Pacifico
Minerals Ltd
ABN 43 107 159 713

Annual Report

2017

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CORPORATE DIRECTORY

Board of Directors
Richard Monti (Non-Executive Chairman)
Simon Noon (Managing Director)
Peter Harold (Non-Executive Director)
Andrew Parker (Non-Executive Director)

Company Secretary
Patrick Holywell

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Stock Exchange Listing
Australian Securities Exchange
ASX Code: PMY

Share Registry
Security Transfer Registrars Pty Ltd
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APPLECROSS WA 6153
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Fax: +61 (0)8 9315 2233
Email: registrar@securitytransfer.com.au

Solicitors
Kings Park Corporate Lawyers
Level 2, 45 Richardson Street
WEST PERTH WA 6005

Bankers
Australian and New Zealand Banking Group Limited
Level 1, 1275 Hay Street
WEST PERTH WA 6005

Auditors
Stantons International
Level 2, 1 Walker Avenue
WEST PERTH WA 6005

CHAIRMAN'S ADDRESS

To Our Shareholders,

On behalf of your Board of Directors, I am pleased to present to you the Annual Report for the year ended 2017. The year was one of rationalisation for our Company and I remain optimistic about the exploration potential within our projects.

During the year, Pacifico completed 2,477 metres of reverse circulation drilling at the Four Mile, Coppermine Creek, Johnstons, Mariner and Berjaya prospects (Borroloola West Joint Venture Project, Northern Territory). Targets for diamond drilling were established at Coppermine Creek, Mariner and Berjaya with drilling commencing subsequent to the year end. The aim is to test for primary copper and zinc-lead mineralisation. Air core drilling is also planned at the Lorella prospect testing for primary and oxide copper mineralisation. In Colombia (Berrio Project), mapping and sampling programs were completed and tenure was rationalised.

Whilst Pacifico continues to explore with a clear objective of finding a world class mineral deposit, your Board has maintained prudent financial management. A fully subscribed share placement for approximately $1 million was completed and US$200,000 was reimbursed from Anglo Gold Ashanti. Additionally, US$400,000 in acquisition payments previously owing to Anglo Gold Ashanti are no longer payable.

To our Shareholders, I thank you for your continued support and belief in the Company, its assets and its people.

In closing, I would like to acknowledge and thank the Company's Managing Director, Simon Noon, the executive team and all of the employees, contractors and suppliers of Pacifico for their hard work and dedication throughout the year.

Yours sincerely

Richard Monti
Chairman

FORWARD LOOKING STATEMENT

This report may include forward-looking statements regarding Pacifico Minerals Ltd and its consolidated entities' (the "Group") financial position, business strategy, and plans and objectives for future operations, which have been based on the Group's current expectations about future events. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. The statements reflect views held only as at the date of this document. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this document might not occur. Investors are therefore cautioned not to place undue reliance on these statements. Subject to any continuing obligations under applicable law or the Listing Rules, the Group expressly disclaims any obligation to disseminate after the date of this Report any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based. While this report is based on information from sources which the Group considers reliable, the Group, its Board of Directors, employees or associates do not represent, warrant, expressly or impliedly, that the information contained in this review is complete or accurate. Any opinions expressed reflect the Group's judgment at this date and is subject to change. The Group, its' Board of Directors and employees do not accept any liability for the results of any actions taken or not taken on the basis of information in this review, or for any negligent misstatements, errors or omissions. This report is made without consideration of any specific shareholders investment objectives, financial situation or needs. Those acting upon such information without first consulting an investment advisor do so entirely at their own risk. It is recommended that any persons who wish to act upon this review consult an investment advisor before doing so.

OPERATIONS REPORT – AUSTRALIA

BORROLOOLA WEST PROJECT, NORTHERN TERRITORY – COPPER/ZINC/LEAD/COBALT/SILVER (PACIFICO 51%)

Pacifico has previously earned the right to a 51% interest in the Borroloola West Project from Sandfire Resources NL ("Sandfire") under a farm-in agreement, through staged exploration expenditures. The Borroloola West Project consists of 12 exploration licences and 1 mining licence (1,817 km2), and lies west and northwest of the world class McArthur River zinc-lead mine and Teck Resources' world class Teena zinc-lead deposit in the Northern Territory. The project area is underlain by the Proterozoic age McArthur Basin, the northern extension of the Mt Isa Basin and host to several world-class sediment hosted massive sulphide ("SHMS") deposits including the major zinc/lead/silver and copper deposit at Mt Isa and the zinc/lead/silver deposit at the McArthur River mine just 25km east of the project tenements. The project area also lies 200km SW of the world-class Groote Eylandt manganese mine. The exploration conducted by Pacifico on the Borroloola West Project has further enhanced the region's prospectivity for sediment-hosted copper, SHMS base metal mineralisation (zinc, lead and silver), and Groote Eylandt style manganese deposits, with several prospects now defined and ready for drill testing.

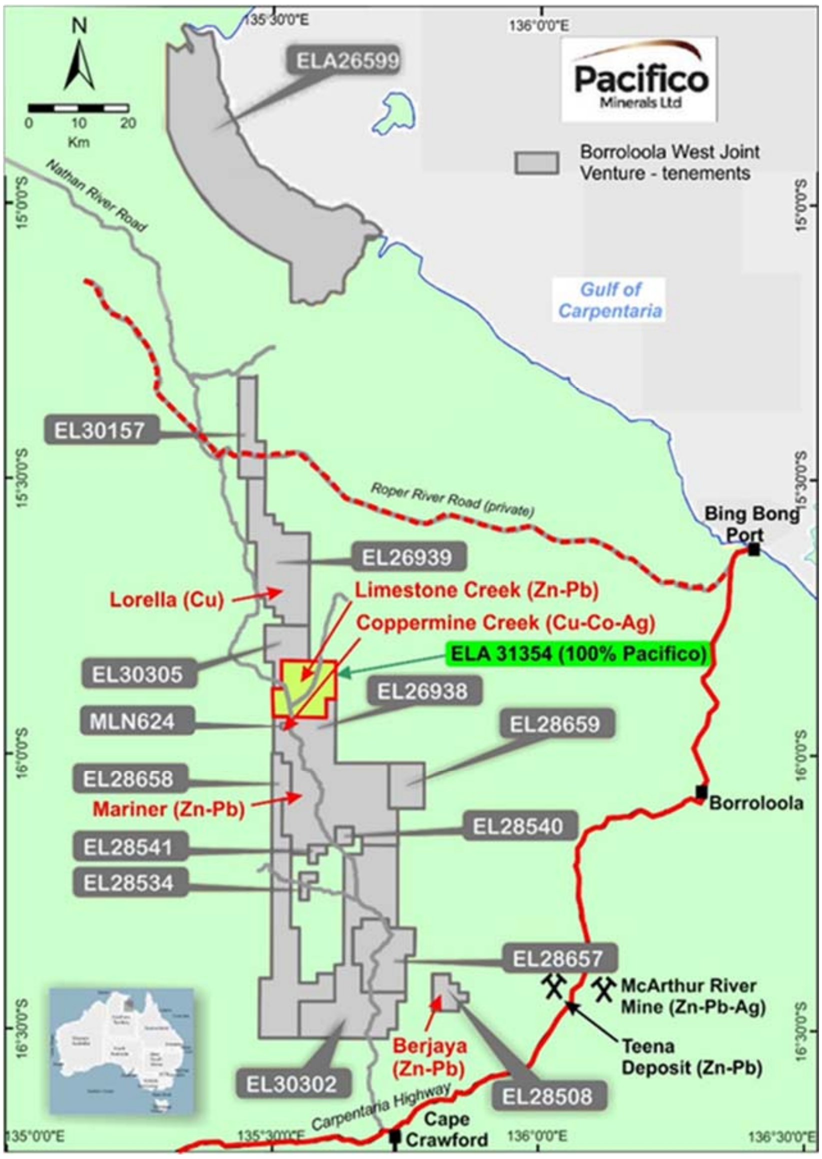

Figure 1: Borroloola West Project location map

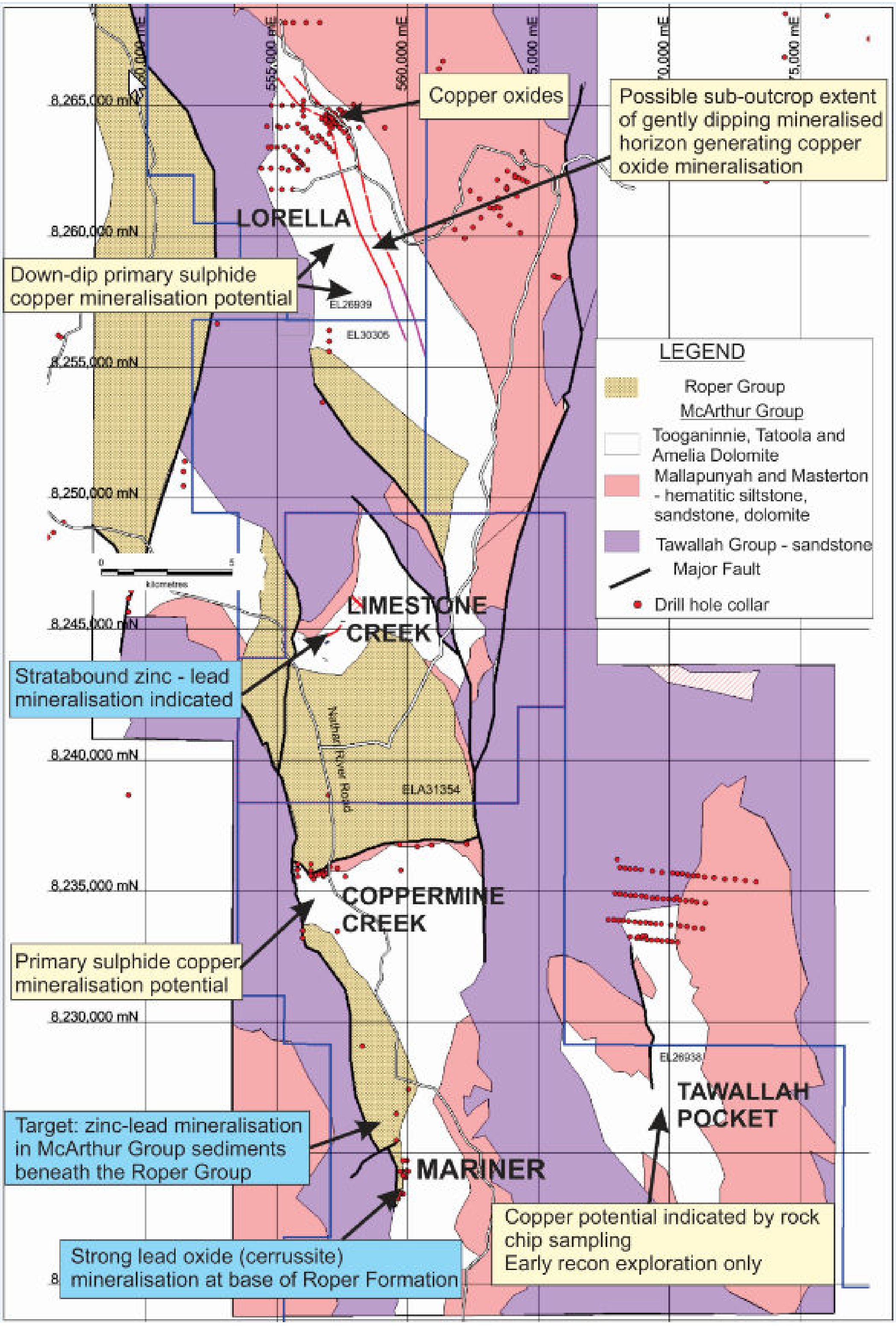

Figure 2: Mineralisation and main prospects in the Mariner to Lorella District

Coppermine Creek prospect (copper)

In September 2016, as part of Pacifico's RC drill program, prospects at Coppermine Creek were tested. One RC hole, CCR08, was drilled into the fault area of Coppermine Creek and intersected 23m of 0.7% Cu and 5g/t Ag (oxidised), including 10m of 1.3% Cu and 8g/t Ag in a zone of quartz-dolomite veining spatially associated with a stratabound evaporite horizon (see ASX announcement on 23 November 2016).

