issued	Total options on issue
As at 30 June 2017	**8,546,691**	**14,250,000**	**3,150,000**	**25,946,691**
Issued during the year	10,000,000	-	-	10,000,000
Expired during the year	(1,992,188)	-	-	(1,992,188)
As at 30 June 2018	**16,554,503**	**14,250,000**	**3,150,000**	**33,954,503**
Issued during the year	5,000,000	50,126,000	-	55,126,000
Expired during the year	(6,554,503)	(14,250,000)	-	(20,804,503)
As at 30 June 2019	**15,000,000**	**50,126,000**	**3,150,000**	**68,276,000**

Note 17A: Options	**2019**	**2019**	**2018**	**2018**
	Number	**WAEP**	**Number**	**WAEP**
Outstanding at 1 July	30,804,503	$0.0538	22,796,691	$0.0671
Granted during the year	55,126,000	$0.0200	10,000,000	$0.0300
Expired during the year	(20,804,503)	$0.0650	(1,992,188)	$0.0320
Outstanding at 30 June	65,126,000	$0.0215	30,804,503	$0.0538
Exercisable at 30 June	65,126,000	$0.0215	30,804,503	$0.0538

***** These options are issued to consultants as part of capital raising services provided. Refer to Note 18.4 for options issued
****** These are free attaching options as part of capital raising. During the year 50,126,000 free attaching options exercisable at $0.02 expiring 17 August 2020 were issued.

The weighted average remaining contractual life of share options outstanding as at 30 June 2019 was 0.68 years (2018: 2.66 years).

The average exercise price of options granted during the year was $0.02 (2018: $0.03).

Note 17: Reserves (continued)

The range of exercise prices for options outstanding at the end of the year was $0.02 to $0.04 (2018: $0.02 to $0.07).

Reconciliation of value of share-based payment reserve

	Note	Jun-19 $	Jun-18 $
At the beginning of reporting year		711,643	688,643
Amount expensed for options issued to consultant. 5,000,000 options with exercise price of $0.02	17.1	-	16,000
Amount expensed for options issued to consultant. 5,000,000 options with exercise price of $0.04	17.2	-	7,000
Amount expensed for options issued to consultant. 5,000,000 options with exercise price of $0.02	17.3	11,083	-
At the end of the reporting year		722,726	711,643

17.1 The issue of 5,000,000 $0.02 options exercisable on or before 20 September 2019 to consultant. Please refer to Note 18 for further explanation.
17.2 The issue of 5,000,000 $0.04 options exercisable on or before 20 September 2019 to consultant. Please refer to Note 18 for further explanation.
17.3 The issue of 5,000,000 $0.02 options exercisable on or before 17 August 2020 to consultant. Please refer to Note 18 for further explanation.

Note 17B: Financial Asset reserve

The Financial Asset reserve represents the gains and losses of available-for-sale financial assets.

Note 17C: Foreign currency translation reserve

The foreign currency translation reserve comprises the share of foreign currency translation differences arising from the Group's equity accounted investment.

Note 18: Equity based payments

Expenses arising from share-based payment and option-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	Note	Jun-19 $	Jun-18 $
Shares issued under the director and senior management fee and remuneration sacrifice share plan.	18.1	116,200	128,699
Shares issued in consideration of services.	18.2	80,546	105,725
Total equity based payments expense		**196,746**	**234,424**
Shares issued to consultants recognised for capital raising services as share issue costs in equity	18.3	-	26,400
Options issued to Consultants recognised as share issue costs in equity. Refer note 17.3.	18.4	11,083	23,000
Total equity based payments recorded in equity		**11,083**	**49,400**

Notes to Financial Statements (continued)

Note 18: Equity based payments (continued)

18.1 During the year shares were issued to directors and senior management under the management fee and remuneration sacrifice share plan. The fair value of the services was considered to be equal to the fair value of the shares issued.

18.2 During the year shares were issued to consultants for the consideration of services provided.

18.3 On 24 October 2017, the Company issued 2,640,000 shares at $0.01 per share to a consultant for Capital raising services provided. This issue was approved by shareholders at a general meeting.

