FE Limited
ABN 31 112 731 638

AND CONTROLLED ENTITIES

ANNUAL REPORT 2018

CORPORATE DIRECTORY

Australian Business Number	31 112 731 638	
Country of Incorporation	Australia	
Board of Directors	Antony Sage	Non-Executive Chairman
	Nicholas Sage	Non-Executive Director
	Kenneth Keogh	Non-Executive Director
Company Secretary	Melissa Chapman Catherine Grant-Edwards	
Principal Administrative Office and Registered Office	32 Harrogate Street West Leederville, WA 6007	
	Telephone:	+61 (0)8 6181 9793
	Facsimile:	+61 (0)8 9380 9666
Share Registry	Link Market Services Level 12 QV1 Building 250 St Georges Terrace Perth WA 6000	
	Telephone:	+61 1300 554 474
	Website:	www.linkmarketservices.com.au
Auditors	Ernst & Young 11 Mounts Bay Road Perth, WA 6000	
ASX	Fe Limited's fully paid ordinary shares are quoted on the Official List of ASX. The ASX code is FEL.	

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DIRECTORS' REPORT

The directors of Fe Limited (**FEL** or the **Company**) present their report and the financial statements comprising FEL and its controlled entities (together the **Consolidated Entity**) for the year ended 30 June 2018 (**year**).

DIRECTORS

The names and details of the Company's directors in office during the year and until the date of this report are as follows. All directors were in office for the entire period unless stated otherwise.

***Antony Sage**, (B com, FCPA, CA, FTIA) Non-Executive Chairman*

Mr Antony Sage has in excess of 30 years' experience in the fields of corporate advisory services, funds management and capital raising. Mr Antony Sage is based in Western Australia and has been involved in the management and financing of listed mining and exploration companies for the last 20 years. Mr Antony Sage has operated in Argentina, Brazil, Peru, Romania, Russia, Sierra Leone, Guinea, Cote d'Ivoire, Congo, South Africa, Indonesia, China and Australia. Mr Antony Sage is currently chairman of ASX-listed companies, Cape Lambert Resources Ltd (which was AIM Company of the year in 2008), Cauldron Energy Ltd, European Lithium Limited and Fe Ltd. Mr Antony Sage is also a Non-Executive Director of National Stock Exchange of Australia ("NSX") listed International Petroleum Ltd. Mr Antony Sage is also the sole owner of A League football club Perth Glory that plays in the National competition in Australia. Mr Antony Sage currently is, or has been a director of the following listed entities in the three years immediately before the end of the current financial year:

- Cape Lambert Resources Limited (December 2000 to Present);
- International Petroleum Limited* (January 2006 to Present);
- Cauldron Energy Limited (June 2009 to Present);
- European Lithium Limited (September 2016 to Present);
- Kupang Resources Limited** (September 2010 to August 2015); and
- Caeneus Limited (December 2010 to January 2016)

  * Listed on National Stock Exchange of Australia

  ** Company was delisted August 2015 and is currently in voluntary administration

Interest in Shares & Options at date of this report:	6,423,010 fully paid ordinary shares (indirectly held) 2,750,000 fully paid ordinary shares (not yet issued, subject to receipt of shareholder approval) 6,500,000 unlisted options (not yet issued, subject to receipt of shareholder approval)

***Nicholas Sage**, Non-Executive Director*

Mr Nicholas Sage is an experienced marketing and communications professional with in excess of 25 years in various management and consulting roles. Mr Nicholas Sage is based in Western Australia and currently consults to various companies and has held various managements roles with Tourism Western Australia. He also runs his management consulting business. Mr Nicholas Sage is currently a director or has been a director of the following listed companies in the three years immediately before the end of the current financial year:

- Cauldron Energy Limited (June 2015 to Present); and
- International Goldfields Limited (January 2018 to Present).

Interest in Shares & Options at date of this report:	1,500,000 unlisted options (not yet issued, subject to receipt of shareholder approval)

***Kenneth Keogh**, Non-Executive Director*

Mr Keogh is a finance professional with experience in both financing and developing projects in the mining, oil & gas and renewables industries. Mr Keogh is based in Western Australia where he consults to various private companies and holds a key management position at UON Pty Ltd. Mr Keogh runs his own successful investment firm which holds interest in exploration and mining companies, mining services and hospitality businesses. Mr Keogh holds a Bachelor of Art (Accounting and Finance) from Dublin Business School and holds an MBA from the Australian Institute of Business. Mr Kenneth Keogh is currently a director or has been a director of the following listed companies in the three years immediately before the end of the current financial year:

- International Goldfields Limited (January 2018 to Present).

Interest in Shares & Options at date of this report:	766,300 fully paid ordinary shares (indirectly held) 4,500,000 unlisted options (not yet issued, subject to receipt of shareholder approval)

JOINT COMPANY SECRETARY

Catherine Grant-Edwards *(Appointed 1 February 2018)*

Ms Grant-Edwards has a Bachelor of Commerce degree from the University of Western Australia, majoring in Accounting and Finance. She commenced her career at Ernst & Young, where she qualified as an Accountant with the Institute of Chartered Accountants Australia (ICAA) in 2007. Ms Grant-Edwards has over 14 years' experience in accounting and finance and currently provides accounting and company secretarial services to several listed resource companies.

Melissa Chapman *(Appointed 1 February 2018)*

Ms Chapman is a certified practising accountant with over 15 years of experience in the mining industry. She has worked extensively in Australia and the United Kingdom. Ms Chapman has a Bachelor of Accounting from Murdoch University and has been a member of CPA Australia since 2000. Melissa has completed a Graduate Diploma of Corporate Governance with the Governance Institute of Australia, and the company directors course with the Australian Institute of Company Directors.

PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES STATE OF AFFAIRS

The Company is involved in the mineral exploration industry on its retained tenements and interests. The principal activity of the Consolidated Entity during the year was the management of interests in a portfolio of mineral resource projects at an exploration stage located in Australia and the Democratic Republic of Congo (**DRC**).

There have been no changes in the state of affairs of the Consolidated Entity other than those disclosed in the review of corporate activities and review of operations.

DIVIDENDS AND DISTRIBUTIONS

No dividends or distributions were paid to members during the year and none were recommended or declared for payment (30 June 2017: nil).

REVIEW OF OPERATIONS

Operating Results

The consolidated loss after income tax for the year ended 30 June 2018 amounted to $1,082,275 (30 June 2017: $295,971).

Board Changes

There were no changes made to the board of directors during the year ended 30 June 2018.

Change in Company Secretary

On 1 February 2018, Ms Eloise von Puttkammer resigned as Company Secretary. Ms Catherine Grant-Edwards and Ms Melissa Chapman were appointed Joint Company Secretary effective 1 February 2018.

Annual General Meeting

The Company's annual general meeting was held on 3 November 2017 (**AGM**). All resolutions put to the meeting were passed on a show of hands.

Placement

On 4 January 2018, the Company completed a placement of 33,333,334 fully paid ordinary shares to sophisticated investors to raise $1,000,000 (before costs) (**Placement**).

Funds raised from options exercised

During the year, the Company received $281,250 in proceeds from the exercise of 9,375,000 unlisted options with an exercise price of $0.03 each on or before 30 November 2018.

Shares issued

During the year, the Company issued 35,000,000 fully paid ordinary shares (being the shares issued in relation to the Kasombo Acquisition).

Kasombo Acquisition

On 6 November 2017, the Company completed the acquisition of the Kasombo Project (**Kasombo Acquisition**) from Cape Lambert Resources Limited (**Cape Lambert**) and were assigned 100% of Cape Lambert's rights and obligations to the Kasombo Project, located 25km from the DRC's second largest city, Lubumbashi, in the Katanga Copper Belt of the DRC.

Refer to Projects section for further information regarding the Kasombo Project.

Sandfire Farm-In to Morck's Well East Project

As announced 27 February 2018, the Company and Auris Minerals Limited (**Auris**) (ASX: AUR) entered into an agreement with Sandfire Resources NL (**Sandfire**) (ASX: SFR) in relation to their Morck's Well East Project (AUR 80%:FEL 20%) and AUR's 100% owned Doolgunna Project located in Western Australia's Cryah Basin (**Farm-In Agreement**). Pursuant to the terms of the Farm-In Agreement, the Company was to receive $300,000 in cash or shares (at Sandfire's election) as consideration. As elected by Sandfire, FEL received 41,502 shares on 7 March 2018 (valued at $319,980). These shares were subsequently sold by FEL for total proceeds of $377,252.

Suspension and Reinstatement of Trading

On 21 November 2017, the Company requested and was granted voluntary suspension of trading in the Company's securities on the ASX. The suspension was sought to provide the Company with time to apply for orders to be made by the Federal Court of Australia for the retrospective curing of a procedural issue in the quotation of shares in the Company that were issued on 6 November 2017.

The Company lodged an application with the Federal Court of Australia seeking urgent declaratory relief and ancillary orders relating to the issue of securities and the subsequent offers for sale by some of the subscribers to those securities. On 21 December 2017, the Company was successful in obtaining all orders sought, which were that the offers for sale of the shares issued by the Company on 6 November 2017 were not invalidated by any failure of the Company to comply with section 707(3) of the *Corporations Act 2001* (Cth) and also relieves any sellers of these shares from civil liability.

The Company was reinstated to trading on ASX at the open of market on 22 December 2017.

Cleansing Prospectus(s)

On 24 November 2017, the Company lodged a cleansing prospectus pursuant to Section 708A(11) of the Corporations Act 2001, for the offer of up to 20,000 fully paid ordinary shares. The prospectus offer closed the same day and no shares were issued pursuant to the prospectus offer.

On 4 January 2018, the Company lodged a cleansing prospectus pursuant to Section 708A(11) of the Corporations Act 2001, for the offer of up to 20,000 fully paid ordinary shares. The prospectus offer closed on 9 January 2018 and no shares were issued pursuant to the prospectus offer.

On 9 February 2018, the Company lodged a cleansing prospectus pursuant to Section 708A(11) of the Corporations Act 2001, for the offer of up to 20,000 fully paid ordinary shares. The prospectus offer closed the same day and no shares were issued pursuant to the prospectus offer.