A ground electromagnetic ("ground EM") survey has since been completed over part of the prospect, with lines 200m apart. Conductivity profiles confirm our 3D geological model, built up from projecting previous drilling information, of gently dipping stratigraphy away from the fault area. While a distinct conductive body within the ground EM survey area was not delineated, significant disseminated copper mineralisation would not necessarily be detected with this survey method. The interpretation of a stratabound copper mineralised horizon lying beneath 100m to 250m of gently dipping dolomitic siltstones of the Amelia Dolomite is borne out by sulphide veins and disseminations with significant copper grades and thickness intersected by previous drilling, and associated with intense fracturing, brecciation and dolomite-silica alteration of Mount Isa Copper / Nifty deposit style. Copper mineralisation can be observed at surface as outcropping gossans with malachite staining over a strike length of at least 1.5km. Reverse circulation and diamond drilling by Pacifico and previous explorers has produced results including 30m @ 1.1% Cu in RC hole GPR07 and 34m @ 0.5% Cu in RC hole GPR09 (see ASX announcement on 23 November 2016).

Two diamond drill holes are planned to test the stratabound mineralised horizon within the Amelia Dolomite by drilling the projected mineralised horizon downdip to the south, and stepping out to an interpreted major structural intersection.

Oxidised copper mineralisation occurs from surface to depths of from 35m to 50m over a projected strike length of at least 800m. Test work on mineralised chips from CCR08 drilled by Pacifico in 2016 was carried out at Mining & Process Solutions Pty Ltd. Results from the mineralogical examination, sequential assay and bottle roll tests all indicate that the ore is not amenable to either acid or non-acid (glycine) leaching methods. It appears that most of the copper is locked in solid solution with iron oxides.

Mariner prospect (zinc-lead)

Geological mapping and portable X-Ray Fluorescence ("pXRF") instrument reconnaissance geochemistry of float and outcrop was extended northwards over the area considered to have room for the development of significant mineralisation beneath the younger Roper Group sediments. Mapping and previous RC drilling by Pacifico has shown that there is significant oxidised lead (with some zinc and copper) mineralisation at the base of the Roper Group, that is considered to have moved by hydromorphic dispersion along the base of the Roper Group. The 2016 reverse circulation drill program intersected geochemically high lead values in all holes (including 21m of 1.0% Pb in MNR01: see ASX announcement on 23 November 2016).

Planned diamond drill holes DD01 and DD02 are designed to test the McArthur Group sediments down to 300m beneath the Roper Group in the northern part of the prospect area. Diamond drilling will test targets for McArthur River style stratiform zinc-lead mineralisation.

Berjaya prospect (zinc-lead)

The Berjaya Prospect lies west and northwest of the world class McArthur River zinc-lead mine and Teck Resources' zinc-lead resource at the world class Teena deposit. As part of the 2016 RC drill program in September/October 2016, three holes were drilled and all intersected carbonaceous and pyritic shales and siltstones of the Barney Creek Formation (oxidised in BJR01 and BJR02; see ASX announcement on 23 November 2016).

One diamond drill hole is planned to test a Versatile Time Domain Electromagnetic ("VTEM") conductive horizon, that appears to correspond to the position of the overall gently dipping Barney Creek Formation beneath the Hot Springs Formation which is prospective for stratiform McArthur River style zinc mineralisation.

Four Mile (zinc lead)

As part of the September 2016 RC drill program, five holes were drilled at Four Mile. The Barney Creek Formation was intersected in every hole and consisted of black very carbonaceous and dolomitic siltstone with very fine disseminated pyrite. No significant associated base metals were obtained in the area drilled. See ASX announcement on 23 November 2016 for further details.

Johnstons prospect (copper)

In the September 2016 RC drill program, one hole was completed to test a broad 40m wide zone containing thin fault breccias with copper mineralisation. No significant results were obtained, indicating discontinuous and patchy mineralisation. See ASX announcement on 23 November 2016 for further details.

Lorella prospect (copper)

An aircore program (2,000m) is planned, subject to positive acid leach testwork on the known oxide copper mineralisation, to test strike extensions of the mineralisation, both for indications of significant down-dip primary sulphide copper mineralisation and for oxide copper mineralisation hosted by the Amelia Dolomite. Preliminary metallurgical test work for acid leaching will be carried out to ascertain if the oxide copper (low iron oxide content compared to the high iron content at Coppermine Creek) material could be economically viable.

LIMESTONE CREEK PROSPECT (ZINC-LEAD)

The prospect lies within exploration licence application ("ELA") 31354 which is not part of the Borroloola West Joint Venture and is 100% owned by Pacifico. It contains strike extensive gossanous breccias with highly anomalous zinc and lead values within a horizon within the Amelia Dolomite, associated in part with dolomitised evaporites. Once the licence is granted testing with RC drill holes is planned.

MOUNT JUKES PROJECT, TASMANIA – GOLD/BASE METALS (PACIFICO 15%, CORONA MINERALS LTD 85%)

The Mt Jukes Project is adjacent to the Vedanta owned Mt Lyell copper/gold project in Tasmania. Corona Minerals Ltd ("Corona") is the operator and manager of this project. Further details can be found on Corona's website www.coronaminerals.com.

OPERATIONS REPORT – COLOMBIA

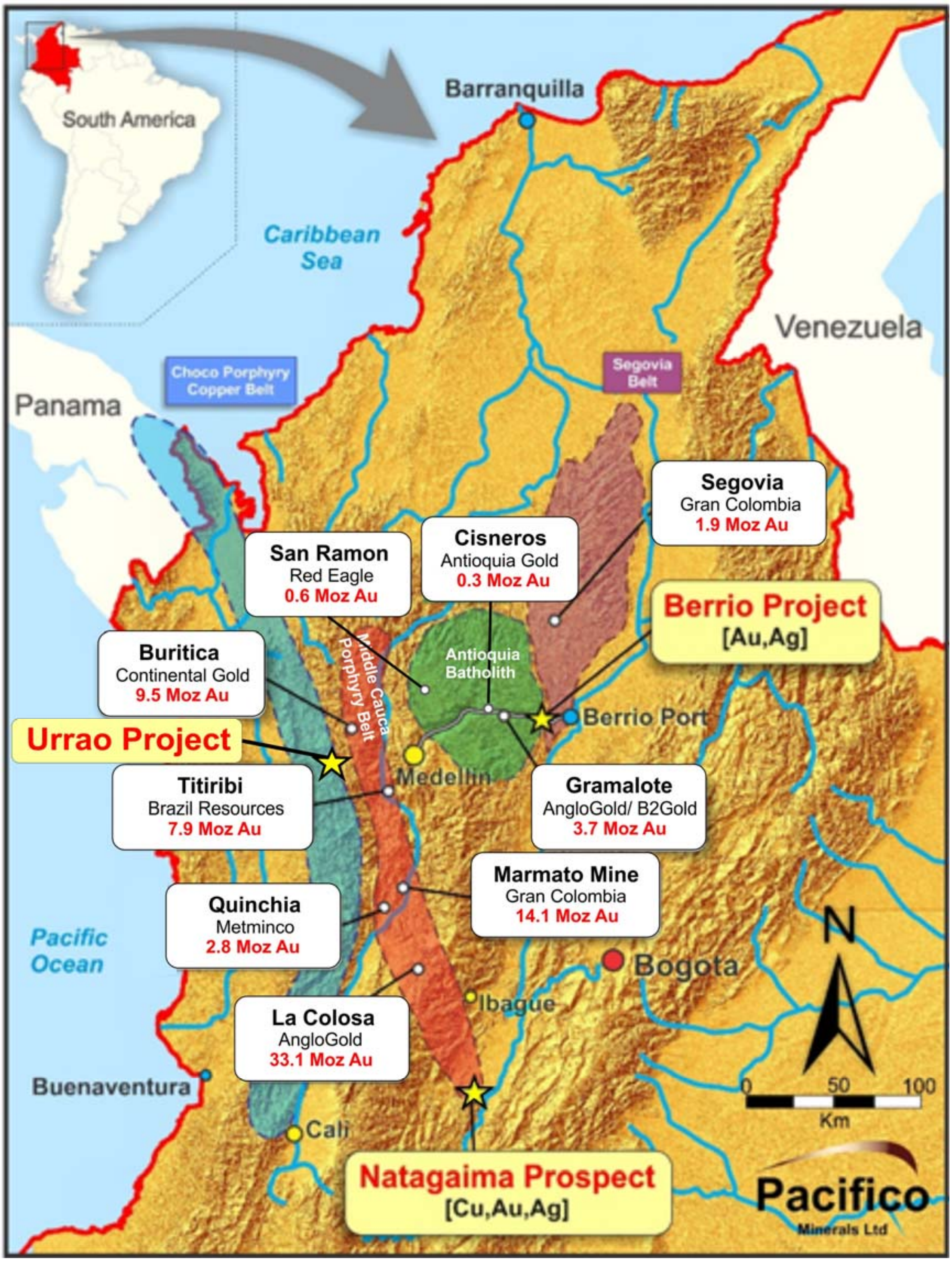

Figure 3: Colombian project locations map

BERRIO PROJECT, COLOMBIA – GOLD (PACIFICO 100%)

The Berrio Gold Project is situated in the southern part of the prolific Segovia Gold Belt. The project is 35km from the Magdalena River which is navigable to the Caribbean Sea and has excellent infrastructure in place including hydro power, water supply, sealed roads and telecommunications coverage.