18.4 During the 2019 financial year, the Company issued 5,000,000 options to consultants for equity raising services, which the fair value was recognised as part of issued capital. These options had a fair value of $11,083 calculated using a black scholes model. The fair value of the services was considered to be equal to the fair value of the options issued. This issue was approved by shareholders at 2018 GM. During the 2018 financial year, the Company issued 5,000,000 class A options and 5,000,000 class B options to consultants for equity raising services, which was recognised as part of issued capital. The fair value of the services was considered to be equal to the fair value of the options issued. This issue was approved by shareholders at 2017 AGM.

The fair value of the options granted for the year ended 30 June 2019 and 30 June 2018 was estimated on the date of grant using the following assumptions and valuing using a black scholes model, the fair value of the services provided was consider to equal the fair value determined using the black scholes model:

	30-Jun-19	**30-Jun-18**
Number of options issued	5,000,000	Class A – 5,000,000 Class B – 5,000,000
Dividend yield (%)	Nil	Nil
Expected volatility* (%)	75	75
Risk-free interest rate (%)	1.5	1.5
Expected life (years)	2	2
Share price	$0.004	$0.01
Exercise price ($)	$0.02	Class A - $0.02 Class B - $0.04
Value per option	$0.0022	Class A - $0.0032 Class B - $0.0014

All shares issued as equity-based payments were issued for nil cash consideration and were valued at market fair value which was considered to approximate the fair value of the services provided.

Note 19: Commitments

(i) The Company has certain obligations with respect to tenements and minimum expenditure requirements on areas, as follows:

	30-Jun-19	**30-Jun-18**
	$	**$**
Within 1 year	560,386	1,038,667
1 to 2 years	560,386	1,038,667
Total	1,120,772	2,077,334

The commitments may vary depending upon additions or relinquishments of the tenements, as well as farm-out agreements. The above figures are based on the mines department Emits reports as at 30 June 2019. These figures are adjusted at the anniversary date of each tenement and therefore the total can change on a monthly basis.

Notes to Financial Statements (continued)

Note 20: Contingent liabilities

There are no contingent liabilities as at 30 June 2019 (2018: Nil).

Note 21: Related party transactions

	30-Jun-19 $	30-Jun-18 $
Corporate advisory were paid to Precious Capital Pte Ltd, a company of which Chew Wai Chuen is a director and shareholder	1,276	9,220
Fees were paid to Horn Resources Pty Ltd, a company of which Robert Van der Laan is a director and shareholder. Fees included investor relations, corporate advisory, office accommodation, accounting staffs, administrative staffs and exploration staffs.	70,189	165,041
	71,465	**174,261**

Trade and other payables to related party as at 30 June 2019 amounted to $12,219 (30 June 2018: $23,549).

All related party transactions are considered to be on an arms' length basis.

Note 22: Cash flow information

Reconciliation of cash flow from operations with loss from ordinary activities after income tax

	30-Jun-19 $	30-Jun-18 $
Loss from ordinary activities after income tax	(2,009,060)	(4,817,991)
Share of net losses of associate	682,788	581,480
Depreciation and amortisation	27,380	11,431
Expenses settled via equity issues	196,746	234,424
Impairment of financial assets	236,917	-
Write-off of exploration and evaluation assets	-	2,675,000
Income tax recognised in other comprehensive income	-	(433,503)
Impairment of investment in associate	4,355	107,754
Changes in assets and liabilities		
Increase/(decrease) in deferred tax liabilities	-	(385,871)
(Increase)/decrease in receivables	(18,209)	(61,851)
(Increase)/decrease in other assets	(6,481)	15,462
Increase/(decrease) in payables	(256,302)	193,880
Increase/(decrease) in provisions	22,436	29,255
Cash flows used in operating activities	**(1,119,430)**	**(1,850,530)**

Note 23: Financial risk management objectives and policies

The Company's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to finance the Company's operations. The Company also has other financial instruments such as trade debtors and creditors which arise directly from its operations. The main risks arising from the Group's financial instruments are interest rate risk, credit risk and equity price risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) 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 is set out in the following table. Also included is the effect on profit and equity after tax if interest rates at that date had been 10% higher or lower with all other variables held constant as a sensitivity analysis.