On 22 March 2018, the Company lodged a cleansing prospectus pursuant to Section 708A(11) of the Corporations Act 2001, for the offer of up to 20,000 fully paid ordinary shares. The prospectus offer closed on 23 March 2018 and no shares were issued pursuant to the prospectus offer.

PROJECTS

Kasombo Project - Democratic Republic of Congo

The Kasombo Project comprises three mineralized areas within 600 hectares, Kasombo 5, 6 and 7, located within two granted mining licenses PE 481 and PE 4886 (**Licences**). The Licences are held by La Generale Des Carrieres Et Des Mines S.A. (**Gecamines**). On 24 March 2017, Paragon Mining SARL (**Paragon**) executed a contract with Gecamines for the undertaking of exploration and research work at the Kasombo Project. In July 2017, Cape Lambert Resources Limited (**Cape Lambert**) executed an agreement with Paragon for the development of the Kipushi Tailings Project and the Kasombo Copper-Cobalt Project (**Kasombo Project**). In July 2017, FEL executed a binding terms sheet with Cape Lambert where-in Cape Lambert would assign all its rights and obligations to the Kasombo Project to the Company (**Kasombo Acquisition**). The Kasombo Acquisition was approved by shareholders at the Annual General Meeting held on 3 November 2017 and the transaction was settled on 6 November 2017.

In November 2017, the Company completed mapping works at Kasombo 6 and 7, with mapping at Kasombo 5 completed early December 2017. The mapping showed two styles of mineralization: the first conforming to mineralization typical of deposits of the Katanga Copper Belt; the second showing cross-cutting breccia style, providing potential to significantly increase the size of mineralisation.

Twenty samples were collected during the mapping program, predominantly from Kasombo 7 and dispatched to ALS Laboratories for assaying in Lubumbashi and South Africa. The assay results returned high grade cobalt assays, with the highest grade assays being 6.99% cobalt (sample A2914) and 1.57% cobalt (sample A2916) (refer FEL announcement dated 12 December 2017).

During December 2017, the Company completed a small RC drill programme, designed to test the grade and depth of mineralisation at Kasombo 5 and Kasombo 7. A total of 390m was completed in difficult conditions due to the wet weather, with 3 holes completed at Kasombo 5 (200m) and 4 holes at Kasombo 7 (190m).

Drill samples from the drilling programme were dispatched to ALS Laboratories for assaying. Results from the drilling programme were announced by the Company on 16 February 2018, 28 February 2018 and 14 March 2018 (refer ASX announcement for the results). For an explanation of the drilling undertaken refer to FEL announcement dated 8 January 2018.

During Q3 2018, the Company tendered a 5000 m drilling programme covering Kasombo 5 and Kasombo 7. Nine drilling companies visited the Kasombo area to tender on the proposed drilling programme, with four companies later shortlisted and proposals updated accordingly. The awarding of the drilling contract was delayed, pending the completion of a planned ground magnetics programme, to better target drilling.

During Q4 2018, a local consulting geology company Minex Consulting SA (Minex) undertook a trenching, logging and sampling programme at Kasombo 7. Seven trenches for a total length of 617m were completed with a total of 289 samples collected for analysis. The samples were readied and dispatched to ALS late June 2018 for analysis. In logging the trenches Minex noted:

- The first three trenches showed highly folded terrains with the typical lower Mines Series sequences observed while the upper Mines series seems to be highly weathered.
- A leached mineralised zone was observed in the KSB_TR001 close to the RSC (a marker unit within the prospective portion of R2 Mines Series sequence) and has been interpreted as disseminated iron oxides that could be left over from oxidised sulphide (possibly the upper ore body).
- The trenches show the upper R2 Mines Series (the target mineralised horizon) is affected by tight folding and fractures.
- The typical R2 Mines Series known ore bodies have been identified; the lower ore body has been mapped in most of the trenches, while the upper ore body was only observed in some.

The Department of Geology from the University of Lubumbashi (**University**), completed a ground magnetics survey of the Kasombo area. The survey totalled 20.2 line kilometres, comprising twelve north-south oriented lines of 400 m spacing. The interpretation work is yet to be completed.

Western Australia

The Company holds, or has rights or interests in various tenements prospective for iron, nickel, copper and gold located in Western Australia.

Bryah Basin Joint Venture Projects ("Bryah Basin") (FEL 20% rights)

FEL, via its wholly owned subsidiary, Jackson Minerals Pty Ltd (**Jackson Minerals**), has a 20% interest in twelve tenements covering an area of 802 km² in the highly prospective Bryah Basin area, including tenements proximal to Sandfire Resources NL (ASX: **SFR**) Doolgunna Project and DeGrussa copper gold mine and several gold and copper prospects.

The Bryah Basin Project tenements are subject to joint arrangements and farm-ins with Westgold Resources Limited (ASX: **WGX**), Independence Group Ltd (ASX: **IGO**), Billabong Gold Pty Ltd, Alchemy Resources (Three Rivers) Ltd (ASX: **ALY**) (**Alchemy**), Auris Minerals Ltd (formerly **RNI NL**)(ASX:**AUR**) and Sandfire Resources NL (ASX:**SFR**).

The Bryah Basin is emerging as a highly prospective and largely under-explored mineral field with potential for further discovery of gold and base metals.

Auris Projects - Auris Minerals Ltd (AUR) 80% in all minerals (except gold for E52/1659 and E52/1671) and FEL 20% in all minerals

FEL, via its subsidiary, Jackson Minerals, holds a 20% free carried interest to Decision to Mine in two exploration licences and three prospecting licences (E52/1659 and E52/1671 and P52/1484-1486) within AUR's "Forrest Project" and a 20% interest in three exploration licences E51/1033, E52/1613, E52/1672) within AUR's "Morcks Well Project" covering a total of 607km².

Metals X Ltd (ASX: **MLX**) acquired AUR's interest in the gold assets with regard to E52/1659 and E52/1671 within the AUR Forrest Project (refer to ASX: AUR July 2015). MLX transferred their 80% gold rights interest in these tenements to Westgold Resources Limited (ASX:**WGX**) via a Demerger by MLX (refer to ASX:MLX 16 November 2016, 24 November 2016 and 1 December 2016) and FEL's 20% gold interest in E52/1659 and E52/1671 is now free carried until Decision to Mine by WGX (pursuant to a Deed of Novation completed in December 2016). FEL has not received any reports of work completed on the tenements by WGX during the year.

In February 2018 AUR and FEL entered into a farm-in and joint venture arrangement with Sandfire Resources NL (**SFR**) where SFR can earn an interest in the Morck's Well Project tenements E51/1033, E52/1613 and E52/1672 by completing a minimum spend of $2.0m on exploration over 2 years (see ASX:AUR announcement 27 February 2018 for details). FEL is no longer free carried to Decision to Mine with respect to these tenements.

Forrest Project: Forrest (E52/1671), Wodger (E52/1659), Big Billy Prospects (E52/1659)

The "Forrest", "Wodger" and "Big Billy" Prospects are located along a 12km mineralized Cu+-Au trend which hosts multiple targets for volcanic-hosted massive sulfide ("VHMS") style mineralization.

The Wodger and Forrest prospects are confirmed as priority prospect in AUR's Bryah Basin exploration portfolio.

Previous work by AUR (formerly RNI) at the Wodger prospect has identified a 1.4km VMS mineralized horizon. (see ASX:AUR 9 March 2017). Modelling suggests that there are two distinct mineralized zones (>0.1% Cu) within the VMS horizon. Both mineralized zones (lodes) are approximately 500m in length, open along strike and depth and contain significant copper values of 4m @ 4.73% (within a broader halo of 25m @ 1.1%) and 9m @ 1.30%" (refer ASX:AUR 15 March 2017).

On 6 June 2017 Auris announced that the first phase of diamond drilling, to test the down dip extension of the VMS horizon, was completed at the Wodger Prospect (two diamond holes WRDD001 and WRDD002 for a total of 821.60m). "The observations from WRDD001 are extremely encouraging and included a zone of disseminated bornite with lesser chalcopyrite, positioned below an interpreted volcanic massive sulphide (VMS) horizon that included blebby sulphides, and a 20cm wide zone of suplhide material with 30% copper values from spot portobole XRF readings" (refer to ASX:AUR 6 June 2017 and 10 July 2017).

AUR interpreted the results from WRDD001 to suggest that a single VMS horizon has been overturned in an antiformal fold at the top of the Narracoota Formation volcanics, subsequently generating western and eastern lodes associated with limbs of the antiform (refer to ASX: AUR 12 July 2017). On 31 July 2017, AUR announced (ASX: AUR 31 July 2017) the first assay results from the company's RC drill program at Wodger to test the down-plunge extent of both lodes along strike towards the southern EM plate. First assay results from Wodger RC drilling program in WDRC005 returned major intersections of copper-gold-silver mineralisation which included: 50 meteres @ 1.55% (copper) Cu from 175 metres; 41 metres @ 0.47g/t Gold (Au) from 177 meteres; and 59 meteres @ 5.05g/t Silver (Ag) from 168 metres. Refer to ASX:AUR 31 July 2017 for full details on the assay outcomes. Follow up drilling with potential Down-Hole Electromagnetic (DHEM) surveys was planned to test for a potential fresh massive sulphide source.

On 21 August 2017 AUR announced that further "broad, high-grade zones of copper-gold-silver mineralisation" had been intersected at the Wodger prospect and that results from WDRC001, WDRC003 and the previously reported high-grade Cu mineralization in WDRC005 define a 150 metre strike length zone of mineralization". "Re-logging of WDRC005 identified first evidence of primary copper mineralisation in the form of visible chalcocite between 211 to 213 metres (2m @ 7.35% Cu)". For a complete list of assay highlights refer to ASX: AUR 21 August 2017.

On 17 October 2017 AUR announced "Wodger Drilling Intersects Multiple Zones of Copper Sulphides" (ASX:AUR 17 Oct 2017) and, in a separate announcement on the same day, that "Auris Completes $1.25M Capital Raising" to fund further exploration activities and drilling at the Wodger Prospect (ASX:AUR 17 Oct 2017). On 10 November 2017 AUR announced that there has been a "Downhole EM Conductor Identified at Wodger" in diamond drill hole WRDD003 and that WRDD003 had intersected a broad zone of copper mineralisation made up of bornite, chalcocite and native copper mineralisation in quartz carbonate stringers with results including 71m @ 0.21%Cu from 365m, which includes 5.5m @ 0.49% Cu from 396m, 2.5m @ 2.53% Cu from 419m and 5.0m @ 0.50% Cu from 431m". (ASX:AUR 10 Nov 2017).

