



**BIG SKY
METALS**

Financial report for the period ended 31 December 2018

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Contents	Page
Directors' Report	3
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	18
Independent Audit Report	19

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

DIRECTORS' REPORT

Your directors present their report on the consolidated group for the period from incorporation on 30 October 2017 to 31 December 2018.

Directors

The names of the directors in office at any time during, or since the end of, the period are:

Rimas Kairaitis

Richard Hill (appointed 17 September 2018)

Matthew Sikirich (appointed 17 September 2018)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of Operations

The consolidated loss of the consolidated group for the period after providing for income tax amounted to \$19,928.

The Company was incorporated on 30 October 2017. During the period from incorporation to 31 December 2018, the Company purchased speciality metals tenements 'Tallebung' and 'Doradilla' from Aurelia Metals Limited (ASX:AMI), and undertook a seed capital raise of \$320,000.

Significant Changes in the State of Affairs

No significant changes in the consolidated group's state of affairs occurred during the period.

Principal Activities

The principal activities of the consolidated group during the period were the exploration for speciality metals.

No significant change in the nature of these activities occurred during the period.

Events Subsequent to the End of the Reporting Period

Since the end of the period the Company has continued to work with Planet Gas Limited (ASX:PGS) to effect the sale of 100% of the shares in the Company to PGS as announced to the ASX on 22 November 2018. The transaction is subject to a number of conditions precedent. The Company's shareholders will receive 3.5 PGS shares and 1 PGS option for each of the Company's shares held.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Environmental Regulation

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No dividends were paid or declared since the start of the period.

Options

No options over issued shares or interests in the company or a controlled entity were granted during or since the end of the period and there were no options outstanding at the date of this report.

No shares were issued during or since the end of the period as a result of the exercise of an option over unissued shares or interests.

Indemnification of Officers

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

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Proceedings on Behalf of Company

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

The company was not a party to any such proceedings during the period.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director

A handwritten signature in black ink, appearing to read 'M. Sikirich', is enclosed in a thin black rectangular border.

Matthew Sikirich

Dated this 22nd day of March 2019

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2018

Consolidated Group

30 October 2017 to

31 December 2018

\$

EXPENSES

ASIC / Search & Filing Fees	577
Legal Fees	6,181
Audit Fees	6,000
Advertising & Promotions	550
Insurance	5,410
Stamp Duty	498
Travel Expenses	712
TOTAL EXPENSES	19,928
Loss before income tax	19,928
Tax expense	-
Loss for the Period	19,928
Total other comprehensive income for the period	-
Total comprehensive loss for the period	19,928

The accompanying notes form part of these financial statements.

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	Consolidated Group 31 December 2018 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2	235,253
Trade and other receivables	3	50,701
TOTAL CURRENT ASSETS		<u>285,954</u>
NON-CURRENT ASSETS		
Exploration & Evaluation Assets	4	233,560
TOTAL NON-CURRENT ASSETS		<u>233,560</u>
TOTAL ASSETS		<u><u>519,514</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables		6,005
TOTAL CURRENT LIABILITIES		<u>6,005</u>
TOTAL LIABILITIES		<u>6,005</u>
NET ASSETS		<u><u>513,509</u></u>
EQUITY		
Issued capital	8	533,437
Retained earnings		(19,928)
TOTAL EQUITY		<u><u>513,509</u></u>

The accompanying notes form part of these financial statements.

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2018

Consolidated Group	Note	Ordinary Share Capital	(Accumulated Losses)	Total
		\$	\$	\$
Balance at 30 October 2017 (Incorporation)		-	-	-
Shares issued during the period	8	533,437	-	533,437
Total comprehensive loss for the Period		-	(19,928)	(19,928)
Balance at 31 December 2018		533,437	(19,928)	513,509

The accompanying notes form part of these financial statements.

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2018

	Note	Consolidated Group
		30 October 2017 to 31 December 2018
		\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees		(13,928)
Net cash used in operating activities		<u>(13,928)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration activities		(70,819)
Net cash used in investing activities		<u>(70,819)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	8	320,000
Net cash provided by financing activities		<u>320,000</u>
Net increase in cash held		235,253
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of the period	2	<u><u>235,253</u></u>

The accompanying notes form part of these financial statements.

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

The consolidated financial statements and notes represent those of Big Sky Metals Pty Ltd and Controlled Entity (the "consolidated group" or "group"). Big Sky Metals Pty Ltd is a company limited by shares, incorporated and domiciled in Australia from 30 October 2017.

The financial statements were authorised for issue on 22 March by the directors of the Company.

Note 1: Summary Of Significant Accounting Policies

Basis of Preparation

In the Directors opinion, the Group is not a reporting entity as there are no users dependant on the special purpose financial statements. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar and are presented in Australian dollars.

a. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Big Sky Metals Pty Ltd and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 6.

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

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

b. Going concern

The consolidated entity incurred a net loss before tax of \$19,928 during the period ended 31 December 2018, and had a net cash outflow of \$13,928 from operating activities.

The ability of the Group to continue as a going concern is dependent on the financial support from its shareholders to fund its working capital requirements and/or successfully raising capital.

These conditions indicate a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

The Company has entered into an agreement with Planet Gas Limited with the effect that Planet Gas will, as a condition of acquiring the Company, raise \$4,000,000 (net of costs) and provide funds to the Company to continue its exploration activities.