The Group has not entered into any hedging activities to manage interest rate risk. In regard to its interest rate risk, the Group continuously analyses its exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total	Interest Rate Risk Sensitivity -10% Profit	Equity	10% Profit	Equity
	%	$	$	$	$	$	$	$	$
2019									
Financial Assets									
Cash	1.25	94,477	-	26,504	120,981	-127	-127	127	127
Other assets		-	-	18,484	18,484				
Receivables		-	20,000	111,645	131,645				
Total Financial Assets		94,477	20,000	156,633	271,109				
Financial Liabilities									
Trade creditors		-	-	145,769	145,769				
Total Financial Liabilities		-	-	145,769	145,769				

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total	Interest Rate Risk Sensitivity -10% Profit	Equity	10% Profit	Equity
	%	$	$	$	$	$	%	$	$
2018									
Financial Assets									
Cash	1.25	281,138	400,000	463,880	1,145,018	-1,002	-1,002	1,002	1,002
Other assets		-	20,000	-	20,000				
Receivables		-	-	636,681	636,681				
Total Financial Assets		281,138	420,000	1,100,561	1,801,699				
Financial Liabilities									
Trade creditors		-	-	402,071	402,071				
Total Financial Liabilities		-	-	402,071	402,071				

Note 23: Financial risk management objectives and policies(continued)

A sensitivity of 10% (2018: 10%) has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A -10% sensitivity would move short term interest rates at 30 June 2019 from around 1.25% to 1.13% (2018: 1.25% to 1.13%) representing a 12.0 basis points (2018: 12.0 basis points), which is 8.5 basis points (2018: 8.5 basis points) net of tax.

Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances is impacted resulting in a decrease or increase in overall income.

(a) Liquidity Risk
The Company manages liquidity risk by maintaining sufficient cash reserves and marketable securities required to meet the current exploration and administration commitments, through the continuous monitoring of actual cash flows.

All payables are due within 30 days, which is consistent with the prior year.

(b) Fair Values
For financial assets and liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form except for financial assets fair value through profit or loss which are valued at market value as traded on the ASX and are considered to be level 1 in the fair value hierarchy.

(c) Credit Risk
Credit risk arises in the event that counterparty will not meet its obligations under a financial instrument leading to financial losses. The Consolidated entity is exposed to credit risk from its operating activities, financing activities including deposits with banks. The credit risk control procedures adopted by the Consolidated entity is to assess the credit quality of the institution with whom funds are deposited or invested, taking into account its financial position and past experiences.

The maximum exposure to credit risk on financial assets of the Consolidated entity which have been recognised on the statement of financial position is generally limited to the carrying amount. The Group's other receivables relate to a R&D claim from the ATO, which was subsequently collected in full and therefore carries insignificant expected credit loss.

Cash is maintained with National Australia Bank, an AA S&P rated bank and therefore carries insignificant expected credit loss.

(d) Equity price risk
The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through the Group's Board of Directors reviewing and approving all equity investment decisions. At the reporting date, the exposure to listed equity securities recognised as financial assets fair value through profit or loss was $399,374.

An increase/(decrease) of 10% on the share price could have a positive/(negative) impact of approximately $39,937 on the income of the Group.

Note 24: Controlled entities

Parkway Minerals NL is the ultimate parent entity of the consolidated group.

The following are controlled entities at the reporting date and have been included in the consolidated financial statements. All shares held are ordinary shares.

Note 24: Controlled entities (continued)

Name	Country of Incorporation	Percentage Interest Held %		Principal activities
		2019	2018	
Dandaragan Trough Holdings Pty Ltd	Australia	100%	100%	Dormant
K-Max Pty Ltd	Australia	100%	100%	Dormant
East Exploration Holdings Pty Ltd	Australia	100%	100%	Dormant

As at 30 June 2019, there are no commitment or contingent liabilities in respect of the controlled entities.