In January 2018 AUR announced that two deep diamond holes were completed at the Wodger and Forrest Prospects to test the EM anomalies. Further broad zones of anomalous copper (72m @ 0.21% Cu) were intersected at Wodger and the potential for higher-grade mineralisation remains open. Planning is underway for detailed IP & EM surveys to target higher-grade mineralised zones and a systematic aircore drilling programme is planned along the prospective Forrest trend (refer to ASX:AUR 24 January 2018 and 30 January 2018).

In April 2018 AUR completed VTEM Max Survey at the Forrest Project Area as part of a larger survey (refer to ASX:AUR announcement 6 April 2018). In July 2018 AUR advised that "it has identified multiple exploration targets following the interpretation of processed data generated from the helicopter-borne Versatile Time-Domain Electromagnetic (VTEM) survey" with a further 18 targets, including one high priority target, identified at the Forrest Project Area (refer to ASX:AUR 27 July 2018).

Morck's Well Project (**E51/1033, E52/1613, E52/1672)**

The Morck's Well Prospect is located in the eastern part of the Bryah Basin and contains approximately 40km of strike length of the highly prospective Narracoota Volcanic Formation. The northern boundary of Morck's Well is adjacent to Sandfire Resources NL's DeGrussa-Doolgunna exploration tenements.

On 10 July 2017 Auris announced via their June 2017 Quarterly Report that the Company has commenced a 13,500 metre air core drill program over five prospects identified in the Cashman and Morck's Well Project areas. (refer to ASX:AUR 6 June 2017 and 10 July 2017). Two lines of aircore drilling completed at the Feathercap Prospect returned 11 metres @ 0.23g/t Au from 92 metres to EOH (FCAC016). A single line of aircore drilling completed at the Morck's Well South prospect produced positive results. Follow-up drilling at the Citra V-Ti Prospect, to delineate the strike of mineralization, also produced positive results as the mineralisation was mapped for 460 metres and remains open along strike and at depth (refer to ASX:AUR 30 January 2018).

Following the commencement of the Sandfire farm-in AUR announced that "Sandfire Commence Major VTEM Survey Across Morck's Well East Project" and "Sandfire Identify Preliminary VTEM Anomalies Within the Morck's Well East JV Project". Preliminary results from initial VTEM surveys completed by SFR have indicated a number of robust VTEM anomalies across the tenement survey areas. (refer to ASX:AUR 27 March 2018 and 17 April 2018).

On 9 May 2018 SFR commenced an aircore drilling programme to test VTEM anomalies at Morck's Well. Drilling intersected narrow zones of massive sulphides and supergene copper mineralisation, significant results included 11m at 3.5% Cu from 73m including 3.5m at 9.5% Cu from 81m (MWAC0109), 6m at 1.3% Cu from 112m including 1m at 4.5% Cu from 113m (MWAC0111) and 9m at 2.3% Cu from 146m including 3m at 5.7% Cu from 149m (MWAC0112). SFR has reported that "preliminary drilling has defined an area of geological interest that will be intensively targeted by AC, RC and diamond drilling, supported by multi-element geochemistry, surface and down-hole geophysics" (for details refer to ASX:FEL 15 May 2018, 21 May 2018, 25 May 2018 and 6 June 2018).

On 20 July 2018 AUR announced that SFR has completed one diamond core and three reverse circulation drill holes to follow up on the highly encouraging supergene and fresh massive sulphide mineralisation intersected in aircore drilling at the far northeast of the Morck Well JV area. AUR have said that "whilst the full set of assays from the recently completed follow-up program are yet to be received, AUR is pleased to advise the sedimentary package intersected in both the diamond core and RC holes drilled below and along strike is considered to be highly prospective" (refer to ASX:AUR 20 July 2018). Systematic exploration across the remainder of the Morck

Well project area is continuing and further updates on drilling assays and geophysical surveying will be reported in due course.

Alchemy Projects - ALY 80% in all minerals (see below for details of other companies farming-into this interest) and FEL 20% (in all minerals) free carried to Decision to Mine

FEL, via its wholly owned subsidiary Jackson Minerals, holds a 20% interest in all minerals free carried to Decision to Mine in four exploration licenses E52/1668 ("Reefer" and "Flamel" prospects), E52/1678 ("Troy" prospect), E52/1722 ("Neptune" prospect) and E52/1730 ("Henry" prospect) jointly known as the **Jackson Tenements**. Additionally, Jackson Minerals has 20% beneficial interest in all minerals in part of E52/1852 previously held under P52/1167 and P52/1168, held in trust for Jackson Minerals by ALY/Billabong – Jackson Minerals/FEL has no registered interest in E52/1852.

The project covers approximately 45km strike of the prospective Narracoota Volcanic Formation sequence in the Bryah Basin and is proximal to Sandfire's Doolgunna Project and the recently discovered Monty Prospect.

Base Metals Rights – ALY/IGO/JAK E52/1668, E52/1678, E52/1722 and E52/1730

Alchemy has entered into a farm-in and joint venture with Independence Group NL (base metals, refer to ASX:ALY 5 Nov 2014). Diversified mining company, Independence Group NL (ASX: IGO) is earning up to 70% interest in base metals rights, excluding iron ore rights, in relation to whole area of E52/1722 and parts of E52/1668, E52/1678 and E52/1730 (in regard to the Jackson Tenements). FEL has not received any reports of work completed on the tenements by IGO during the year.

All Mineral Rights - ALY/Billabong/JAK E52/1668, E52/1678, and E52/1730

Leading Australian gold producer Northern Star Resources Ltd (ASX: **NST**) entered into a Farm-In and Joint Venture agreement with ALY (refer to ASX:ALY 24 February 2015), in regard to parts of E52/1668, E52/1678 and E52/1730 (excluding those parts being farmed into by IGO) and also to earn an 80% interest in the whole of E52/1852 (within which ALY holds a 20% interest in the area previously held under P52/1167-68 for Jackson Minerals). NST assigned its interest in these tenements and the Farm-in and Joint Venture to Billabong Gold Pty Ltd (**Billabong**) via a Deed of Consent, Assignment and Assumption dated 11 October 2016, pursuant to "Sale and Purchase Agreement Plutonic Gold Operations" between NST and Billabong dated 12 August 2016 (see NST announcements of 15 August 2016 and 12 October 2016). FEL retains its 20% free carried interests in all minerals all of the aforementioned tenements, via wholly owned subsidiary Jackson Minerals. FEL has not received any reports of work completed on the tenements by Billabong during the year.

Mt Ida Gold - FEL, Mt Ida Iron Ore Project

Mt Ida is approximately 80km northwest of the operational railway at Menzies, which offers access to existing port facilities at Esperance.

The Mt Ida Iron Ore Project (**Mt Ida Iron Project**) provides FEL the rights to explore and mine for iron ore on two exploration licenses (E29/640 and E29/641) and 3 mining leases (M29/2, M29/165 and M29/422), held by Mt Ida Gold Pty Ltd, covering approximately 120km^2 in the emerging Yilgarn Iron Province. The rights give provision for FEL to retain revenue from any iron ore product it mines from the tenure. FEL has no registered interest in these tenements.

The Mt Ida Project area covers part of the Mt Ida - Mt Bevan banded iron formation, which is currently being explored and evaluated by Jupiter Mines Limited and Legacy Iron Ore Limited.
FEL has not received any updates from Mt Ida Gold Pty Ltd regarding this project during the year.

Evanston Iron Ore Royalty (Cliffs Asia Pacific Iron Ore Pty Ltd, a subsidiary of Cleveland-Cliffs Inc)

FEL holds a 1.5% Dry Metric Tonne, FOB Royalty over two tenements (E77/1322 and M77/1259) within the Evanston Project. The tenements are approximately 20kms north of the Windarling mine. The Evanston Iron Ore Project is located in the Southern Yilgarn Iron Province of Western Australia and covers an area of 167km^2, of which E77/1322 and M77/1259 cover a combined area of 76.92km^2.

During the period, the company received a royalty payment of $41,901 in relation to mining conducted by Cliffs at its Deception iron ore mine on Cliff's M77/1259. Cliffs has advised that with the decision by Cliffs' parent company, Cleveland-Cliffs Inc, to exit from its Australian business during 2018 this has resulted in the cessation of mining at Deception and the closure of the Deception site. On the 13 June 2018 Mineral Resources Limited (ASX:MIN) announced that it had entered into a definitive agreement with Cleveland-Cliffs Inc to acquire the assets used by its wholly owned subsidiary Cliffs Asia Pacific Iron Ore Pty Ltd (refer to ASX:MIN 13 June 2018).

SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

As announced in August 2018, FEL advised that Sandfire had signed an agreement with Alchemy to acquire IGO's farm-in rights over base metals in the Bryan Basin Project. The agreement with Sandfire is expected to result in a significant ramp up of exploration within the base metal prospective area of the Bryan Basin Project. FEL holds a 20% interest, free-carried to decision to mine, in a joint venture area of which key terms remain unchanged from the previous letter agreement with IGO.

There have been no other events subsequent to 30 June 2018 up to the date of this report that would materially affect the operations of the consolidated entity or its state of affairs which have not otherwise been disclosed in this financial report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity continues to meet all environmental obligations across its tenements. No reportable incidents occurred during the year. Environmental regulations applicable to the Consolidated Entity include the Environmental Protection Act 1994.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into a Deed of Access, Insurance and Indemnity with each of the directors. Under the terms of these Deeds, the Company has undertaken, subject to restrictions in the Corporations Act, to:

- indemnify each director in certain circumstances;
- advance money to a director for the payment of any legal costs incurred by a director in defending legal proceedings before the outcome of those proceedings is known (subject to an obligation by the director to repay any money advanced if a court determines that the director was not entitled to it);
- maintain directors' and officers' insurance cover in favour of each director whilst they remain a director of Fe Limited and for a run out year after ceasing to be such a director; and
- provide each director with access to Board papers and other documents provided or available to the director as an officer of Fe Limited.