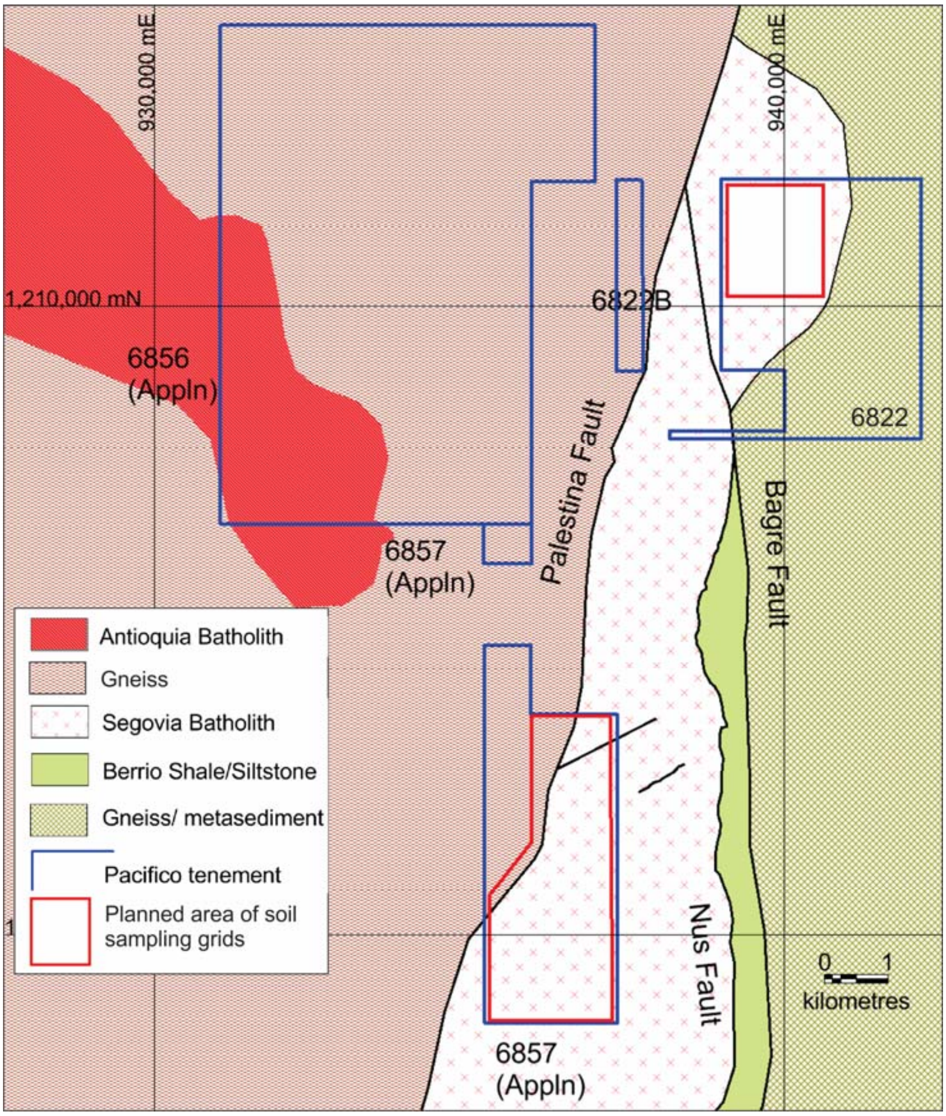

Figure 4: *Geology and granted tenement 6822 and 6822B as well as applications 6856 and 6857 (all 100% Pacifico)*

Pacifico announced that adjoining tenements considered unlikely to host significant gold deposits were to be returned to Anglo Gold Ashanti. As a result, Pacifico received US$200,000 from Anglo Gold Ashanti and the remaining US$400,000 acquisition payments to Anglo Gold Ashanti are no longer be payable by Pacifico.

Pacifico commenced exploration over titles and applications which cover areas of the Segovia and Antioquia Batholiths, identified as prospective for large gold systems in vein and stockwork systems. Reconnaissance geological mapping and rock chip sampling were carried out over all the Berrio tenements and applications. The results of this work indicate that the southern part of concession 6857, and the north western portion of concession 6822 are of most interest with favourable structures and indications of hydrothermal activity. See Pacifico's quarterly activities report released on 27 July 2017 for further details. These areas are to be followed up with 200m x 200m soil sampling grids.

NATAGAIMA PROJECT, COLOMBIA – COPPER/SILVER (PACIFICO LODGED APPLICATION FOR 100%)

The Natagaima tenement application is situated in the department of Tolima, approximately 5km west of the navigable Magdalena River. It is located within the Middle Cauca Porphyry Belt. There was no activity on the project during the year. Follow up exploration will continue when the Natagaima tenement application is granted to Pacifico and will include detailed mapping and trenching of areas of interest.

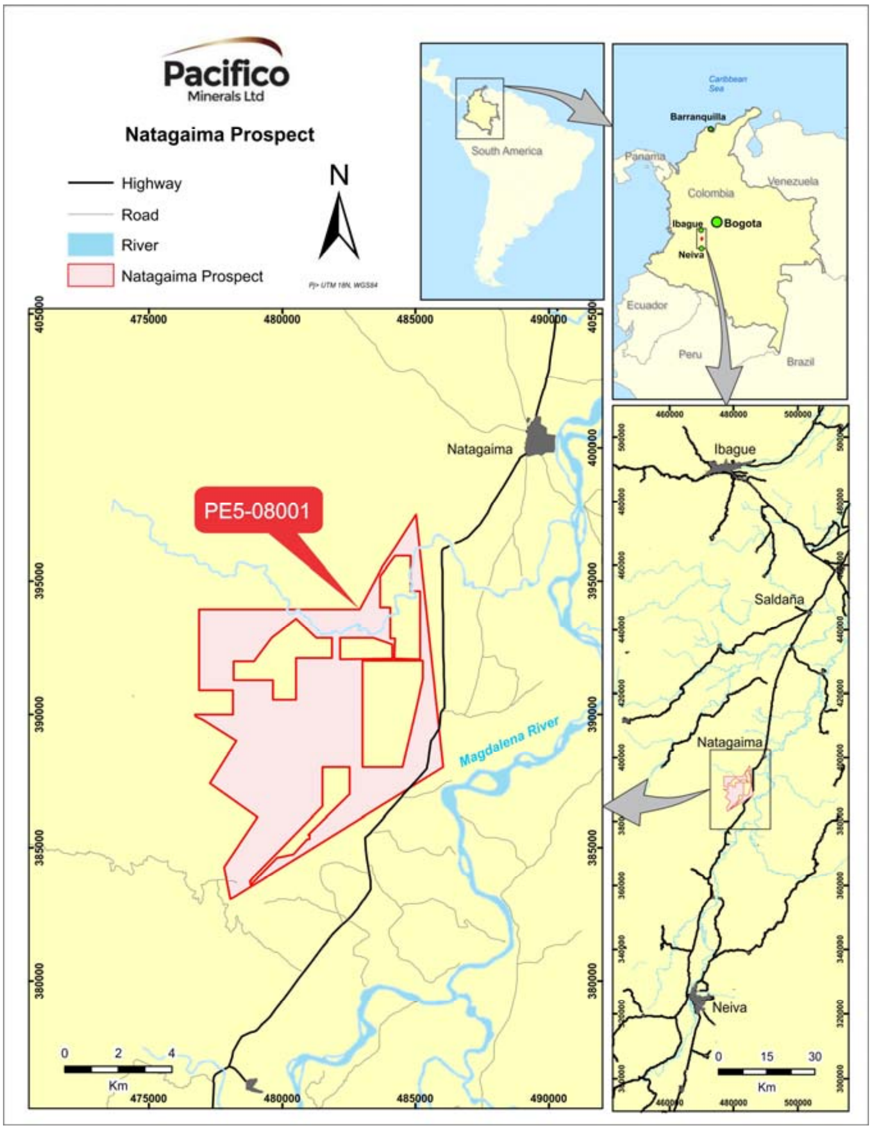

Figure 5: Natagaima tenement application location map

URRAO PROJECT, COLOMBIA – COPPER/GOLD/SILVER (PACIFICO 100%)

The Urrao Project is part of the Choco porphyry copper belt and is located 35km north west of Tarso in the municipality of Urrao and Salgar (see figure 3). The project consists of one granted tenement covering a total area of approximately 902 hectares. There was no activity on the project during the year. Pacifico has placed a number of exploration licence applications adjoining and in close proximity to the Urrao title and plans begin further exploration once some or all the applications have been granted. The Urrao project sits within a forest reserve and a subtraction process will need to be completed prior to invasive exploration such as drilling taking place.

COMPETENT PERSONS STATEMENTS

The information in this report is based on and fairly represents information compiled by Mr David Pascoe who is a Member of the Australian Institute of Geoscientists. Mr Pascoe is contracted exclusively to Pacifico Minerals Limited. Mr Pascoe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Pascoe consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

ANNUAL FINANCIAL REPORT

YEAR ENDED 30 JUNE 2017

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DIRECTORS' REPORT

Your Board of Directors ("Board" or "Directors") submit their report for the year ended 30 June 2017.

DIRECTORS

The names and details of the Directors of Pacifico Minerals Limited ("the Company") and its consolidated entities ("the Group") in office during the financial year and until the date of this report are as follows. Where applicable, all current and former directorships held in listed public companies over the last three years have been detailed below. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Non-Executive Chairman
Richard Monti BSc (Hons), Grad Dip Applied Finance & Investment, MAusIMM
Richard Monti has broad experience over a 30 year career working in the technical, commercial, marketing and financial fields of the international exploration and mining industry. He has worked for a number of international and Australian companies including Anaconda Nickel, RTZ Exploration, the North Group and the Normandy Group. In 2004, he founded Ventnor Capital Pty Ltd, a boutique consultancy firm which provides corporate advisory and investment banking services to junior and mid-cap listed resources companies. Mr Monti left Ventnor Capital in 2010 primarily to focus on Azimuth Resources Ltd which was subsequently acquired by Troy Resources Ltd.
Directorships of other listed companies held in the last 3 years:

- Buddy Platform Ltd (previously called Potash Minerals Ltd, resigned December 2015)
- Troy Resources Ltd (resigned June 2016)

Managing Director
Simon Noon MAICD, AFAIM
Simon Noon is an experienced business executive and was the co-founder and Managing Director of West Rock Resources Pty Ltd until it was acquired by Pacifico Minerals Ltd in 2013. Mr Noon was instrumental in the planning and execution of West Rock Resources' Colombian strategy, building a solid in-country team of industry professionals, developing key local relationships and securing the current projects and applications. He has a solid track record in business development with a proven ability to lead diverse teams of professionals, successfully identify potential opportunities and develop effective strategy. Prior to establishing West Rock Resources in 2011, he was Executive Director of ASX listed company NTM Gold Ltd (previously Northern Manganese Ltd and prior to that Groote Resources Ltd), where he managed the company from a market capitalisation of under $5 million to market highs in excess of $100 million.
Directorships of other listed companies held in the last 3 years:

- None

Non-Executive Director
Peter Harold B.AppSc (Chem), AFAICD
Peter Harold is a process engineer with 30 years' corporate experience in the minerals industry. Mr Harold is the founder and Managing Director of ASX listed nickel company Panoramic Resources Ltd.
Directorships of other listed companies held in the last 3 years:

- Panoramic Resources Ltd
- Peak Resources Ltd
- Horizon Gold Ltd
- Alloy Resources Ltd (resigned June 2014)
- Spectrum Rare Earths Ltd (resigned June 2014)

Non-Executive Director
Andrew Parker LLB
Andrew Parker holds a law degree from the University of Western Australia and has extensive experience in the exploration and mining industry. Mr Parker was the co-founder and until 2008 was the Managing Director of Perth based corporate advisory and venture capital firm, Trident Capital Pty Ltd. Prior to establishing Trident Capital Pty Ltd in 2002, he was legal counsel to B Digital Limited, an ASX listed company, with his principal role being to oversee the international expansion of the company into South Africa and the USA. Mr Parker has held a number of executive and non-executive directorships with ASX listed companies over the last 15 years.
Directorships of other listed companies held in the last 3 years:

- None

Company Secretary
Patrick Holywell FGIA, Grad Dip CA, GAICD, BCom
(Appointed 8 February 2017)
Patrick Holywell is a Chartered Accountant with fourteen years of experience in corporate governance, finance and accounting including employment with Deloitte Touche Tohmatsu Ltd and Patersons Securities Ltd. Mr Holywell has been employed by and acted as company secretary, CFO and/or director of a number of companies in the resources, telecommunications and services industries.

Company Secretary
Amanda Wilton-Heald
(Resigned 8 February 2017)
Amanda Wilton-Heald is a Chartered Accountant with over eighteen years of accounting and company secretarial experience within Australia and the UK.

Interests in the shares and options of the Company

As at the date of this report, the interests of the Directors in the shares and options of Pacifico Minerals Limited were:

Directors	Ordinary Shares	Options over Ordinary Shares
Richard Monti	18,835,308	-
Simon Noon	22,200,000	-
Peter Harold	4,250,495	-
Andrew Parker	3,717,596	-

DIRECTORS' REPORT

FINANCIAL AND OPERATING REVIEW

(a) Financial Review

The Group began the 2017 financial year with a cash reserve of $1,440,230. During the year total exploration expenditure incurred by the Group amounted to $361,818 (2016: $919,913). In line with the Group's accounting policies, all exploration expenditure incurred in the ordinary course of operations was expensed. The result for the year was an operating loss after income tax of $1,623,807 (2016: $2,191,296). In April 2017, the Group completed a capital raising before expenses of $889,639. At 30 June 2017, available cash funds totalled **$**1,568,577 (2016: $1,440,230).