Note 25: Parent entity disclosure

	Parent 30-Jun-19	Parent 30-Jun-18
Assets		
Current assets	251,110	1,317,617
Non current assets	941,285	1,233,817
Total Assets	1,192,395	2,551,434
Liabilities		
Current liabilities	283,187	517,053
Non current liabilities	-	-
Total Liabilities	283,187	517,053
Net Assets	909,208	2,034,381
Equity		
Contributed equity	23,159,732	22,974,071
Reserves	722,726	817,769
Accumulated losses	(22,973,250)	(21,757,459)
Total Equity	909,208	2,034,381

	Parent 30-Jun-19	Parent 30-Jun-18
Loss for the year	(1,321,917)	(4,907,876)
Other comprehensive income	-	106,126
Total comprehensive loss for the financial year	(1,321,917)	(4,801,750)

The commitments and contingencies and commitments of the parent entity are the same as those for the consolidated entity.

Note 26: Subsequent events

On 23 July 2019, the Company issued 25,605,620 fully paid ordinary shares to the directors and senior management under remuneration sacrifice share plan.

On 5 August 2019, the Company announced a transaction to acquire Consolidated Potash Corporation Ltd (CPC). This transaction includes the issue of 480 million fully paid ordinary shares, 123 million partly paid shares, a capital raising of $450,000 and transfer of 10 million Davenport Resources Limited shares. This transaction has been approved by shareholders at EGM held on 13 September 2019.

Notes to Financial Statements (continued)

Note 26: Subsequent events (continued)

On 27 August 2019, the Company announced the completion of $450,000 capital raising before costs via s708 placement. The capital raising consists of the issuance of 90,000,000 fully paid ordinary shares at an issue price of $0.005.

There have not been any other matters that have arisen after balance date that have significantly affected, or may significantly affect, the operations and activities of the Company, the results of those operations, or the state of affairs of the Company in future financial years other than disclosed elsewhere in this annual report.

Parkway Minerals NL
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Directors' Declaration

In the opinion of the directors of Parkway Minerals NL:

(a) the financial statements and notes set out on pages 26 to 60 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the financial position of the Company as at 30 June 2019 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(c); and

(c) subject to the matters discussed in Note 2(f), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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 year ended 30 June 2019.

This declaration is made in accordance with a resolution of the directors.

Patrick McManus
Managing Director
Perth
Dated: 26 September 2019

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Building a better working world

Independent Auditor's Report to the Members of Parkway Minerals NL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Parkway Minerals NL (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, 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:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2019 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2(f) of the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. Except for the matter described in the *Material Uncertainty Related to Going Concern* section of our report, we have determined that there are no other key audit matters to be communicated in our report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2019 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, with the exception of the Remuneration Report and our related assurance opinion.

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of 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 Parkway Minerals NL for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Ernst & Young

Ernst & Young

V L Hoang
Partner
Perth
26 September 2019

Parkway Minerals NL

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Shareholder Information

Distribution schedules of shareholders and statements of voting rights are set out in Table 1, whilst the Company's top twenty shareholders and option holders are shown in Tables 2, 3 and 4. Substantial shareholder notices that have been received by the Company are set out in Table 5.

Table 1
Shareholder spread as at 20 September 2019

Ordinary shares, with right to attend meetings and vote personally or by proxy, through show of hands and, if required, by ballot (one vote for each share)

Spread of Holdings	No. Holders PWN	No. Holders PWNCA
1-1,000	114	218
1,001-5,000	180	425
5,001-10,000	133	221
10,001-100,000	619	588
100,001 - and over	467	173
Total number of holders of securities	1,513	1,625
Total number of securities	1,214,906,085	245,158,677