During the year, the Company had in place and paid premiums for insurance policies indemnifying directors and officers of the Company against certain liabilities incurred in the conduct of business or in the discharge of their duties as directors or officers. The contracts of insurance contain confidentiality provisions that preclude disclosure of the premium paid, the nature of the liability covered by the policies, the limit of liability and the name of the insurer.

INDEMNIFICATION OF AUDITORS

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

LIKELY DEVELOPMENTS AND FUTURE RESULTS

The Company remains focused on its activities within the mineral exploration industry on its retained tenements and interests and is also investigating projects for future acquisition.

DIRECTORS' MEETINGS

The following table sets out the number of directors' meetings held during the year and the number of meetings attended by each director (while they were a director).

Director	Eligible to Attend	Attended
Antony Sage	-	-
Nicholas Sage	3	3
Kenneth Keogh	3	3

REMUNERATION REPORT (AUDITED)

This Report outlines the remuneration arrangements in place for key management personnel (**KMP**) who are defined as those persons having authority and responsibility for planning and directing the major activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

Details of Key Management Personnel

Directors

A Sage	Director (Non-Executive Chairman)
N Sage	Director (Non-Executive)
K Keogh	Director (Non-Executive)

Remuneration Philosophy

The performance of the Consolidated Entity depends on the quality of its directors, executives and employees. Consequently, the Consolidated Entity must attract, motivate and retain appropriately qualified industry personnel.

The following principles are embodied in the remuneration framework:
- provide competitive rewards to attract and retain high calibre executives, directors and employees; and
- link executive rewards to shareholder value.

Remuneration Policy

During the year, the Company did not have a separately established remuneration committee. The Board is responsible for determining and reviewing remuneration arrangements for the executive and non-executive directors and the Chairman. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a yearly basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from retention of a high quality board. The directors are given the opportunity to receive their base emolument in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

Considering the nature of the Company's operations, the remuneration of executive and non-executive directors is not dependent on the satisfaction of any specific performance conditions of the Company. Remuneration and share based payments are issued to align directors' interests with that of shareholders.

The Consolidated Entity has a policy which restricts executives and directors entering into contracts to hedge their exposure to options granted as part of their remuneration package.

Remuneration report at 2017 AGM

The 2017 remuneration report received positive shareholder support at the 2017 Annual General Meeting whereby of the proxies received 99.98% voted in favour of the adoption of the remuneration report.

Performance and Shareholder Wealth

Below is a table summarising key performance a statistics for the Consolidated Entity and the Company's share price over the last five financial years.

Financial year	Profit / (Loss) after tax '000s	Profit / (Loss) per share (Cents)	Share Price (Cents)
30 June 2014 (Nine months ended)	941	0.57	4.50
30 June 2015	(1,276)	(0.58)	1.30
30 June 2016	(655)	(0.29)	3.60
30 June 2017	(296)	(0.11)	2.40
30 June 2018	(1,082)	(0.32)	2.40

Non-Executive Chairman's Remuneration

The Company aims to reward the Chairman with a level and mix of remuneration commensurate with his position and responsibilities within the Company to:

- align the interests of the Chairman with those of shareholders; and
- ensure that total remuneration is competitive by market standards.

Mr Antony Sage is entitled to receive $120,000 per annum. On 22 March 2016 the Company entered into a consulting agreement with Okewood Pty Ltd (**Okewood**), a company controlled by Mr Antony Sage, for the provision of non-executive director services. With effect from 1 April 2016, Mr Antony Sage's entitlement to payment in respect of services provided was reduced to $60,000, and remained in place until 31 January 2018.

On 22 February 2018, the Directors in their discretion, acknowledging that Okewood previously agreed to reduced fees during the period from 1 April 2016 to 31 January 2018, agreed to issue 2,750,000 shares to Okewood at a deemed issue price of 4 cents per share, subject to shareholder approval. No share based payment expense has been recognised in relation to these potential shares.

Non-Executive Director Remuneration

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

On 18 October 2016, the Company entered into a consulting agreement with Pembury Nominees Pty Ltd (**Pembury**), a company controlled by Mr Nicholas Sage, for the provision of non-executive director services. Under the agreement, Mr Nicholas Sage is entitled to receive $36,000 per annum.

On 6 February 2017, the Company entered into a consulting agreement with EK Holdings Group Pty Ltd (**EK Holdings**), a company controlled by Mr Kenneth Keogh, for the provision of non-executive director services. Under the agreement, Mr Kenneth Keogh is entitled to receive $36,000 per annum.

As approved previously by shareholders, the maximum aggregate amount of remuneration payable to non-executive directors is $1,000,000.

Summary details of remuneration for non-executive directors are given in the table below.

Executive Directors' Remuneration

During the financial year, the Company did not have any executive directors.

Compensation of Key Management Personnel

Consolidated	**Short-Term**	**Post-Employment**	**Share-based Payment**	**Total**	**% Performance Based**	**% Comprising Options**
Year ended 30 June 2018	**Salary & Fees**	**Superannuation**	**Share Options** (iv)			
	$	**$**	**$**	**$**		
Directors						
A Sage (i)	85,000	-	30,595	115,595	-	26%
N Sage (ii)	36,000	-	7,060	43,060	-	16%
K Keogh (iii)	36,000	-	21,181	57,181	-	37%
Executives						
E von Puttkammer (v)	28,000	-	-	28,000	-	-
Total	185,000	-	58,836	243,836	-	24%

For the year ended 30 June 2018:

(i) $85,000 was paid or payable to Okewood Pty Ltd a company that Mr Antony Sage is a director of.

(ii) $36,000 was paid or payable to Pembury Nominees Pty Ltd a company that Mr Nicholas Sage is a director of.

(iii) $36,000 was paid or payable to EK Holdings Group Pty Ltd a company that Mr Keogh is a director of.

(iv) This amount refers to the share based payment expense recorded in the statement of comprehensive income in the period in respect of the Director Options (refer details below). The recorded values of options will only be realised by the KMPs in the event the Company's share price exceeds the option exercise price.

(v) $28,000 was paid or payable to EVP Investments Pty Ltd a company that Ms von Puttkammer is a director of, for company secretarial services provided while in this role.

Consolidated Year ended 30 June 2017	Short-Term Salary & Fees $	Post-Employment Superannuation $	Share-based Payment Share Options $	Total $	% Performance Based	% Comprising Options
Directors						
A Sage (i)	60,000	-	-	60,000	-	-
N Sage (ii)	25,381	-	-	25,381	-	-
K Keogh (iii)	14,357	-	-	14,357	-	-
M Gwynne (iv)	-	-	-	-	-	-
P Kelly (v)	-	-	-	-	-	-
Executives						
E von Puttkammer (vi)	35,000	-	930	35,930	-	2.6%
Total	134,738	-	930	135,668	-	0.7%

For the year ended 30 June 2017:
(i) $60,000 was paid or payable to Okewood Pty Ltd a company that Mr Antony Sage is a director of.
(ii) $25,381 was paid or payable to Pembury Nominees Pty Ltd a company that Mr Nicholas Sage is a director of.
(iii) $14,357 was paid or payable to EK Holdings Group Pty Ltd a company that Mr Keogh is a director of.
(iv) Nil was paid or payable to Silverwest Corporation Pty Ltd a company that Mr Gwynne is a director of.
(v) Nil was paid or payable to Led4Me Pty Ltd a company that Mr Kelly is a director of.
(vi) $35,000 was paid or payable to EVP Investments Pty Ltd a company that Ms von Puttkammer is a director of.

Shareholdings of Key Management Personnel

30 June 2018	Balance at 1 July 2017	Granted as remuneration	Net change other	Balance at 30 June 2018
Directors				
A Sage (i)(ii)(iii)	2,071,699	-	1,851,311	3,923,010
N Sage	-	-	-	-
K Keogh	766,300	-	-	766,300
Executives				
E Von Puttkammer (iv)	83,333	-	(83,333)	-
	2,921,332	-	1,767,978	4,689,310

(i) Indirectly held
(ii) Mr A Sage acquired 1,851,311 shares for $50,601 consideration during the year via on market transfers
(iii) Excludes 2,750,000 shares which have been agreed to be issued to Mr A Sage, subject to shareholder approval.
(iv) On the date of her resignation as Company Secretary, Ms Von Puttkammer held 83,333 shares.

30 June 2017	Balance at 1 July 2016	Granted as remuneration	Net change other	Balance at 30 June 2017
Directors				
A Sage (i)	2,071,699	-	-	2,071,699
N Sage (ii)	-	-	-	-
K Keogh (iii)	-	-	766,300	766,300
M Gwynne (iv)	-	-	-	-
P Kelly (iv)	-	-	-	-
Executives				
E Von Puttkammer	83,333	-	-	83,333
	2,155,032	-	766,300	2,921,332

(i) Indirectly held
(ii) On the date of his appointment Mr N Sage held nil shares
(iii) On the date of his appointment Mr K Keogh held 766,300 shares
(iv) On the date of their respective resignations Messrs M Gwynne and P Kelly held nil shares

Option and right holdings of Key Management Personnel

30 June 2018	Balance at 1 July 2017	Acquired /granted during year (i)	Lapsed during Year	Balance at 30 June 2018	Exercisable	Not Exercisable
Directors						
A Sage	-	6,500,000	-	6,500,000	-	6,500,000
N Sage	-	1,500,000	-	1,500,000	-	1,500,000
K Keogh	-	4,500,000	-	4,500,000	-	4,500,000
	-	12,500,000	-	12,500,000	-	12,500,000

(i) Refers to 12,500,000 unlisted options with no vesting conditions granted to directors at an exercise price of $0.045 each and an expiry date of 31 May 2020, subject to receipt of shareholder approval (the Director Options). The options will vest immediately on receipt of shareholder approval.