(b) Operating Review

Summarised operating results for the year are as follows:

	2017	
Geographic segments	**Revenues** **$**	**Results** **$**
Australia		
Revenues and loss from ordinary activities before income tax expense	19,157	(2,019,790)
Colombia		
Revenues and loss from ordinary activities before income tax expense	301	(121,349)
Consolidation		
Elimination	-	517,332

Shareholder Returns	**2017**	**2016**
Basic loss per share (cents per share)	(0.26)	(0.38)

RISK MANAGEMENT

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board. The Board believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee. The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the affairs of the Group during the year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group expects to maintain the present status and level of operations and hence there are no likely developments in the Group's operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to significant environmental regulation in respect to its exploration activities. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The Directors of the Company are not aware of any breach of environmental legislation for the year under review.

REMUNERATION REPORT

The remuneration report is set out under the following main headings:
A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration
C. Service agreements
D. Share-based compensation
E. Additional information

The information provided under headings A-D includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures. These disclosures have been transferred from the financial report and have been audited.

A. Principles used to determine the nature and amount of remuneration (audited)

Remuneration Policy

The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group.

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

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.
- The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.
- Executives are also entitled to participate in the employee share and option arrangements.
- The executive directors receive superannuation guarantee contributions required by the government, amounting to 9.5% during the year and do not receive any other retirement benefits.
- All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology.

The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $200,000). Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

Performance based remuneration

The Group currently has no performance based remuneration component built into director and executive remuneration packages.

Group performance, shareholder wealth and directors' and executives' remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and directors' and executives' performance. Currently, this is facilitated through the issue of options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The Board believes this policy will be effective in increasing shareholder wealth. At commencement of mine production, performance based bonuses based on key performance indicators are expected to be introduced.

B. Details of remuneration (audited)

Details of the remuneration of the Directors and the Key Management Personnel ("KMP" as defined in AASB 124 Related Party Disclosures) of the Group are set out in the following table. The key management personnel of the Group include the Directors as per below. Given the size and nature of operations of the Group, there are no other employees who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

Key Management Personnel Compensation

	Short-Term		Post-Employment		Share-based Payments	Total	Proportion of performance related remuneration
KMP	Salary & Fees $	Non-Monetary $	Super-annuation $	Retirement Benefits $	Options $	$	%
Directors							
Richard Monti							
2017	43,200	-	4,104	-	-	47,304	-
2016	43,200	-	4,104	-	-	47,304	-
Simon Noon							
2017	183,462	-	17,429	-	-	200,891	-
2016	180,000	-	17,100	-	-	197,100	-
Peter Harold							
2017	32,400	-	3,078	-	-	35,478	
2016	32,400	-	3,078	-	-	35,478	-
Andrew Parker							
2017	32,400	-	3,078	-	-	35,478	
2016	32,400	-	3,078	-	-	35,478	-
Total Key Management Personnel Compensation							
2017	291,462	-	27,689	-	-	319,151	-
2016	288,000	-	27,360	-	-	315,360	-

C. Service agreements (audited)

The service agreements of the KMP of the Company during the year are set out below:

(a) Executive Services Agreement with Mr Simon Noon

The material terms of this contract are:

(i) The remuneration is $180,000 per annum exclusive of statutory superannuation.
(ii) Either party may terminate this agreement without cause on three months written notice. The Group may elect to pay three months' salary and superannuation in lieu of notice.
(iii) Mr Noon will have the right to participate in the Company's share incentive program as approved from time to time by the Board.
(iv) During the term of this agreement, Mr Noon will not be paid a separate director's fee for service to the Board.

D. Share-based compensation (audited)

There were no options issued to Directors or other key management personnel as part of their remuneration during the year (2016: Nil). There were no ordinary shares issued upon exercise of remuneration options to KMP of the Group during the year (2016: Nil).

E. Additional information (audited)

Performance income as a proportion of total compensation

No performance based bonuses have been paid to key management personnel during the 2017 financial year (2016: Nil). It is the intent of the Board to include performance bonuses as part of remuneration packages if mine production commences.

Movements in shares

The movement during the reporting period in the number of ordinary shares in the Company held, directly, indirectly or beneficially by each KMP, including their related parties, is shown in the table below. There were no ordinary shares issued to directors or other KMP as part of their remuneration during the year (2016: Nil).

KMP	Held at 1 July 2016	Received on exercise of options	Other changes(1)	Held at 30 June 2017 or at the date of resignation
R. Monti	18,835,308	-	-	18,835,308
S. Noon	20,718,517	-	1,481,483	22,200,000
P. Harold	4,250,495	-	-	4,250,495
A. Parker	3,717,596	-	-	3,717,596
	47,521,916	-	1,481,483	49,003,399

KMP	Held at 1 July 2015	Received on exercise of options	Other changes(1)	Held at 30 June 2016 or at the date of resignation
R. Monti	18,835,308	-	-	18,835,308
S. Noon	19,218,517	-	1,500,000	20,718,517
P. Harold	4,250,495	-	-	4,250,495
A. Parker	3,717,596	-	-	3,717,596
	46,021,916	-	1,500,000	47,521,916

1. Other changes represent shares purchased during the period, not shares issued as remuneration.

Movements in options

The movement during the reporting period in the number of options in Pacifico Minerals Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

KMP	Held at 1 July 2016	Granted as Remuneration	Other Changes[1]	Held at 30 June 2017	Vested at 30 June 2017
R. Monti	6,000,000	-	(6,000,000)	-	-
S. Noon	17,897,403	-	(17,897,403)	-	-
P. Harold	7,875,000	-	(7,875,000)	-	-
A. Parker	6,000,000	-	(6,000,000)	-	-
	37,772,403	-	(37,772,403)	-	-

KMP	Held at 1 July 2015	Granted as Remuneration	Other Changes	Held at 30 June 2016	Vested at 30 June 2016
R. Monti	7,500,000	-	(1,500,000)	6,000,000	6,000,000
S. Noon	17,897,403	-	-	17,897,403	17,897,403
P. Harold	7,875,000	-	-	7,875,000	7,875,000
A. Parker	7,500,000	-	(1,500,000)	6,000,000	6,000,000
	40,772,403	-	(3,000,000)	37,772,403	37,772,403

1. Other changes comprise options that expired during the year.

SHARES UNDER OPTION

At the date of this report there are no unissued ordinary shares in respect of which options are outstanding. No options were granted since the end of the previous year. During or since the end of the year the company did not issue any shares as a result of the issue of options.

---End of remuneration report---

DIRECTORS' MEETINGS

During the year the Company held six meetings of Directors. The attendances of Directors at meetings of the Board were:

	Directors Meetings 2017		Directors Meetings 2016	
Directors	A	B	A	B
Richard Monti	6	6	5	5
Simon Noon	6	6	5	5
Peter Harold	6	6	5	5
Andrew Parker	6	6	5	5

A – Number of meetings attended.
B – Number of meetings held during the time the director held office during the year.

INSURANCE OF DIRECTORS AND OFFICERS

During or since the start of the financial year, the Group has paid premiums insuring all the Directors and officers of the Group against costs incurred in defending proceedings for conduct involving:

- a wilful breach of duty; or
- a contravention of sections 182 or 183 of the Corporations Act 2001, as permitted by section 199B of the Corporations Act 2001.

The total amount of insurance contract premiums paid is $7,346 (2016: $7,346). This is not included in the Key Management Personnel Compensation table.

NON-AUDIT SERVICES

No non-audit services were provided by the entity's auditor (Stantons International) or associated entities.

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 24.

Signed in accordance with a resolution of the Directors.

Richard Monti
Chairman
20 September 2017

Stantons International Audit and Consulting Pty Ltd
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20 September 2017

Board of Directors
Pacifico Minerals Limited
Level 10, 553 Hay St
Perth, WA 6000

Dear Sirs

RE: PACIFICO MINERALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Pacifico Minerals Limited.

As the Audit Director for the audit of the consolidated financial statements of Pacifico Minerals Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

THE BOARD OF DIRECTORS

The constitution of Pacifico Minerals Limited (the "Company") provides that the number of directors shall not be less than three and not more than nine. There is no requirement for any shareholding qualification.

As and if the Company's activities increase in size, nature and scope, the size of the Board of Directors of the Company ("Board" or "Directors") will be reviewed periodically, and as circumstances demand. The optimum number of directors required to supervise the Company's constitution adequately will be determined within the limitations imposed by the constitution.

The membership of the Board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Company's scope of activities, intellectual ability to contribute to the Board's duties and physical ability to undertake the Board's duties and responsibilities.

The Board comprises individuals with the following skills that are deemed to be relevant to the organisation's activities (ranked 1 to 5 with 5 being the highest ranking):

Skill	Requirements Overview	Director 1	Director 2	Director 3	Director 4
Mining	Experience with mining operations, management of mining equipment and human capital, including health and safety. Ability to analyse mining operations and make decisions to maximise profitability.	3	4	3	3
Mineral Exploration	Ability to plan, execute and analyse mineral exploration programs and results. Ability to progress exploration projects through to development and operation.	3	5	4	3
Risk & Compliance	Identify key risks to the organisation related to each key area of operations. Ability to monitor risk and compliance and knowledge of legal and regulatory requirements.	3	5	4	4
Financial & Audit	Experience in accounting and finance to analyse financial statements, assess financial viability, contribute to financial planning, oversee budgets, and oversee funding arrangements.	3	4	3	4
Strategy	Ability to identify and critically assess strategic opportunities and threats to the organisation. Develop strategies in context to our policies and business cycles.	3	5	4	4
Governance & Policy Development	Ability to identify key issues for the organisation and develop appropriate policy parameters within which the organisation should operate.	3	3	3	4

Directors are initially appointed by the full Board, subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the Corporations Act 2001, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, the directors may revoke any appointment.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

DISCLOSURE ON WEBSITE

The Company's Corporate Governance Policies can be viewed on its website: www.pacificominerals.com.au.

ROLE OF THE BOARD

The Board's primary role is the protection and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for oversight of management and the overall corporate governance of the Company, including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

APPOINTMENTS TO OTHER BOARDS

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other Boards.

INDEPENDENT PROFESSIONAL ADVICE

The Board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Group's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

CONTINUOUS REVIEW OF CORPORATE GOVERNANCE

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The directors recognise that mineral exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Group.

ASX PRINCIPLES OF GOOD CORPORATE GOVERNANCE

The Board has reviewed its current practices in light of the ASX Principles of Good Corporate Governance and Best Practice Guidelines with a view to making amendments where applicable after considering the Group's size and the resources it has available. As the Group's activities develop in size, nature and scope, the size of the Board and the implementation of any additional formal corporate governance committees will be given further consideration.

During the year ended 30 June 2017, the Company continued its governance arrangements in accordance with the ASX Corporate Governance Council released the 3rd Edition Principles and Recommendations, effective from 1 July 2014.