Should the Group not achieve the matters set out above or not complete any other alternative forms

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 1: Summary Of Significant Accounting Policies

of fund raisings, there is uncertainty whether the Group would continue as a going concern and therefore would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The consolidated financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

c. **Asset Acquisition**

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired asset and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition

d. **Income Tax**

The income tax expense (income) for the period comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 1: Summary Of Significant Accounting Policies

e. **Fair Value of Assets and Liabilities**

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

f. **Impairment of Assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

g. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

h. **Trade and Other Receivables**

Trade and other receivables include GST, Security Deposits, and amounts due from shareholders. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 1: Summary Of Significant Accounting Policies

Note 1(f) for further discussion on the determination of impairment losses.

i. **Exploration and Evaluation Assets**

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

j. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

l. **Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

m. **Key estimates**

(i) *Impairment – general*

The Group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(ii) *Asset Acquisition*

The Group has determined that the acquisition of Stannum Pty Ltd is not deemed as a business acquisition and the transaction has been accounted for as an asset acquisition (refer to Note 4). In assessing the requirements of AASB 3 Business Combinations, the group has determined that the assets acquired consist only of mining tenements and therefore do not constitute a business.

n. **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 1: Summary Of Significant Accounting Policies

for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

AASB 9 is not expected to have a material impact based on the transactions presently entered into by the company.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

AASB 15 is not expected to have a material impact based on the transactions presently entered into by the company.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 1: Summary Of Significant Accounting Policies

- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact

Note 2: Cash and Cash Equivalents

	Consolidated Group 2018 \$
CURRENT	
Cash at bank and on hand	235,253
	235,253
	235,253

Note 3: Trade and Other Receivables

	Consolidated Group 2018 \$
CURRENT	
GST Receivable	3,097
Security Deposit	47,500
Other receivables	104
Total current trade and other receivables	50,701
	50,701

Credit risk

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Note 4: Exploration And Evaluation Assets

**Consolidated
Group
2018
\$**

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 4: Exploration And Evaluation Assets

	Consolidated Group 2018 \$
Exploration And Evaluation Assets – At Cost	233,560
	233,560
Balance at beginning of period	-
Acquisition of Stannum Pty Ltd	213,333
Expenditure during the period	20,227
Closing Balance	233,560

Note 5: Auditors' Remuneration

Remuneration of the auditor of the parent entity (BDO) for:

- Auditing the financial statements	6,000
	6,000

Note 6: Interests In Subsidiaries

a. Information about Principal Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group 2018 %
Stannum Pty Ltd	Orange, NSW	100

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Note 7: Parent Entity Information

31 December 2018	
\$	
Assets	
Total Current Assets	285,954
Total Non-Current Assets	233,560
Total Assets	519,514
Liabilities	
Total Current Liabilities	6,005
Total Liabilities	6,005
Net Assets	513,509
Equity	
Issued Capital	533,437
Retained Earnings	(19,928)
Total Equity	513,509
Net Loss of the Parent Entity	19,928

Note 8: Issued Capital

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

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

	Consolidated Group	
	Shares	2018 \$
Fully Paid Ordinary Shares	20,000,000	533,437
		533,437
Incorporation – 30 October 2017 - \$0.01 / share	10,000	100
Founder Shares (i)	7,490,000	4
Shares issued February 2018 - \$0.043 / share	7,500,000	320,000
Shares issued to Aurelia Metals June 2018 - \$0.043 / share	5,000,000	213,333
Closing Balance	20,000,000	533,437

(i) The Founder Shares were issued to the following parties. The grant date of these shares was 8 November 2017 and were valued based on the fair value of shares at that date. They were granted to the founders in consideration for services performed.

Adriatic Pty Ltd <MGS A/C> - Matthew Sikirich (Director)	2,300,000
Smiff Pty Ltd – Rimas Kairaitis (Director)	2,290,000
Silverpeak Nominees Pty Ltd <The RGM Hill A/C> - Richard Hill (Director)	1,900,000

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

Matzo Consulting Pty. Ltd. 1,000,000

Note 9: Cash Flow Information

	Consolidated Group 2018 \$
Reconciliation of Cash Flow from Operations with Loss after Income Tax	
Loss after income tax	<u>19,928</u>
Non-cash items in Loss for period	
Increase in accruals	<u>(6,000)</u>
Cash Outflow from Operations	<u>13,928</u>

Note 10. Events After The Reporting Period

Since the end of the period the Company has continued to work with Planet Gas Limited (ASX:PGS) to effect the sale of 100% of the shares in the Company to PGS as announced to the ASX on 22 November 2018. The transaction is subject to a number of conditions precedent. The Company's shareholders will receive 3.5 PGS shares and 1 PGS option for each of the Company's shares held.

Note 11: Company Details

The registered office of the company is:

Big Sky Metals Pty Ltd
36 Gorman Road
Orange NSW 2800

The principal place of business is:

Big Sky Metals Pty Ltd
36 Gorman Road
Orange NSW 2800

Big Sky Metals Pty Ltd ACN 622 558 767 and Controlled Entity

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Big Sky Metals Pty Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 17, presents fairly the Group's financial position as at 31 December 2018 and its performance for the period 30 October 2017 to 31 December 2018 in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.



Matthew Sikirich

Dated this 22nd day of March 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Big Sky Metals Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Big Sky Metals Pty Ltd (the Entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income for the period 30 October 2017 to 31 December 2018, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, and notes to the financial report, including a summary of significant accounting policies and the and director's declaration.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Group as at 31 December 2018 and of its financial performance for the period 30 October 2017 to 31 December 2018 and its cash flows for the period then ended in accordance with the basis of accounting described in note 1.

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 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 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Group to meet the requirements of the Investigating Accountants Report. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Financial Report, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of management and those charged with governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Investigating Accountants Report and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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



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

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Dean Just', written in a cursive style.

Dean Just

Director

Perth, 22 March 2019