30 June 2017	Balance at 1 July 2016	Acquired /granted during year	Lapsed during Year	Balance at 30 June 2017	Exercisable	Not Exercisable
Directors						
A Sage	-	-	-	-	-	-
N Sage (i)	-	-	-	-	-	-
K Keogh (i)	-	-	-	-	-	-
M Gwynne (ii)	-	-	-	-	-	-
P Kelly (ii)	-	-	-	-	-	-
Executives						
E Von Puttkammer	1,800,000	-	(1,800,000)	-	-	-
	1,800,000	-	(1,800,000)	-	-	-

(i) On the date of their respective appointments Messrs N Sage and K Keogh held nil options
(ii) On the date of their respective resignations Messrs M Gwynne and P Kelly held nil options

Options Granted as Part of Remuneration

Options are granted to certain executives, employees and consultants of the Consolidated Entity in the form of share-based payments. Options on issue by the Company during the year were not issued under a formal employee share plan. There were nil options granted during the current year, other than the 12,500,000 options granted to directors, subject to receipt of shareholder approval.

Options awarded, vested and lapsed during the year

Share options do not carry any voting rights and can be exercised once the vesting conditions have been met until their expiry date.

On 21 March 2018, the Directors agreed to issue a total of 12,500,000 unlisted options with no vesting conditions to directors at an exercise price of $0.045 each and an expiry date of 31 May 2020, subject to receipt of shareholder approval (**Director Options**). The options will vest immediately on receipt of shareholder approval.

Shareholder approval for the issue of the Director Options will be sought at an upcoming general meeting of the Company. The grant date is therefore after the period in which services have begun to be rendered. Therefore, the grant date fair value presented in the 30 June 2018 financial statements is provisional, estimated by reference to the period end share price. Once the date of the grant is known, this earlier provisional estimate of the grant date fair value will be revised.

Details of the Director Options awarded to directors during the year ended 30 June 2018 are summarised as follows:

	Number of Options	Exercise price per option	Expiry date	Estimated fair value of options at grant date
A Sage	6,500,000	$0.045	31 May 2020	$0.0118
N Sage	4,500,000	$0.045	31 May 2020	0.0118
K Keogh	1,500,000	$0.045	31 May 2020	0.0118

Transactions with directors, director related entities and other related parties

During the year ended 30 June 2018, an aggregate amount of $40,671 (30 June 2017: $2,087) was paid or payable to Cauldron Energy Ltd (**Cauldron**) for reimbursement of consultant costs. At 30 June 2018, $40,671 was payable to Cauldron (30 June 2017: nil). Mr Antony Sage and Mr Nicholas Sage are directors of Cauldron.

During the year ended 30 June 2018, an aggregate amount of $154,659 (30 June 2017: $60,891) was paid or payable to Cape Lambert Resources Ltd (**Cape Lambert**) for reimbursement of rent, travel costs, and costs associated with the Kasombo Project. At 30 June 2018, $83,896 was payable to Cape Lambert (30 June 2017: $1,102). Mr Anthony Sage is a director of Cape Lambert.

Related party loan

On 12 June 2018, the Company advanced a short-term interesting-bearing loan of $65,000 to Cape Lambert. Under the terms of the loan agreement, daily compounding interest at a rate of 7.5% per annum applied. The loan (including accrued interest of $241) was repaid on 29 June 2018. Mr Antony Sage is a director of Cape Lambert.

End of Remuneration Report

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 (Cth) requires the Company's auditor, Ernst & Young, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration for the year is set out on page 16 and forms part of this Directors' Report. The Directors are satisfied with the independence of the auditor.

NON-AUDIT SERVICES

No non-audit services were provided to the Consolidated Entity by the auditor, Ernst & Young, during the year.

This report is signed in accordance with a resolution of the Board of Directors.

Mr Antony Sage
Non-Executive Chairman

27 August 2018

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Auditor's Independence Declaration to the Directors of Fe Limited

As lead auditor for the audit of Fe Limited for the year ended 30 June 2018, I declare to the best of my knowledge and belief, there have been:

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

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

This declaration is in respect of Fe Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

V L Hoang
Partner
Perth
27 August 2018

CORPORATE GOVERNANCE STATEMENT

In March 2014, the ASX Corporate Governance Council released a third edition of the ASX Corporate Governance Council's Principles and Recommendations (**ASX Principles**).

The Company's Corporate Governance Statement for the year ended 30 June 2018 (which reports against these ASX Principles) may be accessed from the Company's website at www.felimited.com.au.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Consolidated	
		Year ended 30 June 2018	**Year ended 30 June 2017**
		$	**$**
Interest revenue	3(a)	5,727	4,597
Other income	3(b)	419,611	104,880
		425,338	109,477
Employee benefits expense and directors remuneration	3(c)	(157,000)	(99,738)
Exploration and evaluation expenditure		(635,164)	(40,360)
Legal costs		(68,591)	(51,073)
Share-based payment expense	14	(58,836)	(1,998)
Loss on disposal of plant and equipment		-	(3,458)
Accounting and audit fees		(64,425)	(41,575)
Consultants costs		(151,690)	(35,000)
Compliance costs		(128,530)	(47,929)
Travel costs		(42,337)	(21,158)
Other expenses	3(d)	(201,042)	(63,159)
Loss before income tax		(1,082,275)	(295,971)
Income tax expense	4	-	-
Loss after income tax		(1,082,275)	(295,971)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Transfer loss on available-for-sale financial assets to profit and loss		-	(1,750)
Other comprehensive income/(loss) for the year		-	(1,750)
Total comprehensive loss for the year		(1,082,275)	(297,721)
Loss per share attributable to ordinary equity holders of the parent			
- basic loss for the year (cents per share)	5	(0.32)	(0.11)
- diluted loss for the year (cents per share)	5	(0.32)	(0.11)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Notes	Consolidated 30 June 2018 $	Consolidated 30 June 2017 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	894,442	422,649
Trade and other receivables	7	13,486	5,067
Other assets		4,141	3,864
Total Current Assets		912,069	431,580
Non-Current Assets			
Exploration and evaluation expenditure	8	735,000	-
Plant and equipment	9	174	248
Total Non-Current Assets		735,174	248
TOTAL ASSETS		1,647,243	431,828
LIABILITIES			
Current Liabilities			
Trade and other payables	10	292,729	39,375
Total Current Liabilities		292,729	39,375
TOTAL LIABILITIES		292,729	39,375
NET ASSETS		1,354,514	392,453
EQUITY			
Contributed equity	11	39,381,064	37,395,564
Accumulated losses	12	(39,813,377)	(38,731,102)
Reserves	13	1,786,827	1,727,991
TOTAL EQUITY		1,354,514	392,453

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

Consolidated	Contributed equity $	Accumulated losses $	Share based payments reserve $	Available for sale asset reserve	Total $
Balance at 1 July 2017	37,395,564	(38,731,102)	1,727,991	-	392,453
Loss for the year ended 30 June 2018	-	(1,082,275)	-	-	(1,082,275)
Other comprehensive income	-	-	-	-	-
	-	(1,082,275)	-	-	(1,082,275)
Transactions with owners in their capacity as owners:					
Shares issued during the year (net of share issue costs)	1,704,250	-	-	-	1,704,250
Exercise of options	281,250	-	-	-	1,985,500
Share based payments	-	-	58,836	-	58,836
Balance at 30 June 2018	39,381,064	(39,813,377)	1,786,827	-	1,354,514

Consolidated	Contributed equity $	Accumulated losses $	Share based payments reserve $	Available for sale asset reserve	Total $
Balance at 1 July 2016	36,683,064	(38,435,131)	1,725,993	1,750	(24,324)
Loss for the year ended 30 June 2017	-	(295,971)	-	-	(295,971)
Adjustment on change in accounting policy	-	-	-	-	-
Other comprehensive income	-	-	-	(1,750)	(1,750)
	-	(295,971)	-	(1,750)	(297,721)
Transactions with owners in their capacity as owners:					
Shares issued during the year	712,500	-	-	-	712,500
Share based payments	-	-	1,998	-	1,998
Balance at 30 June 2017	37,395,564	(38,731,102)	1,727,991	-	392,453

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Consolidated	
		Year ended 30 June 2018 $	Year ended 30 June 2017 $
Cash flows from operating activities			
Payments to suppliers and employees		(800,257)	(395,725)
Receipt of royalty		38,168	-
Costs recovered from Cardinal House	3(b)	-	100,000
Interest received		5,727	4,597
Payments for exploration and evaluation costs		(399,598)	(40,360)
Net cash flows used in operating activities	6(a)	(1,155,960)	(331,488)
Cash flows from investing activities			
Proceeds on sale of investment		377,253	1,500
Loan to related party		(65,000)	-
Repayment of loan to related party		65,000	-
Net cash flows from/(used in) investing activities		377,253	1,500
Cash flows from financing activities			
Proceeds from shares issued (net of costs)		969,250	662,500
Proceeds from exercise of options		281,250	-
Application funds refunded		-	(968,131)
Proceeds from loan from related party		-	32,727
Repayment of loan from related party		-	(32,727)
Net cash flows from/(used in) financing activities		1,250,500	(305,631)
Net (decrease)/increase in cash and cash equivalents		471,793	(635,619)
Cash and cash equivalents at beginning of year		422,649	1,058,268
Cash and cash equivalents at end of year	6	894,442	422,649

NOTES TO THE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

The financial report of Fe Limited (**FEL** or the **Company**) and the financial statements comprising FEL and its controlled entities (together the **Consolidated Entity**) for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the directors on 23 August 2018.

FEL is a for profit company limited by shares incorporated and domiciled in Australia.

Cape Lambert Resources Limited (**Cape Lambert**) was the ultimate parent entity of FEL up to 31 December 2017. With effect from 1 January 2018, it was determined that Cape Lambert is no longer the ultimate parent entity of FEL.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001 (Cth)*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis, except for available-for-sale financial assets which are carried at fair value. The financial report is presented in Australian dollars unless otherwise stated.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Change in accounting policy

The Company has re-assessed its policy for accounting for exploration and evaluation expenditure.

The Consolidated Entity's previous accounting policy was that costs arising from exploration and evaluation activities were carried forward provided the rights to tenure of the area of the interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at balance date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made. The carrying value of the capitalised exploration and evaluation expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The Consolidated Entity's new accounting policy is that exploration and evaluation expenditure in relation to the Company's mineral tenements, other than acquisition costs, is expensed as incurred. Acquisition costs in relation to mineral tenements are capitalised and carried forward provided the rights to tenure of the area of the interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at balance date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. When the Directors decide to progress the development of an area of interest all further expenditure incurred relating to the area will be capitalised. Projects are advanced to development status and classified as mine development when it is expected that further expenditure can be recouped through sale or successful development and exploitation of the area of interest. Such expenditure is carried forward up to commencement of production at which time it is amortised over the life of the economically recoverable reserves. All projects are subject to detailed review on an annual basis and accumulated costs written off to the extent that they will not be recoverable in the future.