This statement is current as at 20 September 2017 and was approved by the Board on that date. The following table sets out the Company's position with regards to its compliance with ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition):

A = Adopted
N/A = Not adopted

CORPORATE GOVERNANCE STATEMENT

ASX Principle		Status	Reference/comment
Principle 1: Lay solid foundations for management and oversight			
1.1	*A listed entity should disclose:* *a) the respective roles and responsibilities of its board and management; and* *b) Those matters expressly reserved to the board and those delegated to management.*	**A**	The Company has adopted this recommendation to disclose the functions reserved to the Board and those delegated to management. These functions can be viewed at the Company's website: www.pacificominerals.com.au. The Company's Board comprises four directors, being a non-executive Chairman, Managing Director and two non-executive Directors. Therefore the roles and functions of these directors within the Company are flexible to allow it to best function within its level of available resources. The full Board currently meets at least every second month or at such times as agreed. In addition, strategy meetings and any extraordinary meetings are held at such other times as may be necessary to address any specific significant matters that may arise.
1.2	*A listed entity should:* *a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and* *b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.*	**A**	The Group ensures it thoroughly analyses and reviews the qualifications and experience of any potential candidates. Background checks are performed, including speaking with personal and professional references of potential candidates, before they are put forward for election. The Company provides full biographical details of proposed candidates in any notice of meetings in which a new director is proposed to be appointed or ratified, as well as information relating to other directorships and interest which may reasonably be perceived to influence their capacity to bring independent judgement to the Board.
1.3	*A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.*	**A**	Each director and senior executive has a written contract that sets out the terms of their appointment, including their responsibilities and remuneration.
1.4	*The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.*	**A**	The company secretary is directly accountable to the Board. Communication between the Board and the company secretary is encouraged, and matters of corporate governance and compliance are a standing agenda item for Board meetings. Professional development of directors, officers and management are encouraged by the Company and facilitated through the company secretary. The Company adopts a policy of circulating Board minutes at the earliest possible opportunity following the Board meetings, to expedite the formalisation of items discussed at the meetings.
1.5	*A listed entity should:* *a) have a diversity policy which includes requirements for the board or a relevant*	**A**	The Group is an equal opportunity employer and strives to foster diversity across the organisation. The Group has adopted a diversity policy that is disclosed on the Company website.

ASX Principle **Status** **Reference/comment**

committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;

- b) *disclose that policy or a summary of it; and*
- c) *disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them, and either;*
  1. *the respective proportions of men and women on the board, in senior management positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or*
  2. *if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.*

As at the end of the year, the Group had the following proportion of men and women across the organisation:

	Men	Women
Board	4	-
Senior Executives	2	-
Whole Organisation	6	1

The Group does not have any set objectives or quotas for gender diversity across the organisation, rather it employs based on merit and taking into consideration the most qualified and suited individual for the role available.

1.6 *A listed entity should:*

- a) *have and disclose the process for periodically evaluating the performance of the board, its committees and individual directors; and*
- b) *disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

The Chair evaluates the performance of the Board by way of questionnaires which are completed by each director. The Chair, in consultation with the Company Secretary, then reviews the questionnaires and holds a round table discussion with the Board to discuss the questionnaires. The Chair holds discussions with individual directors, if required. The Chair conducts a performance evaluation of the Managing Director by way of formal discussion during which his/her performance is assessed against key performance indicators set the previous year. In addition, key performance indicators are agreed for the following year.

A periodic evaluation of the performance of the Board as a whole has not been undertaken in the current financial year, however the Company intends on undertaking performance reviews during the 2018 financial year.

1.7	*A listed entity should:* *a) have and disclose a process for periodically evaluating the performance of senior executives; and* *b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*	**A**	The Board, excluding the Managing Director, is responsible for evaluating the performance of the Managing Director. This is achieved by discussion at Board meetings. The Board as a whole is responsible for evaluating the performance of senior executives. This is achieved by discussion at Board meetings. Performance evaluations for senior executives were conducted during the year.

Principle 2: Structure the board to add value

2.1	*The board of a listed entity should:* *a) have a nomination committee which:* *1. has at least three members, a majority of whom are independent directors; and* *2. is chaired by an independent director, and disclose* *3. the charter of the committee;* *4. the members of the committee; and* *5. as at the end of the reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or* *b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.*		The Board has no formal nomination committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for screening and appointing new directors as well as succession planning. In view of the size and resources available to the Company, it is not considered that a separate nomination committee would add any substance to this process.
2.2	*A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.*	**A**	The Board considers that it currently possesses an appropriate mix of skills for the level of Group operations. The Company discloses the skills matrix above. The Board consists of 4 Caucasian males. Candidates for Board positions are chosen on skills merit, and at this stage the Company is not seeking further representation on its Board. As the Group progresses in its business cycle, the Board will consider the requisite skills that will best complement the Company's corporate strategies.
2.3	*A listed entity should disclose:* *a) the names of the directors considered by the board to be independent directors;* *b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the*	**A**	The Board considers the following Directors to be independent: - Andrew Parker - Peter Harold Richard Monti's experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board and in his position as Non-Executive Chairman. Director appointment and resignation dates are disclosed in the

	independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and *c) the length of service of each director.*		Company's annual report, within the Directors' report.
2.4	*A majority of the board of a listed entity should be independent directors.*		Two of the four Directors are considered independent. The Company believes that the equity ownership of the non-executive Directors aligns the interests of the Directors with shareholders as a whole and does not bias the decisions of the Board towards any personal interests.
2.5	*The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.*		The Chairman of the Company, Richard Monti, is a non-executive director, however, by virtue of his ownership percentage in the Company, he is not considered independent.
2.6	*A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.*	**A**	The Company Secretary ensures that all new directors are inducted into the Company. Upon commencement, the director formalises a letter of appointment setting out the terms of their appointment and is provided with a 'Corporate Governance Pack' containing the Company's Constitution, Corporate Governance Policies and details of the Company's directors' and officers' insurance policies. The skill set of the Board is monitored regularly by the Board as a whole, taking into consideration the stage of development of the Group's assets, and the limited capital available to the Group.

Principle 3: Act ethically and responsibly

3.1	*A listed entity should:* *(a) have a code of conduct for its directors, senior executives and employees; and* *(b) disclose that code or a summary of it.*	**A**	The Group has formulated a code of conduct which can be viewed on the Company's website www.pacificominerals.com.au.

Principle 4: Safeguard integrity in corporate reporting

4.1	*The board of a listed entity should:* *(a) have an audit committee which:* *(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and* *(2) is chaired by an independent director, who is not the chair of the board, and disclose:* *(3) the charter of the committee;* *(4) the relevant qualifications and experience of the members of the committee; and* *(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or* *(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and*		Given the Group's background, the nature and size of its business and the current stage of its development, the Board comprises only four Directors, two of whom are considered independent. The Company believes it is impractical to source additional directors at this stage of its development, without which it is not possible to form an independent audit committee. The Board has adopted an audit committee charter (which can be found on the Company's website) to assist in defining the roles and responsibilities of the Board as it acts in the capacity of an audit committee.

	safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		
4.2	*The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.*	**A**	The Company obtains this declaration from the Managing Director and Company Secretary for each of its annual and half year financial statements.
4.3	*A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.*	**A**	The Company ensures that its external auditor attends its AGM and is available to answer questions.

Principle 5. Make timely and balanced disclosure

5.1	*A listed entity should:* *(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and* *(b) disclose that policy or a summary of it.*	**A**	The Company has instigated internal procedures designed to provide reasonable assurance as to the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with relevant laws and regulations. The Board is acutely aware of the continuous disclosure regime and there are strong informal systems in place to ensure compliance, underpinned by experience.

Principle 6: Respect the rights of security holders

6.1	*A listed entity should provide information about itself and its governance to investors via its website.*	**A**	In line with adherence to continuous disclosure requirements of the ASX, all shareholders are kept informed of major developments affecting the Group. This disclosure is through regular shareholder communications, including the Annual Report, Quarterly Reports, the Company website and the distribution of specific releases covering major transactions or events via the website subscription service.
6.2	*A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.*	**A**	The Company communicates with its shareholders publicly, primarily by posting this information on the Company's website, which in itself complements the official release of material information to the market. Further, the annual general meeting is the central forum by which the Company is able to communicate effectively with shareholders, providing them with access to information about the Group and corporate proposals, and enable their participation in decision-making.

6.3	*A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.*	**A**	The Company monitors the residency of its shareholders and considers the most appropriate location in which to hold its shareholder meetings. Attendees are given opportunities to query the Board on operational and financial items at every meeting.
6.4	*A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.*	**A**	To the extent permissible by law, the Company sends all communication electronically, and tries to minimise the amount of paper used in shareholder communications. As new shareholders join the Company, they are given the opportunity to receive the annual report electronically via correspondence from the Company's share registry.
Principle 7:	**Recognise and manage risk**		
7.1	*The board of a listed entity should:* *(a) have a committee or committees to oversee risk, each of which:* *(1) has at least three members, a majority of whom are independent directors; and* *(2) is chaired by an independent director, and disclose:* *(3) the charter of the committee;* *(4) the members of the committee; and* *(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or* *(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*		While the Company does not have formalised policies on risk management the Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at Board meetings and risk management culture is encouraged amongst employees and contractors. Areas of risk which are regularly considered include: - performance and funding of exploration activities - budget control and asset protection - status of mineral tenements - land access and native title considerations - compliance with government laws and regulations - safety and the environment - continuous disclosure obligations
7.2	*The board or a committee of the board should:* *(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and* *(b) disclose, in relation to each reporting period, whether such a review has taken place.*	**A**	See 7.1.
7.3	*A listed entity should disclose:* *(a) if it has an internal audit function, how the function is structured and what role it performs; or* *(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.*		The Company does not have an internal audit function. Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function, the expense of an independent internal auditor is not considered to be appropriate.
7.4	*A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to*	**A**	The Group is a mineral exploration company and is inherently exposed to the economic, environmental and social sustainability risks that are associated with that industry. The Group carefully considers its operations and their impact on the environment and

	manage those risks.		local communities and advises that at this point in the Group's life, there are no material risks. The Group does not currently hedge its foreign currency expenditure and is exposed to fluctuations in the exchange rates of the Australian Dollar, the United States Dollar and the Colombian Peso.

Principle 8: Remunerate fairly and responsibly

8.1	*The board of a listed entity should:* *(a) have a remuneration committee which:* *(1) has at least three members, a majority of whom are independent directors; and* *(2) is chaired by an independent director, and disclose:* *(3) the charter of the committee;* *(4) the members of the committee; and* *(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or* *(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.*		The Company does not consider it appropriate to have a sub-committee of the Board to consider remuneration matters. Remuneration levels are determined by the Board on an individual basis, the size of the Company making individual assessment more appropriate than formal remuneration policies. In doing so, the Board seeks to retain professional services as is required, at reasonable market rates, and seeks external advice and market comparisons where necessary. Acting in its ordinary capacity, the Board from time to time carries out the process of considering and determining performance issues including the identification of matters that may have a material effect on the price of the Company's securities. The Remuneration Charter can be found on the Company's website. Whenever relevant, any such matters are reported to ASX.
8.2	*A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.*		The remuneration of executive and non-executive Directors is reviewed by the Board with the exclusion of the director concerned. The remuneration of management and employees is reviewed by the Board and approved by the chairman.
8.3	*A listed entity which has an equity-based remuneration scheme should:* a) *have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and* b) *disclose the policy or summary of it.*	**N/A**	The Group does not currently have a formal equity-based remuneration scheme. Issues of equity incentives to Board and management are approved or ratified at shareholder meetings.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 $	2016 $
REVENUE FROM CONTINUING OPERATIONS	5	19,458	106,226
EXPENDITURE			
Exploration expenses	6	(361,818)	(919,913)
Salaries and employee benefits expenses		(379,071)	(386,250)
Depreciation expenses	6	(20,333)	(19,424)
Corporate expenses		(25,235)	(73,651)
Occupancy expenses		(49,179)	(45,609)
Consulting expenses		(171,678)	(135,167)
Administration expenses		(53,161)	(32,145)
Other expenses		87,270	(226,124)
Write off of exploration and evaluation assets	6,10	(670,060)	(459,239)
(LOSS) BEFORE INCOME TAX		(1,623,807)	(2,191,296)
INCOME TAX	7	-	-
TOTAL (LOSS) FOR THE YEAR		(1,623,807)	(2,191,296)
Other Comprehensive Income		-	-
Items that will not be re-classified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss			
Movement in foreign exchange translation reserve		(20,054)	(9,316)
TOTAL COMPREHENSIVE (LOSS)		(1,643,861)	(2,200,612)
(LOSS) ATTRIBUTED TO THE MEMBERS		(1,623,807)	(2,191,296)
TOTAL COMPREHENSIVE (LOSS) ATTRIBUTED TO THE MEMBERS		(1,643,861)	(2,200,612)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the company (cents per share)	28	(0.26)	(0.38)