Table 2
Top twenty shareholders as at 20 September 2019

	Shareholder	No. Shares	Percentage
1	LIONS BAY CAPITAL INC	223,094,414	18.36
2	ACTIVATED LOGIC PTY LTD	203,920,534	16.78
3	CITICORP NOMINEES PTY LIMITED	52,797,583	4.35
4	HORN RESOURCES PTY LTD	37,234,500	3.06
5	RHODES MINING LIMITED	33,833,562	2.78
6	MR PATRICK BERNARD DAVID MCMANUS + MRS VIVIENNE EDWINA MCMANUS <MCMANUS SUPER FUND A/C>	31,905,819	2.63
7	ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD <ACUITY CAPITAL HOLDINGS A/C>	26,524,453	2.18
8	HENADOME PTY LTD <THE ALBOW A/C>	22,500,000	1.85
9	KEO PROJECTS PTY LTD <SUPERANNUATION FUND A/C>	22,200,000	1.83
10	MR PHILIP ANTHONY FEITELSON	21,915,000	1.80
11	MR XUAN KHOA PHAM	19,000,000	1.56
12	KALINA POWER LIMITED	18,581,062	1.53
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	18,258,806	1.50
14	OULANGE TRADE LIMITED	18,000,000	1.48
15	WAH LEN ENTERPRISE SDN BHD	16,666,666	1.37
16	QUERION PTY LTD	13,000,000	1.07
17	YAP THAI CHOY	12,000,000	0.99
18	PAGONDAS PTY LTD <PAGONDAS A/C>	10,000,000	0.82
19	MR GUY BANDUCCI + MRS LISA MAREE BANDUCCI <KALI SUPER FUND A/C>	9,500,000	0.78
20	LAWRENCE CROWE CONSULTING PTY LTD <L C C SUPER FUND A/C>	8,500,000	0.70
		819,432,399	**67.45**

Shareholder Information (continued)

Table 3
Top twenty partly paid shareholders as at 20 September 2019

	Shareholder	No. Shares	Percentage
1	LIONS BAY CAPITAL INC	54,534,253	22.24
2	ACTIVATED LOGIC PTY LTD	52,424,060	21.38
3	CITICORP NOMINEES PTY LIMITED	9,574,720	3.91
4	RHODES MINING LIMITED	8,697,960	3.55
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,398,763	2.20
6	KALINA POWER LIMITED	4,776,835	1.95
7	WAH LEN ENTERPRISE SDN BHD	4,166,667	1.70
8	MRS ANJANA NANDHA	3,500,000	1.43
9	QUERION PTY LTD	3,125,000	1.27
10	MR PHILIP ANTHONY FEITELSON	3,000,000	1.22
11	YAP THAI CHOY	3,000,000	1.22
12	MR ADRIAN CHRISTOPHER GRIFFIN	2,719,635	1.11
13	MR JOHN STEPHEN BLADON MILLWARD	2,665,861	1.09
14	TORBINUP RESOURCES PTY LTD	2,648,544	1.08
15	MR STEVEN VARGA	2,500,000	1.02
16	MR MOHAN SINGH NANDHA	2,391,207	0.98
17	MR BRUCE MCGOWAN HORWOOD	2,070,066	0.84
18	MR ROBERT PETER VAN DER LAAN	1,800,045	0.73
19	MR ADRIAN CHRISTOPHER GRIFFIN	1,767,998	0.72
20	MR DANIAN JOSEPH PEKIN	1,750,000	0.71
		172,511,614	**70.37**

Table 4
Substantial shareholders as at 20 September 2018

Shareholder	No. of shares	Percentage
Lions Bay Capital Inc	223,094,414	18.36%
Activated Logic Pty Limited	203,920,534	16.78%

Voting Rights

The voting rights attached to each class of equity securities are set out below.

(a) Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Unlisted options as at 20 September 2018

Details of unlisted option holders are as follow:

Class of unlisted options	No. Options
Options exercisable at $0.02 on or before 17 August 2020	55,126,000
Holders of more than 20% of this class	2

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Tenement Register

Tenements (Australia) as at 20 September 2018

Tenements Name	Project	Holder	Details
Dinner Hill	E70/3987	Parkway Minerals NL	100% Mineral Rights for Potash
Jam Hill	E70/4137	Parkway Minerals NL	100% Mineral Rights for Potash
Dandaragan	E70/4609	Parkway Minerals NL	100% Mineral Rights for Potash
Dandaragan	E70/5102	Parkway Minerals NL	100% Mineral Rights for Potash
Lake Seabrook	E77/2529	Parkway Minerals NL	100% Mineral Rights for Potash
Lake Seabrook	E77/2532	Parkway Minerals NL	100% Mineral Rights for Potash
Lake Seabrook	E77/2533	Parkway Minerals NL	100% Mineral Rights for Potash
Lake Seabrook	E77/2537	Parkway Minerals NL	100% Mineral Rights for Potash
Lake Seabrook	E77/2563	Parkway Minerals NL	100% Mineral Rights for Potash