Management believe the change in accounting policy will provide more relevant information to the users of its financial statements on its financial position and financial performance. Additionally, the new accounting policy is more correlated to the Accounting Framework, in that exploration activities (which are akin to research activities) are expensed as incurred. The change in accounting policy has been applied fully retrospectively.

The impact of this change in accounting policy is reflected below:

	30 June 2018 $	30 June 2017 $
Impact on the consolidated statement of financial position (increase/(decrease)):		
Exploration and evaluation expenditure	(635,164)	-
Accumulated losses	635,164	-
Impact on the statement of profit or loss (increase/(decrease)):		
Exploration and evaluation expenditure	635,164	-
Accumulated losses	635,164	-

The cash flows related to exploration and evaluation costs previously classified as investing activities have been restated and recognised within operating activities.

(d) Going concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

At balance date, the Consolidated Entity had cash and cash equivalents of $894,442 (30 June 2017: $422,649) and a net working capital surplus of $619,340 (30 June 2017: $392,205 surplus).

Additional funding will be necessary for the Consolidated Entity to continue its planned exploration activities associated with the Kasombo Project in the next 12 months.

At the date of this report, the directors are satisfied there are reasonable grounds to believe that the Consolidated Entity will be able to continue its planned operations and the Consolidated Entity will be able to meet its obligations as and when they fall due because the directors are confident that the Consolidated Entity will be able to obtain the additional funding required either through a further capital raising or continued support from its existing shareholders.

Should the Consolidated Entity not achieve the matters set out above, there is uncertainty whether the Consolidated Entity would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Consolidated Entity not be able to continue as a going concern.

(e) Adoption of new and revised standards

New accounting standards adopted in the current period

The Company 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. Adoption of these standards and interpretations did not have any effect on the statements of financial position or performance of the Company. The Company has not elected to early adopt any new standards or amendments.

The following relevant standards and interpretations have been applied for the first time for the year ended 30 June 2018:

Reference	Title	Summary	Application date for FEL
AASB 2016-1	*Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses*	This Standard makes amendments to AASB 112 *Income Taxes* to clarify the accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value.	1 July 2017
AASB 2016-2	*Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*	The amendments to AASB 107 *Statement of Cash Flows* are part of the IASB's Disclosure Initiative and help users of financial statements better understand changes in an entity's debt. The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).	1 July 2017
AASB 2017-2	*Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle*	This Standard clarifies the scope of AASB 12 *Disclosure of Interests in Other Entities* by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale or discontinued operations in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.	1 July 2017

New accounting standards and interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2018. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

Reference	Title	Summary	Application date of standard	Application date for FEL
AASB 9, and relevant amending standards	*Financial Instruments*	AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement*. Except for certain trade receivables, an entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Debt instruments are subsequently measured at fair value through profit or loss (FVTPL), amortised cost, or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held. There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch. Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) without subsequent reclassification to profit or loss. For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must	1 January 2018	1 July 2018

Reference	Title	Summary	Application date of standard	Application date for FEL
		be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation in OCI of the fair value change in respect of the liability's credit risk would create or enlarge an accounting mismatch in profit or loss. All other AASB 139 classification and measurement requirements for financial liabilities have been carried forward into AASB 9, including the embedded derivative separation rules and the criteria for using the FVO. The incurred credit loss model in AASB 139 has been replaced with an expected credit loss model in AASB 9. The requirements for hedge accounting have been amended to more closely align hedge accounting with risk management, establish a more principle-based approach to hedge accounting and address inconsistencies in the hedge accounting model in AASB 139. Based on the Company's initial assessment, there will be no significant change from the current measurement of the Company's financial instruments.		
AASB 16	*Leases*	AASB 16 requires lessees to account for all leases under a single on balance sheet model in a similar way to finance leases under AASB 117 Leases. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases. The Group is currently reviewing its operating leases and service agreements to assess the impact of AASB 16 on its financial performance and financial position upon its adoption and the expected impact of adopting AASB 16 will not be material. As set out in note 18, the Group has operating lease commitments at 30 June 2018 of $64,281.	1 January 2019	1 July 2019
AASB 2016-5	*Amendments to Australian Accounting Standards –*	This Standard amends AASB 2 *Share-based Payment*, clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:	1 January 2018	1 July 2018

Reference	Title	Summary	Application date of standard	Application date for FEL
	Classification and Measurement of Share-based Payment Transactions	- The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments - Share-based payment transactions with a net settlement feature for withholding tax obligations - A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. Based on the Company's initial assessment, there will be no significant change from the current measurement of the Company's share-based payment transactions.		
Interpretation 23	*Uncertainty over Income Tax Treatments*	The Interpretation clarifies the application of the recognition and measurement criteria in AASB 12 *Income Taxes* when there is uncertainty over income tax treatments. The Interpretation specifically addresses the following: - Whether an entity considers uncertain tax treatments separately - The assumptions an entity makes about the examination of tax treatments by taxation authorities - How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates - How an entity considers changes in facts and circumstances.	1 January 2019	1 July 2019

The Company is in the process of determining the impact of the above on its financial statements. The Company has not elected to early adopt any new Standards or Interpretations.

(f) Basis of consolidation

The consolidated financial statements comprise the financial statements of Fe Limited and its subsidiaries as at and for the year ended 30 June 2018.

Subsidiaries are all those entities over which Fe Limited has control. Control is achieved when the Consolidated Entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Consolidated Entity controls an investee if and only if the Consolidated Entity has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The financial statements of the Company's subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions, have been eliminated in full.

Subsidiaries are consolidated from the date on which control is transferred to the Consolidated Entity and cease to be consolidated from the date on which control is transferred out of the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their fair values at the date of acquisition. Any difference between the fair value of the consideration and the fair values of the identifiable net assets acquired is recognised as goodwill or a gain on bargain purchase.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

(g) Cash and cash equivalents

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

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

(h) Trade and other receivables

Trade receivables, which generally have 14-day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of the estimated future cash flows, discounted at the original effective interest rate.

(i) Exploration and evaluation

Exploration and evaluation expenditure in relation to the Company's mineral tenements, other than acquisition costs, is expensed as incurred. Acquisition costs in relation to mineral tenements are capitalised and carried forward provided the rights to tenure of the area of the interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at balance date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. When the Directors decide to progress the development of an area of interest all further expenditure incurred relating to the area will be capitalised. Projects are advanced to development status and classified as mine development when it is expected that further expenditure can be recouped through sale or successful development and exploitation of the area of interest. Such expenditure is carried forward up to commencement of production at which time it is amortised over the life of the economically recoverable reserves. All projects are subject to detailed review on an annual basis and accumulated costs written off to the extent that they will not be recoverable in the future.

(j) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Land is measured at cost.

Depreciation is calculated on a reducing balance basis over the estimated useful life of the asset as follows:

Plant and equipment – 3 to 5 years

(k) Impairment of non-financial assets

At each reporting date, the Consolidated Entity assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Consolidated Entity makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

An assets recoverable amount is the greater of the assets fair value less costs to sell and its value in use. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(l) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year that are unpaid and arise when the Consolidated Entity becomes obliged to make future payments in respect of the purchase of these goods and services.

(m) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of loans and borrowings.

Borrowings are classified as current liabilities unless the Consolidated Entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(n) Provisions

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

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

(o) 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.

(p) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

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

(q) Income tax and other taxes

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

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Other taxes

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

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

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

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

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

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

(r) Available-for-sale financial assets

All available-for-sale investments are initially recognised at fair value plus directly attributable transaction costs.

Available-for-sale investments are those non-derivative financial assets, principally equity securities that are designated as available-for-sale. Investments are designated as available for sale if they do not have fixed maturities and fixed and determinable payments and management intends to hold them for the medium to long term.

After initial recognition, available-for-sale investments are measured at fair value. Gains or losses are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the statement of comprehensive income.

(s) Earnings per share

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

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

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

Where a loss has been reported the dilutive effects of options are not adjusted for, in accordance with AASB 133 *Earnings per share.*

(t) Rehabilitation

Rehabilitation costs are provided for when exploration and evaluation activities give rise to the need for rehabilitation. The estimate of the rehabilitation obligations are based on anticipated technology and legal requirements and future costs. Any changes in the estimates are adjusted on a prospective basis. In determining the rehabilitation obligations, the entity has assumed no significant changes will occur in the relevant Federal and State legislation in relation to rehabilitation of such mines in the future.

If the effect of the time value of money is material, provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

(u) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess their performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the board of directors.

(v) Investment in joint arrangements

Joint arrangements are arrangements of which two or more parties have joint control. Joint Control is the contractual agreed sharing of control of the arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint arrangements are classified as ether a joint operation or a joint venture, based on the rights and obligations arising from the contractual obligations between the parties to the arrangement.

To the extent the joint arrangement provides the Consolidated Entity with rights to the individual assets and obligations arising from the joint arrangement, the arrangement is classified as a joint operation and as such, the Consolidated Entity recognises its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of liabilities incurred jointly;
- Revenue from the sale of its share of the output arising from the joint operation;
- Share of revenue from the sale of the output by the joint operation; and
- Expenses, including its share of any expenses incurred jointly

To the extent the joint arrangement provides the Consolidated Entity with rights to the net assets of the arrangement, the investment is classified as a joint venture and accounted for using the equity method. Under the equity method, the cost of the investment is adjusted by the post-acquisition changes in the Consolidated Entity's share of the net assets of the venture.

(w) Share based payments

The Consolidated Entity provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Consolidated Entities best estimate of the number of equity instruments that will ultimately vest.

The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not the market condition is fulfilled, provided that all other conditions are satisfied.