The above consolidated Statement of Profit or Loss & Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Notes	2017 $	2016 $
CURRENT ASSETS			
Cash and cash equivalents	8	1,568,577	1,440,230
Other assets	9	38,355	36,844
TOTAL CURRENT ASSETS		1,606,932	1,477,074
NON-CURRENT ASSETS			
Exploration and evaluation assets	10	1,024,673	2,503,440
Other assets	11	24,353	19,712
Plant and equipment	12	19,884	41,663
TOTAL NON-CURRENT ASSETS		1,068,910	2,564,815
TOTAL ASSETS		2,675,842	4,041,889
CURRENT LIABILITIES			
Trade and other payables	13	147,287	74,278
Provisions	14	18,491	25,045
TOTAL CURRENT LIABILITIES		165,778	99,323
NON-CURRENT LIABILITIES			
Trade and other payables	13	-	536,985
Deferred tax liability	15	221,008	321,466
TOTAL NON-CURRENT LIABILITIES		221,008	858,451
TOTAL LIABILITIES		386,786	957,774
NET ASSETS		2,289,056	3,084,115
EQUITY			
Contributed equity	16	19,852,657	19,003,855
Reserves	18	1,337,695	1,357,749
Accumulated losses		(18,901,296)	(17,277,489)
TOTAL EQUITY		2,289,056	3,084,115

The above consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

2017	Issued Capital $	Share/Option Reserve $	Foreign Currency Translation Reserve $	Accumulated losses $	Total $
Balance at 1 July 2016	19,003,855	1,400,317	(42,568)	(17,277,489)	3,084,115
(Loss) for the year	-	-	-	(1,623,807)	(1,623,807)
Other comprehensive (loss) for the year	-	-	(20,054)	-	(20,054)
Total comprehensive (loss) for the year	-	-	(20,054)	(1,623,807)	(1,643,861)
Issue of shares	889,639	-	-	-	889,639
Share issue expense	(40,837)	-	-	-	(40,837)
Balance at 30 June 2017	19,852,657	1,400,317	(62,622)	(18,901,296)	2,289,056
2016					
Balance at 1 July 2015	18,521,280	1,400,317	(33,252)	(15,086,193)	4,802,152
(Loss) for the year	-	-	-	(2,191,296)	(2,191,296)
Other comprehensive (loss) for the year	-	-	(9,316)	-	(9,316)
Total comprehensive (loss) for the year	-	-	(9,316)	(2,191,296)	(2,200,612)
Issue of shares	500,000	-	-	-	500,000
Share issue expense	(17,425)	-	-	-	(17,425)
Balance at 30 June 2016	19,003,855	1,400,317	(42,568)	(17,277,489)	3,084,115

The above consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 $	2016 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Expenditure on mining interests		(872,528)	(1,017,371)
Payments to suppliers and employees		(636,810)	(810,430)
Receipts from JV partner		501,244	-
Interest received		20,135	46,226
Interest paid		-	(200)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	27	(987,959)	(1,781,775)
CASH FLOWS FROM INVESTING ACTIVITIES			
Reimbursement from AngloGold		269,163	-
Payments for purchase of plant and equipment		-	(22,720)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		269,163	(22,720)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares		889,639	500,000
Payment of share issue costs		(40,837)	(17,425)
NET CASH INFLOW FROM FINANCING ACTIVITIES		848,802	482,575
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		130,006	(1,321,920)
Cash and cash equivalents at the beginning of the financial year		1,440,230	2,765,307
Effects of foreign exchange		(1,659)	(3,157)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	8	1,568,577	1,440,230

The above consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes the financial statements for Pacifico Minerals Limited (”Parent Entity” or “Company”) and its subsidiaries (the “Group”) for the year ended 30 June 2017. The financial report of the Group for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the Board of Directors of Pacifico Minerals Limited (“Board” or “Directors”) on 20 September 2017. Pacifico Minerals Limited is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are the exploration of mineral tenements in Australia and Colombia.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Interpretations and the Corporations Act 2001.

(i) Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (“AIFRS”). Compliance with AIFRS ensures that the financial statements and notes of Pacifico Minerals Limited comply with International Financial Reporting Standards (“IFRS”).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment.

(iii) Going concern basis

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the Group is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors continue to monitor the ongoing funding requirements of the Group. The Directors are confident that sufficient funding can be secured if required to enable the Group to continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

(b) Principles of Consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group (refer to note 1(d)). Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Investment in associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group has significant voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Joint control is defined as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Interests in joint ventures are accounted for using the equity method.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. The financial statements of the associate or joint venture 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 or joint venture. An impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(iii) Investment in joint operations

A joint operation is an arrangement in which the parties with joint control have rights to the assets and obligations for the liabilities relating to that arrangement. In respect of its interest in a joint operation, a joint operator must recognise all of its assets, liabilities, revenues and expenses, including its relative share of jointly controlled assets, liabilities, revenue and expenses.

(c) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is Pacifico's functional and presentation currency. The functional currency of the company's subsidiaries in Colombia is the Colombian Peso.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(d) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(e) Segment reporting

Operating segments are classified, identified and segment information disclosed on the basis of internal reports that are provided to or received by the Group's chief operating decision maker which, for the Group is its Board. The Group operates in Australia and Colombia and predominately in the field of mineral exploration.

(f) Revenue recognition

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Income tax

The income tax expense or revenue for the year is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(h) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially borne all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term. Leases where a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(i) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for an impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(j) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Trade and other receivables

Receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(l) Investments and other financial assets

(i) Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date. Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets. Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

(iii) Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of revenue from continuing operations when the Group's right to receive payments is established. Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iv) Fair value

The fair values of quoted investments are based on last trade prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

(v) Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or Group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(vi) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement, or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the last trade price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

(m) Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation of plant and equipment is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. The rates vary between 10% and 100% per annum. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(i)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(n) Exploration and evaluation costs

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are paid on normal commercial terms.

(p) Employee benefits

(i) Wages and salaries, annual leave and other employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave. Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

(ii) Share-based payments

The Group provides benefits to employees (including Directors) and contractors of the Group in the form of share-based payment transactions, whereby employees and contractors render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting period has expired; and
- the number of options that, in the opinion of the Directors of the Group, will ultimately vest.

This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. 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.

(q) 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. Incremental costs directly attributable to the issue of new shares or options, for the acquisition of a business, are not included in the cost of the acquisition as part of the purchase consideration.

(r) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. 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 taxation authority is included with other receivables or payables in the balance sheet. 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 taxation authority, are presented as operating cash flow.

(t) Rounding of amounts

The Group is of a kind referred to ASIC Corporations Rounding in financial Directors' Reports instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest $1.

(u) Significant accounting estimates and judgements

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

(i) Deferred taxation

The potential deferred tax asset arising from the tax losses and temporary differences have not been recognised as an asset because recovery of the tax losses is not yet considered probable.

(ii) Capitalised exploration costs

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely, either from exploration or sale, or where activities have not reached a stage which permits reasonable assessment.

2. NEW STANDARDS AND INTERPRETATIONS ADOPTED AND NOT YET ADOPTED

(a) New standards and interpretations adopted in the 2017 financial year

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity during the financial year. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) New standards and interpretations not yet adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and Associated Accounting Standards (applicable for annual reporting periods commencing 1 January 2018).

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).

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.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue. The directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's revenue recognition and disclosures.

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

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice. Although the directors anticipate that the adoption of AASB 16 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

2. NEW STANDARDS AND INTERPRETATIONS ADOPTED AND NOT YET ADOPTED (CONTINUED)

AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (applicable to annual reporting periods commencing on or after 1 January 2018).

This Standard amends AASB 10: Consolidated Financial Statements with regards to a parent losing control over a subsidiary that is not a "business" as defined in AASB 3: Business Combinations to an associate or joint venture and requires that:
- a gain or loss (including any amounts in other comprehensive income (OCI)) be recognised only to the extent of the unrelated investor's interest in that associate or joint venture;
- the remaining gain or loss be eliminated against the carrying amount of the investment in that associate or joint venture; and
- any gain or loss from remeasuring the remaining investment in the former subsidiary at fair value also be recognised only to the extent of the unrelated investor's interest in the associate or joint venture. The remaining gain or loss should be eliminated against the carrying amount of the remaining investment.

Although the directors anticipate that the adoption of AASB 2014-10 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

3. FINANCIAL RISK MANAGEMENT

(a) Interest rate risk

The Group is exposed to movements in market interest rates on short-term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. At 30 June 2017, if interest rates had changed by -/+ 100 basis points from the year-end rates with all other variables held constant, post-tax loss would have been $10,779 lower/higher (2016 – change of 100 bps: $13,340 lower/higher) as a result of lower interest income. The Group's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

2017		**Fixed interest rate maturing in:**					
	Floating interest rate	**1 year or less**	**1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**Total carrying amount**	**Weighted average effective interest rate**
Financial instrument	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Financial assets							
Cash and cash equivalents	1,077,882	-			490,695	1,568,577	1.6
Trade and other receivables	-	-			17,205	17,205	
Other assets	-	-			24,315	24,315	
Total financial assets	1,077,882	-			532,215	1,610,097	
Financial liabilities							
Trade creditors	-	-			120,781	120,781	
Other creditors and accruals	-	-			26,506	26,506	
Total financial liabilities	-	-			147,287	147,287	

2016		**Fixed interest rate maturing in:**					
	Floating interest rate	**1 year or less**	**1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**Total carrying amount**	**Weighted average effective interest rate**
Financial instrument	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Financial assets							
Cash and cash equivalents	1,333,964	-			106,266	1,440,230	2.3
Trade and other receivables	-	-			9,297	9,297	-
Other assets	-	-			19,686	19,686	-
Total financial assets	1,333,964	-			135,249	1,469,213	
Financial liabilities							
Trade creditors	-	-			60,360	60,360	-
Other creditors and accruals	-	-			550,903	550,903	-
Total financial liabilities	-	-			611,263	611,263	

(b) Net fair values

All financial assets and liabilities have been recognised, at the balance date, at amounts approximating their carrying value.