If a non-vesting condition is within the control of the Consolidated Entity, Company or the employee, the failure to satisfy the condition is treated as a cancellation. If a non-vesting condition within the control of neither the Consolidated Entity, Company nor employee is not satisfied during the vesting period, any expense for the award not previously recognised is recognised over the remaining vesting period, unless the award is forfeited.

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

If 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 award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of dilutive earnings per share.

(x) Significant accounting estimates and assumptions

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

Capitalised Exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Consolidated Entity decides to exploit the related lease itself or, if not whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

Share-based payment transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an appropriate valuation model, using the assumptions as discussed in note 14. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities in the next annual reporting period but may impact expenses and equity.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Consolidated Entity has tax losses carried forward. These losses relate to subsidiaries that have a history of losses, do not expire and may not be used to offset taxable income elsewhere in the Consolidated Entity. The subsidiaries neither have any taxable temporary differences nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

3 REVENUE, INCOME AND EXPENSES

	2018 $	2017 $
(a) Revenue		
Interest	5,727	4,597
(b) Other income		
Negotiated recovery of costs associated with terminated reverse takeover Cardinal House Transaction	-	100,000
Gain on sale of tenement interests (i)	319,980	-
Gain on sale of investment (i)	57,272	750
Other	42,359	4,130
	419,611	104,880
(c) Employment benefits expense		
Directors fees	(157,000)	(99,738)

(i) As announced 27 February 2018, the Company and Auris Minerals Limited (Auris) (ASX: AUR) entered into an agreement with Sandfire Resources NL (Sandfire) (ASX: SFR) in relation to their Morck's Well East Project (AUR 80%:FEL 20%) and AUR's 100% owned Doolgunna Project located in Western Australia's Cryah Basin (Farm-In Agreement). Pursuant to the terms of the Farm-In Agreement, the Company was to receive $300,000 in cash or shares (at Sandfire's election) as consideration. As elected by Sandfire, FEL received 41,502 shares on 7 March 2018 (valued at $319,980). This has been recoded as a gain on sale of tenement interests in the statement of comprehensive income. These shares were subsequently sold by FEL for total proceeds of $377,252, resulting in a gain on sale of investment of $57,272.

	2018 $	2017 $
(d) Other expenses		
Occupancy rental expenses	(36,736)	(36,836)
Insurance	(17,306)	(17,473)
Promotional and marketing expenses	(112,830)	-
Media and printing expenses	-	(8,962)
Depreciation expense	(74)	(568)
Other	(34,095)	680
	(201,042)	(63,159)

4 INCOME TAX

	2018 $	2017 $
(a) Income tax expense		
The major components of income tax expense are:		
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of comprehensive income	-	-

(b) Reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory tax rate

	2018 $	2017 $
Accounting loss before tax	(1,082,275)	(295,971)
Tax at the statutory income tax rate of 27.5%	(297,626)	(88,791)
Tax effect on impairment losses	292	12,108
Tax effect on non-temporary differences	190,957	599
Unrecognised tax losses and temporary differences	106,377	76,084
Income tax expense reported in statement of comprehensive income	-	-

	2018 $	2017 $
(c) Deferred tax liabilities		
Accrued income	-	-
	-	-
Less offset by deferred tax asset	-	-
Deferred tax liabilities	-	-
(d) Deferred tax assets		
Accrued expenditure	4,964	9,225
Loss on financial assets	-	-
Tax losses	2,116,675	2,193,967
Unrealised capital tax losses	359,736	392,439
	2,481,375	2,595,631
Less offset against deferred tax liabilities	-	-
Deferred tax assets not recognised	2,481,375	2,595,631

The Consolidated Entity has not formed a tax consolidated group.

The Consolidated Entity offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The Consolidated Entity has tax losses which arose in Australia of $7,697,001 (2017: $7,313,223) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Consolidated Entity, they have arisen in companies that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Consolidated Entity were able to recognise all unrecognised deferred tax assets, the loss recorded in the current period would decrease by $2,471,375.

5 LOSS PER SHARE

	2018 Cents	2017 Cents
Basic loss per share		
Continuing operations	(0.32)	(0.11)
	(0.32)	(0.11)

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the Company by the weighted average number of shares on issue during the year.

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) attributable to shareholders by the weighted average number of shares on issue during the period (adjusted for the effects of dilutive options). Where a loss has been reported the dilutive effects of options are not adjusted for, in accordance with AASB 133 *Earnings per share*.

The following reflects the income and share data used in the basic and diluted earnings/(loss) per share computations:

	2018 $	2017 $
Loss used in calculation of basic loss per share		
Continuing operations	(1,082,275)	(295,971)
	(1,082,275)	(295,971)

	2018 No.	2017 No.
Weighted average number of ordinary shares for basic loss per share	335,837,899	281,541,882
Effect of dilution:		
Unlisted options	-	-
Adjusted weighted average number of ordinary shares for diluted loss per share	335,837,899	281,541,882

The unlisted options outstanding at balance date were found to have an anti-dilutive effect on the calculation. Therefore, at 30 June 2018 and 30 June 2017, the basic loss per share is equal to the diluted earnings per share.

6 CASH AND CASH EQUIVALENTS

	2018 $	2017 $
Cash and cash equivalents		
Cash at bank and on hand	894,442	422,649

Cash at bank and on hand earns interest at the floating rates based on daily bank deposit rates.

(a) Reconciliation of net loss after tax to net cash flows from operations

	2018 $	2017 $
Net loss for the period	(1,082,275)	(295,971)
Adjustments for:		
Depreciation	74	568
Share-based payment expense	58,836	1,998
Gain on sale of tenements	(319,980)	-
Loss on disposal of plant and equipment	-	3,458
Gain on sale of investment	(57,272)	(750)
Changes in assets and liabilities		
Decrease/(increase) in trade and other receivables	(8,419)	50,635
Decrease/(increase) in prepayments	(278)	(1,238)
(Decrease)/increase in trade and other payables	253,354	(90,188)
Net cash used in operating activities	(1,155,960)	(331,488)

7 TRADE AND OTHER RECEIVABLES

	2018 $	2017 $
Current		
Other receivables	13,486	5,067

Other receivables are amounts which generally arise from transactions outside the usual operating activities of the Consolidated Entity and are non-interest bearing with no fixed terms. Other receivables do not contain impaired assets, are not past due date and are expected to be received in full.

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. It is not the Consolidated Entity's policy to transfer (on-sell) receivables to special purpose entities.

8 EXPLORATION ASSETS

	2018 $	2017 $
Acquisition Cost – Kasombo Project (a)	735,000	-

a) On 6 November 2017, the Company completed the acquisition of the Kasombo Project from Cape Lambert Resources Limited (Cape Lambert) and were assigned 100% of Cape Lambert's rights and obligations to the Kasombo Project (**Kasombo Acquisition**). Consideration for the acquisition included the issue of 25,000,000 shares to Cape Lambert (subject to 12 months escrow) and 10,000,000 shares to the facilitator to the transaction, at an issue price of $0.021 per share. Given the fair value of the Kasombo project could not be determined reliably at the date of acquisition, the fair value of the equity consideration paid at acquisition date of $735,000, based on the Company's share price on 6 November 2017, has been used to record the value of exploration and evaluation assets on initial recognition in accordance with the Group's accounting policies.

As further disclosed in note 18, FEL will be obliged to make further payments in the event that production is achieved at the Kasombo Project, including the following share based payments:

- issue Pelesa & Associates Law Firm (**Pelesa**) (being the party that introduced Paragon's Kasombo Proejct, Kipushi Tailings Project and Kipushi Processing Plant to Cape Lambert and later facilitated and assisted in negotiating the JV Agreement) 25,000,000 shares within 5 business days of achieving production at the Kasombo Project (or within 5 business days of receiving FEL shareholder approval if required); and
- issued Cape Lambert 25,000,000 shares within 5 business days of achieving production at the Kasombo Project (or within 5 business days of receiving FEL shareholder approval if required).

The Company has assessed that the probability of these obligations being met was insignificant at acquisition date, and as at 30 June 2018, and no share based payments expense has been recognised for the current period.

9 PLANT AND EQUIPMENT

	2018 $	2017 $
At cost	720	720
Accumulated depreciation	(546)	(472)
	174	248
Movements in plant and equipment		
Carrying value at beginning of period	248	4,274
Additions	-	-
Disposals	-	(3,458)
Depreciation charge for the period	(74)	(568)
Carrying value at end of period	174	248

10 TRADE AND OTHER PAYABLES

	2018 $	2017 $
Trade payables (a)	138,424	4,950
Kasombo Acquisition Pre-Settlement Exploration Expenditure (b)	49,130	-
Other payables (c)	154,305	34,425
	292,729	39,375

(a) Trade payables are non-interest bearing and are normally settled on 30-day terms.

(b) Other payables are non-interest bearing and have varying terms.

(c) Pursuant to the Kasombo Acquisition agreement, FEL is required to reimburse Cape Lambert for expenditure incurred by Cape Lambert since acquisition of its interest in the Kasombo Project (**Pre-Settlement Expenditure**) up to maximum amount of $125,000 (subject to ASX's confirmation that it is reimbursement of expenditure incurred in the development of the asset). FEL has received a final invoice for Pre-Settlement Expenditure from Cape Lambert for $99,130, which has been recorded in exploration and evaluation expenditure in the statement of comprehensive income. FEL had initially advanced Cape Lambert $50,000 as a contribution towards the Pre-Settlement Expenditure, such that the outstanding balance of the invoiced amount at balance date is $49,130.

11 CONTRIBUTED EQUITY

	2018 $	2017 $
Ordinary shares		
Issued and fully paid (a)	39,381,064	37,395,564

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

	2018 No. of shares	2018 $	2017 No. of shares	2017 $
Movements in ordinary shares on issue				
Balance at beginning of year	293,169,629	37,395,564	255,669,629	36,683,064
Placement shares issued (a)	-	-	37,500,000	750,000
Issued shares (refer note 8(a))	25,000,000	525,000	-	-
Issued shares (refer note 8(a))	10,000,000	210,000	-	-
Placement shares issued (b)	33,333,334	1,000,000	-	-
Shares issued on exercise of options (c)	9,375,000	281,250	-	-
Share issue costs	-	(30,750)	-	(37,500)
Balance at end of year	370,877,963	39,381,064	293,169,629	37,395,564

(a) In the previous year, the Company issued a total of 37,500,000 shares to a number of sophisticated investors at an issue price of $0.02 per share, for a total of $750,000 under a series of placement agreements.