(c) Credit risk exposures

The Group has no significant concentrations of credit risk. The maximum exposure to credit risk, at balance date, is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements. As the Group does not presently have any debtors other than GST receivable, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

4. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Information reported to the Group's chief operating decision makers for the purposes of resource allocation and assessment of performance is based on exploration in the two principal locations of its projects – Australia and Colombia. Information regarding these segments is presented below. The revenues and profit generated by each of the Group's operating segments and segment assets and liabilities are summarised as follows:

	$ Australia		$ Colombia		$ Elimination		$ Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Segment Revenues	19,157	105,916	301	310	-	-	19,458	106,226
Segment Operating (Losses)	(2,019,790)	(2,166,976)	(121,349)	(644,515)	517,332	620,195	(1,623,807)	(2,191,296)
Segment Assets	2,428,389	3,555,454	271,602	760,188	(24,149)	(273,753)	2,675,842	4,041,889
Segment Liabilities	(137,196)	(93,274)	(8,490)	(543,034)	(241,100)	(321,466)	(386,786)	(957,774)

5. REVENUE

	Consolidated	
From continuing operations	2017 $	2016 $
Other revenue		
Interest	19,458	46,226
Contributions from Cliffs Natural Resources – Strategic Alliance	-	60,000
	19,458	106,226

6. EXPENSES

	Consolidated	
Loss before income tax includes the following specific expenses:	2017 $	2016 $
Depreciation of plant and equipment	20,333	19,424
Exploration and evaluation expenditure	361,818	919,913
Exploration and evaluation asset write-off	670,060	459,239

7. INCOME TAX

	Consolidated	
	2017	2016
(a) Income tax expense/(benefit)	$	$
Current tax	-	-
Deferred tax	-	-
Adjustments for current tax of prior years	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(1,623,807)	(2,191,296)
Prima facie tax benefit at the Australian tax rate of 27.5% (2016: 30%)	(446,547)	(657,389)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other items	157,021	408,827
	(289,526)	(248,562)
Unrecognised temporary differences	(33,353)	(23,885)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	322,879	272,447
Income tax expense/(benefit)	-	-
(c) Unrecognised temporary differences		
Deferred Tax Assets at 27.5% (2016: 30%)		
On Income Tax Account		
Section 40-880 deductions	33,029	52,110
Accruals and provisions for employee entitlements	14,096	17,267
Carry forward tax losses	3,572,404	3,763,075
	3,619,529	3,832,452
Deferred Tax Liabilities at 27.5% (2016: 30%)		
Exploration and evaluation assets	221,008	321,466

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

8. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	Consolidated	
	2017	2016
	$	$
Cash on hand	2	106
Cash at bank	1,568,575	1,440,124
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	1,568,577	1,440,230

9. CURRENT ASSETS - OTHER

	Consolidated	
	2017 $	2016 $
Goods and services tax receivable	13,704	5,120
Other receivables	3,501	4,177
Prepayments	21,150	27,547
	38,355	36,844

None of the above receivables are past due and therefore are not impaired and are within initial trade terms.

10. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS

	Consolidated	
	2017 $	2016 $
Balance at beginning of the year	2,503,440	3,171,796
Additions	-	-
Reduction of Deferred Tax Liability (Note 15)	(100,458)	(137,772)
Write-downs	(1,378,309)*	(459,239)
Foreign exchange translation	-	(71,345)
Balance at the end of the year	1,024,673	2,503,440

*Comprise of $670,060 impairment of exploration costs incurred during the year and $708,249 due to the renegotiation agreement with AngloGold Ashanti Colombia which resulted in a reduction of capitalised exploration assets.

11. NON-CURRENT ASSETS – OTHER

	Consolidated	
	2017 $	2016 $
Bonds and security deposits	24,315	19,686
VAT receivable	38	26
	24,353	19,712

12. NON-CURRENT ASSETS - PLANT AND EQUIPMENT

	Consolidated	
	2017 $	2016 $
Plant and equipment		
Cost	85,907	89,773
Accumulated depreciation	(66,023)	(48,110)
Net carrying amount	19,884	41,663
Plant and equipment – movement		
Opening net book amount	41,663	42,461
Additions	-	22,720
Depreciation charge	(20,333)	(19,424)
Foreign exchange translation	(1,446)	(4,094)
Closing net carrying amount	19,884	41,663

13. LIABILITIES - TRADE AND OTHER PAYABLES

	Consolidated	
	2017 $	2016 $
Current		
Trade payables	120,781	60,360
Other payables and accruals	26,506	13,918
	147,287	74,278
Non-Current		
Other payables and accruals - USD400,000 owing to Anglogold Ashanti Colombia SA	-	536,985
	-	536,985

14. CURRENT LIABILITIES – PROVISIONS

	Consolidated	
	2017 $	2016 $
Provision for Annual leave	18,491	25,045

15. NON-CURRENT LIABILITIES – DEFERRED TAX LIABILITIES

	Consolidated	
	2017 $	2016 $
Deferred tax liabilities comprise temporary differences attributable to:		
Beginning exploration and evaluation on acquisition	321,466	459,238
Reduction of deferred tax liability due to impairment	(73,669)	(137,772)
Movement as a result of change in tax rate from 30% to 27.5%	(26,789)	-
Deferred Tax Liability	221,008	321,466

16. CONTRIBUTED EQUITY

(a) Share capital

		2017		2016	
	Notes	Number of shares	$	Number of shares	$
Ordinary shares fully paid	16(d)	741,365,653	19,852,657	593,092,523	19,003,855
Total contributed equity		741,365,653	19,852,657	593,092,523	19,003,855

(b) Movements in ordinary share capital

	2017		2016	
	Number of shares	$	Number of shares	$
Beginning of the financial year	593,092,523	19,003,855	543,092,523	18,521,280
Issued during the year:				
4 April 2017 issued for cash at 0.6 cents	148,273,130	889,639	-	-
15 October 2015 issued for cash at 1.0 cents	-	-	50,000,000	500,000
Less: Transaction costs	-	(40,837)	-	(17,425)
End of the financial year	741,365,653	19,852,657	593,092,523	19,003,855

16. CONTRIBUTED EQUITY (CONTINUED)

(c) Movements in options on issue

	Number of options	
	2017	2016
Beginning of the financial year	85,102,597	91,402,597
Issued during the year:	-	-
Expired, cancelled or lapsed during the year	(85,102,597)	(6,300,000)
End of the financial year	-	85,102,597

There were no options on issue at the end of 2017. Options on issue at the end of the year had the following exercise prices and expiry dates:

2017				2016			
Issue Date	Number	Ex. Price	Expiry Date	Issue Date	Number	Ex. Price	Expiry Date
Nil				19 Aug 13	21,311,455	$0.03	19 Jul 16
				19 Aug 13	20,791,142	$0.06	19 Jul 16
				20 Aug 13	30,000,000	$0.03	19 Aug 16
				5 Nov 13	6,000,000	$0.03	4 Oct 16
				5 Nov 13	6,000,000	$0.06	4 Oct 16
				20 Dec 13	600,000	$0.03	19 Dec 16
				20 Dec 13	400,000	$0.06	19 Dec 16
				Total	**85,102,597**		

Options on issue at the end of the 2016 year had a weighted average exercise price of 3.96 cents and a weighted average expiry period of 0.24 years.

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Parent Entity in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(e) Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group looks to raise capital when an opportunity to invest in, or explore a project is seen as value adding relative to the Parent Entity's share price at the time of investment.

17. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

18. RESERVES

Nature and purpose of reserves

(a) Share/Option reserve

The share/option reserve is used to recognise the fair value of shares/options issued.

	Consolidated	
	2017 $	2016 $
Balance at beginning of year	1,400,317	1,400,317
Issue of options	-	-
Balance at end of year	1,400,317	1,400,317

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations that do not use Australian Dollars as their functional currency. It is also used to recognise gains and losses arising from hedges on the net investments in foreign operations.

	Consolidated	
	2017 $	2016 $
Balance at beginning of year	(42,568)	(33,252)
Exchange differences arising on translating the foreign operations	(20,054)	(9,316)
Balance at end of year	(62,622)	(42,568)

19. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk. Risk management is carried out by senior finance executives (”Finance Executives”) under policies approved by the Board. These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance Executives identify, evaluate and hedge financial risks within the consolidated entity's operating units. Finance Executives report to the Board on a monthly basis.

19. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Market risk

(i) Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date was as follows:

	Financial Assets		Financial Liabilities	
	2017	2016	2017	2016
Consolidated	AUD$	AUD$	AUD$	AUD$
Colombian Pesos	255,222	22,733	8,490	1,776
American Dollar	-	-	-	537,806
Total	255,222	22,733	8,490	539,582

Based on the net exposure to foreign currencies, a change in the foreign exchange rate as at the end of the year would affect the Group's financial results as set out below:

		Profit/Loss		Equity	
Currency Translation Effect	% Change	2017	2016	2017	2016
		$	$	$	$
Colombian Pesos strengthens against Australian Dollar	+10%	(13,473)	2,273	(23,919)	-
Colombian Pesos weakens against Australian Dollar	-10%	11,030	(2,273)	29,235	-
American Dollar strengthens against Australian Dollar	+10%	-	-	-	53,958
American Dollar weakens against Australian Dollar	-10%	-	-	-	(53,958)

(ii) Price risk

The consolidated entity is not currently exposed to commodity price risk as it is in the exploration phase. The consolidated entity is indirectly exposed to commodity price movements such as gold, copper and silver as movements in the prices of these commodities may affect the ability of the consolidated entity to access capital markets.

(iii) Interest rate risk

The consolidated entity's main interest rate risk arises from cash and term deposits held at variable interest rates. Term deposits issued at fixed rates expose the consolidated entity to fair value risk. The Group policy is to maximise interest rate returns, having regard to the cash requirements of the exploration and administration operations of the business.

(iv) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

(v) Liquidity risk

Liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

20. PARENT ENTITY INFORMATION

	Parent	
	2017	2016
	$	$
Total current assets	1,351,709	1,450,163
Total non-current assets	831,177	1,839,698
Total assets	2,182,886	3,289,861
Total current liabilities	157,287	93,275
Total non-current liabilities	-	-
Total liabilities	157,287	93,275
Equity		
Issued capital	19,852,657	19,003,855
Share based payments reserve	1,400,317	1,400,317
Accumulated losses	(19,227,375)	(17,207,586)
Total equity	2,025,599	3,196,586

(a) Contingent Liabilities

The parent entity had no contingent liabilities as at 30 June 2017 and 30 June 2016.

(b) Capital Commitments

The parent entity had no capital commitments as at 30 June 2017 and 30 June 2016.

(c) Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

21. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	Principal Place of Business / Country of Incorporation	2017	2016
West Rock Resources Pty Ltd	Australia	100%	100%
West Rock Resources Panama Corp.	Panama	100%	100%
Pacifico Minerals Sucursal Colombia (Branch)	Colombia	100%	100%
Golden Pacifico Exploration SAS	Colombia	100%	100%
Pacifico Holdings SAS	Colombia	100%	100%

22. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditors of the Group, its related practices and non-related audit firms:

	Consolidated	
	2017 $	2016 $
(a) Audit services		
Stantons International – audit and review of financial reports	28,036	34,036
Total remuneration for audit services	28,036	34,036
(b) Non-Audit services		
None during the year	-	-

23. CONTINGENCIES

There are no material contingent liabilities or contingent assets of the Group at balance date.

24. COMMITMENTS

The Group has expenditure obligations with respect to tenement lease rentals and the minimum expenditure requirements with respect to mineral tenements. If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

(a) Exploration commitments

	Consolidated	
	2017 $	2016 $
Within one year	508,524	451,846
Later than one year but not later than five years	67,316	35,248
	575,840	487,094

(b) Remuneration commitments

	Consolidated	
	2017 $	2016 $
Within one year	49,275	56,963
Later than one year but not later than five years	-	-
	49,275	56,963

25. INTERESTS IN JOINT OPERATIONS

The consolidated entity recognises its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated into the financial statements under the appropriate classifications. Information relating to joint operations that are material to the Group are set out below:

Berrio Gold Project assets under joint operation (Pacifico 8.6%)

Net assets carried as at 30 June 2017 are nil as all amounts were written off (2016: $337,137).

Borroloola West Project (Pacifico maintaining 51%)

Net assets carried as at 30 June 2017 are $1,024,673 (2016: $1,044,765).

Mt Jukes Project (Pacifico 14.8%)

Net assets carried as at 30 June 2017 are nil (2016: Nil). The Mt Jukes Project is operated by Corona Minerals Ltd.

26. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Since the end of the financial year, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report or the Financial Statements, that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent years, the financial effects of which have not been provided for in the 30 June 2017 Financial Report.

27. CASH FLOW RECONCILIATION

Reconciliation of net loss after income tax to net cash outflow from operating activities

	Consolidated	
	2017 $	2016 $
Net loss for the year	(1,623,807)	(2,191,296)
Non-Cash Items		
Depreciation of non-current assets	20,333	19,424
Write off exploration and evaluation assets	670,060	459,239
Foreign exchange (gain)/loss	(119,488)	93,094
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(7,908)	(8,286)
(Increase)/decrease in other assets	6,397	55,145
Increase/(decrease) in trade and other payables	73,009	(208,135)
Increase/(decrease) in provisions	(6,554)	(960)
Net cash outflow from operating activities	(987,958)	(1,781,775)

Non-cash financing and investing activities

Nil

28. LOSS PER SHARE

(a) Reconciliation of earnings used in calculating loss per share

	Consolidated	
	2017 $	2016 $
Loss attributable to the ordinary equity holders of the Parent Entity used in calculating basic and diluted loss per share	(1,623,807)	(2,191,296)

(b) Weighted average number of shares used as the denominator

	Consolidated	
	2017	2016
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	628,434,338	578,611,649

29. SHARE BASED PAYMENTS

There were no share based payments during the year or in the prior year.

30. RELATED PARTY TRANSACTIONS

The Group has no transactions with related parties.

There were no shares or options issued as share based payments during the year or in the prior year.

31. KEY MANAGEMENT PERSONNEL COMPENSATION

	Consolidated	
	2017 $	2016 $
Short term employee benefit	291,462	288,000
Post-employment benefit	27,689	27,360
	319,151	315,360

DIRECTORS DECLARATION

30 June 2017

In accordance with a resolution of the Board of Directors of Pacifico Minerals Limited, I state that:

In the opinion of the Directors:

- the financial statements and notes set out on pages 34 to 60 are in accordance with the Corporations Act 2001, including:
  - complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
  - the audited remuneration disclosures set out on pages 19 to 22 of the Directors' report comply with Accounting Standards AASB 124 *Related Party Disclosures* and the Corporations Regulations 2001.
  - the financial statements and notes also comply with International Financial Reporting Standards

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

- this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2017.

On behalf of the Board

Richard Monti
Chairman

20 September 2017

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PACIFICO MINERALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pacifico Minerals Limited (the Company and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

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

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

Key Audit Matters

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

Key Audit Matters	How the matter was addressed in the audit
Carrying Value of Exploration and Evaluation Assets As at 30 June 2017, the carrying value of the Group's acquisition costs for exploration related assets was $1,024,673 as disclosed in note 10. Under the Group's accounting policy in Note 1(n), exploration and evaluation expenditure is expensed as incurred. Acquisition costs are assessed on a case by case basis and may be capitalised to areas of interest where the right of tenure of the area of interest is current and these costs are expected to be recouped through sale or successful development and exploitation of the area of interest. This determination of the carrying value requires management's judgement in relation to the assessment of the future outcomes of the exploration activities in the areas of interest, identification of impairment indicators and determination of whether these costs are considered recoverable by management.	Our audit procedures included, amongst others, the following: i. Evaluating the Company's accounting policy to ensure the policy complies with the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. ii. Examined relevant documents to ensure the Group has the right of tenure in relation to capitalised acquisition costs and has the ability to continue exploration activities. iii. We assessed management's determination of its areas of interest for consistency with the definition in the accounting standard; iv. We discussed with the management with regard to possible impairment of the Exploration and Evaluation Assets. We have also assessed the adequacy of the related disclosure in note 10 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, 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, 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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We 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.

We 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.

We 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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 with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial report of the current period and are therefore 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 Remuneration Report

We have audited the Remuneration Report included in pages 19 to 22 of the directors' report for the year ended 30 June 2017. 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.

Opinion on the Remuneration Report

In our opinion the Remuneration Report of Pacifico Minerals Limited for the year ended 30 June 2017 complies with section 300A of the Corporations Act 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stanton International

Samir R Tirodkar
Director

West Perth, Western Australia
20 September 2017

ASX ADDITIONAL INFORMATION

Additional information requested by the Australian Stock Exchange and not shown elsewhere in the report is as follows. The information is current as at 19 September 2017.

(a) Distribution of equity securities

	Ordinary Shares	
Analysis of numbers of equity security holders by size of holding	Number of holders	Number of shares
1-1,000	79	20,136
1,001 - 5,000	21	73,722
5,001 - 10,000	68	630,089
10,001 - 100,000	278	15,149,544
100,001 and over	538	725,492,162
Total on register	**984**	**741,365,653**
The number of equity security holders holding less than a marketable parcel of securities are:	352	7,246,773

(b) Twenty largest shareholders

	Listed ordinary shares	
	Number of shares	Percentage of ordinary shares
1. DOMAIN INV HLDGS PL	35,000,000	4.72%
2. SCINTILLA STRATEGIC INV L	31,000,000	4.18%
3. CLARK TRAVIS ROHAN	23,800,000	3.21%
4. NOON SIMON ALEXANDER	22,200,000	2.99%
5. BOLTON BARRIE R + LING H	20,836,073	2.81%
6. GREATCITY CORP PL	18,835,308	2.54%
7. WALLOON SEC PL	18,333,333	2.47%
8. PERSHING AUST NOM PL	17,000,000	2.29%
9. HOLMES DONALD SHANE + S	16,521,189	2.23%
10. BOXWOOD PL	16,168,516	2.18%
11. SINGH NAVINDERJEET	15,930,000	2.15%
12. JOSSELIN PL	15,500,000	2.09%
13. KHOO DANNY EU HUAT	14,000,009	1.89%
14. BEELONG PL	14,000,000	1.89%
15. MEJULIE PL	10,000,000	1.35%
16. JAKORY PL	10,000,000	1.35%
17. SLADE TECHNOLOGIES PL	8,333,333	1.12%
18. WARCHOMIJ BOHDAN	8,017,987	1.08%
19. MASSAWE ERNEST SARONGA	8,000,000	1.08%
20. STATE ONE STOCKBROKING LT	7,939,423	1.07%
Top 20 Total	**331,415,171**	**44.69%**

(c) Substantial Shareholders

There are no substantial shareholders

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Schedule of interests in mining tenements

Location	Tenement ID	Percentage held/earning
Berrio - Colombia	IDI-16112X	8.6%
Berrio - Colombia	IDI-16113X	8.6%
Berrio - Colombia	HINN-02	8.6%
Berrio - Colombia	JG1-09552	8.6%
Berrio - Colombia	T1935005	8.6%
Berrio - Colombia	IHF-08012	7.5%
Berrio - Colombia	T1928005	5.7%
Berrio – Colombia	6822	100%
Berrio – Colombia	6822B	100%
Urrao – Colombia	2791	100%
Borroloola – Northern Territory	EL26938	51%
Borroloola – Northern Territory	EL26939	51%
Borroloola – Northern Territory	EL28508	51%
Borroloola – Northern Territory	EL28534	51%
Borroloola – Northern Territory	EL28540	51%
Borroloola – Northern Territory	EL28541	51%
Borroloola – Northern Territory	EL28657	51%
Borroloola – Northern Territory	EL28658	51%
Borroloola – Northern Territory	EL28659	51%
Borroloola – Northern Territory	MLN624	51%
Borroloola – Northern Territory	EL30157	51%
Borroloola – Northern Territory	EL30302	51%
Borroloola – Northern Territory	EL30305	51%
Mount Jukes – Tasmania	EL51/2008	15%
Miners Ridge – Tasmania	EL12/2009	15%

Rules 4.7.3 and 4.10.3[1]

Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity:

Pacifico Minerals Limited

ABN / ARBN:

126 129 413

Financial year ended:

30 June 2017

Our corporate governance statement[2] for the above period above can be found at:[3]

☒	These pages of our annual report:	Pages 25 to 33
☐	This URL on our website:	

The Corporate Governance Statement is accurate and up to date as at 20 September 2017 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date:	20 September 2017
Name of Director authorising lodgement:	Simon Noon

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[1] Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

[2] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

[3] Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at … and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ See www.pacificominerals.com.au/company/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

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[4] If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	… the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at … and a copy of our diversity policy or a summary of it: ☒ See www.pacificominerals.com.au/company/corporate-governance … and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☒ in our Corporate Governance Statement **OR** ☐ at … and the information referred to in paragraphs (c)(1) or (2): ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	[If the entity complies with paragraph (a):] … the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at … and a copy of the charter of the committee: ☐ at … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [If the entity complies with paragraph (b):] … the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively: ☒ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	… our board skills matrix: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	… the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement **OR** ☐ at … and, where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at … and the length of service of each director: ☒ in our Corporate Governance Statement **OR** ☐ at [insert location here]	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	… the fact that we follow this recommendation: ☐ in our Corporate Governance Statement **OR** ☐ at [insert location here]	☒ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	… the fact that we follow this recommendation: ☐ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	… our code of conduct or a summary of it: ☐ in our Corporate Governance Statement **OR** ☒ See www.pacificominerals.com.au/company/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	[If the entity complies with paragraph (a):] … the fact that we have an audit committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at … and a copy of the charter of the committee: ☐ at … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [If the entity complies with paragraph (b):] … the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☒ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	… our continuous disclosure compliance policy or a summary of i ☒ in our Corporate Governance Statement **OR** ☒ See www.pacificominerals.com.au/company/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	… information about us and our governance on our website: ☒ see www.pacificominerals.com.au/company/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	… our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	[If the entity complies with paragraph (a):] … the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at … and a copy of the charter of the committee: ☐ at … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [If the entity complies with paragraph (b):] … the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☒ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	… the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: ☒ in our Corporate Governance Statement **OR** ☐ at … and that such a review has taken place in the reporting period covered by this Appendix 4G: ☐ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] … how our internal audit function is structured and what role it performs: ☐ in our Corporate Governance Statement **OR** ☐ at [If the entity complies with paragraph (b):] … the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: ☒ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	… whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		**We have followed the recommendation in full for the whole of the period above. We have disclosed …**	**We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …**[4]
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	[If the entity complies with paragraph (a):] … the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at … and a copy of the charter of the committee: ☐ at … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [If the entity complies with paragraph (b):] … the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: ☒ in our Corporate Governance Statement **OR** ☐ at	☒ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommend therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	… separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in our Corporate Governance Statement **OR** ☐ at	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

<table>
<tr><th colspan="2">Corporate Governance Council recommendation</th><th>We have followed the recommendation in full for the whole of the period above. We have disclosed …</th><th>We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]</th></tr>
<tr><td>8.3</td><td>A listed entity which has an equity-based remuneration scheme should:
(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
(b) disclose that policy or a summary of it.</td><td>… our policy on this issue or a summary of it:
☐ in our Corporate Governance Statement <u>OR</u>
☐ at</td><td>☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u>
☒ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u>
☐ we are an externally managed entity and this recommendation is therefore not applicable</td></tr>
<tr><td colspan="4">ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</td></tr>
<tr><td>-</td><td><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i>
The responsible entity of an externally managed listed entity should disclose:
(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;
(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</td><td>… the information referred to in paragraphs (a) and (b):
☐ in our Corporate Governance Statement <u>OR</u>
☐ at</td><td>☐ an explanation why that is so in our Corporate Governance Statement</td></tr>
<tr><td>-</td><td><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i>
An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</td><td>… the terms governing our remuneration as manager of the entity:
☐ in our Corporate Governance Statement <u>OR</u>
☐ at</td><td>☐ an explanation why that is so in our Corporate Governance Statement</td></tr>
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