(b) On 4 January 2018, the Company completed a placement of 33,333,334 fully paid ordinary shares to sophisticated investors to raise $1,000,000 (before costs) (**Placement**).

(c) During the current year, the Company received $281,250 in proceeds from the exercise of 9,375,000 unlisted options with an exercise price of $0.03 each on or before 30 November 2018.

12 ACCUMULATED LOSSES

	2018 $	2017 $
Accumulated losses	(39,813,377)	(38,731,102)
Movements in accumulated losses		
Balance at beginning of year	(38,731,102)	(38,435,131)
Net profit/(loss) for the year	(1,082,275)	(295,971)
Balance at end of year	(39,813,377)	(38,731,102)

13 RESERVES

	2018 $	2017 $
Share based payments reserve (a)	1,786,827	1,727,991

(a) Share based payments reserve

	2018 $	2017 $
Movements in reserve		
Balance at beginning of year	1,727,991	1,725,993
Share-based payments made during the year (refer note 14)	58,836	1,998
Balance at end of year	1,786,827	1,727,991

Nature and purpose of reserve

This reserve is used to record the value of share based payments made to directors, consultants and employees, and to record the issue, exercise and lapsing of options.

14 SHARE-BASED PAYMENTS

In addition to the shares issued to acquire the Kasombo project as disclosed in note 8, total costs arising from share based payment transactions recognised during the year were as follows:

	2018 $	2017 $
Expense arising from equity-settled consultant share-based payment transactions (i)	-	1,998
Expense arising from equity-settled director share-based payment transactions (ii)	58,836	-
	58,836	1,998

(i) On 20 January 2015, the Consolidated Entity granted 4,000,000 unlisted options (subject to vesting conditions) with an exercise price of $0.04 and an expiry date on or before 30 November 2016 (**Options**). The Options were issued in consideration for services performed by consultants of the Company. These Options were to vest upon the Company's market capitalisation reaching and/or exceeding $11 million for a period of at least 10 consecutive trading days of the Company's shares as quoted on ASX and the consultant remaining with the Consolidated Entity until expiry date.

Options are granted to consultants of the Consolidated Entity in the form of share-based payments. There is currently no formal employee share plan. The purpose of the grant of options to selected employees was to:

- recognise the ongoing ability of the consultants of the Consolidated Entity and their expected efforts and contribution in the long term to the performance and success of the Consolidated Entity; and
- provide an incentive to the consultants of the Consolidated Entity to remain in their engagement in the long term.

(ii) On 21 March 2018, the Directors agreed to issue a total of 12,500,000 unlisted options with no vesting conditions to directors at an exercise price of $0.045 each and an expiry date of 31 May 2020, subject to receipt of shareholder approval (**Director Options**), as follows:

- 6,500,000 Director Options to Mr Antony Sage (or nominee);
- 4,500,000 Director Options to Mr Kenneth Keogh (or nominee); and
- 1,500,000 Director Options to Mr Nicholas Sage (or nominee).

Shareholder approval for the issue of the Director Options will be sought at an upcoming general meeting of the Company. The grant date is there is after the period in which services have begun to be rendered. Therefore, the fair value at grant date presented in the 30 June 2018 financial statements is provisional, estimated by reference to the period end share price. Once the date of the grant is known, this earlier provisional estimate will be revised.

(a) Summary of options granted

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, options during the year:

	2018 No.	2018 WAEP	2017 No.	2017 WAEP
Outstanding at the beginning of the year	-	-	3,850,000	0.04
Options granted (i)	12,500,000	$0.045	-	-
Options expired	-	-	(3,850,000)	0.04
Outstanding at the end of the year	12,500,000	$0.045	-	-
Exercisable at the end of the year	-	-	-	-

(i) Issue of options is subject to shareholder approval.

The fair value of options granted during the year ended 30 June 2018 was determined using a Black-Scholes option pricing model. The following table lists the inputs to the model for the Director Options:

	Director Options
Expiry date	31 May 2020
Dividend yield (%)	Nil
Expected volatility (%)	124%
Risk free interest rate (%)	2.13%
Exercise price ($)	$0.045
Discount (%)	Nil
Expected life of options (years)	1.92
Share price at grant date ($)	$0.024
Value per option ($)	$0.0118

(b) Weighted average remaining contractual life

The weighted average remaining contractual life for the options outstanding as at 30 June 2018 is 1.92 years (2017: nil).

(c) Fair value

The fair value of options granted during the year ended 30 June 2018 was $0.0118 (30 June 2017: nil).

(d) Option expired

During the year ended 30 June 2018, nil options expired (2017: 3,850,000 consultant Options exercisable at $0.04 on or before 30 November 2016 expired).

15 OTHER UNLISTED OPTIONS

The following refers to unlisted options issued by the Company which do not constitute a share based payment.

(a) Options granted during the year

There were no unlisted options issued during the year (2017: 9,375,000).

(b) Options exercised during the year

During the year, the Company received $281,250 in proceeds from the exercise of 9,375,000 unlisted options with an exercise price of $0.03 each on or before 30 November 2018.

(c) Options expired during the year

There were no unlisted options that expired during the year (2017: nil).

(d) Options on issue at 30 June 2018

There are no unlisted options on issued at 30 June 2018 (30 June 2017: 9,375,000).

16 SEGMENT INFORMATION

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and in determining the allocation of resources. The Consolidated Entity has only one operating segment, being mineral exploration. The financial results from the segment are equivalent to the financial statement of the Company as a whole. The accounting policies used by the Consolidated Group in reporting segment internally are the same as those contained in note 2 to the accounts. $174 of non-current assets are located in Australia and $735,000 of non-current assets are located in the DRC.

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Consolidated Entity's objective with regard to financial risk management is to ensure the effective management of business risks crucial to the financial integrity of the business without affecting the ability of the Consolidated Entity to operate efficiently or execute its business plans and strategies.

The Board has overall responsibility for the determination of the Consolidated Entity's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective management of all significant financial risks to the business. The Board may delegate specific responsibilities as appropriate.

Capital risk management

The Consolidated Entity's capital base comprises its ordinary shareholders equity, which was $1,354,514 at 30 June 2018 (30 June 2017: $392,453). The Consolidated Entity manages its capital to ensure that the entities in the group will be able to continue to meet its working capital requirements and operate as a going concern while seeking to maximise the return to stakeholders.

In making its decisions to adjust its capital structure, either through new share issues or consideration of debt, the Consolidated Entity considers not only its short-term working capital needs but also its long-term operational and strategic objectives. The Board continually monitors the capital requirements of the Consolidated Entity.

The Consolidated Entity is not subject to any externally imposed capital requirements.

Financial instrument risk exposure and management

The Consolidated Entity's principal financial instruments comprise cash and short-term deposits, receivables and payables. The main risks arising from the Consolidated Entity's financial instruments are interest rate and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

Interest rate risk

The Consolidated Entity's exposure to changes in market interest rates relates primarily to the Consolidated Entity's cash and short-term deposits with a floating interest rate.

At the reporting date, the Consolidated Entity had the following financial assets exposed to variable interest rate risk:

	Note	2018 $	2017 $
Financial assets			
Cash and cash equivalents	6	894,442	422,649
		894,442	422,649

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date and based on judgements of reasonably possible movements:

	Post Tax Loss (Higher)/Lower		Equity Higher/(Lower)	
	2018 $	2017 $	2018 $	2017 $
Consolidated				
+1% (100 basis points)	8,944	4,226	-	-
-0.5% (50 basis points)	(4,472)	(2,113)	-	-

A sensitivity analysis is derived from a review of historical movements and management's judgment of future trends. The analysis was performed on the same basis as 2017.

Credit risk

Credit risk arises from the financial assets of the Consolidated Entity, which comprise cash and cash equivalents and trade and other receivables. The Consolidated Entity's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at reporting date is addressed in each applicable note.

The Consolidated Entity trades only with recognised and creditworthy third parties.

In addition, receivable balances are monitored on an ongoing basis with the result that the Consolidated Entity's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Consolidated Entity.

Liquidity risk

Liquidity risk arises from the Consolidated Entity's management of working capital. It is the risk that the Consolidated Entity will encounter difficulty in meeting its financial obligations as they fall due. The Consolidated Entity's objective is to ensure that it will always have sufficient liquidity to meet its liabilities through ensuring it has sufficient cash reserves to meet its ongoing working capital and long-term operational and strategic objectives. The Consolidated Entity manages liquidity risk by maintaining adequate borrowing facilities and monitoring forecast and actual cash flows on an ongoing basis.

The following table summarises the maturity profile of the Consolidated Entity's liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Consolidated	Less than 6 months $	6 months to 1 year $	1 year to 5 years $	Total $
30 June 2018				
Trade and other payables	292,729	-	-	292,729
	292,729	-	-	292,279
30 June 2017				
Trade and other payables	39,375	-	-	39,375
	39,375	-	-	39,375

The Consolidated Entity has determined that the carrying value of financial liabilities is approximately equal to its fair value.

Fair value estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values as the carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

18 COMMITMENTS AND CONTINGENCIES

Kasombo Project obligations (exploration and feasibility)

Pursuant to the Kasombo Acquisition, FEL was assigned Cape Lambert's rights and obligations to the Kasombo Project, with the objectives being to:

(a) undertake exploration activities at the Kasombo Project;

(b) complete a Feasibility Study on the Kasombo Project by 24 September 2019; and

(c) commence mining activities at the Kasombo Project.

Upon completion of the Kasombo Acquisition, FEL has acquired from Cape Lambert the following obligations:

(a) provide all necessary technical resources to enable exploration and mining activities at the Kasombo Project to be conducted to acceptable industry standards and in accordance with an agreed budget;

(b) provide 100% of the funding to Soludo Lambert Mining (SAS) (**Soludo Lambert**), being the company set up between Cape Lambert and Paragon to manage the Kasombo Project, on the basis set out in (c) below to undertake exploration activities at the Kasombo Project, complete a feasibility study and any other expenses the Soludo Lambert board may deem necessary;

(c) sole fund the costs of exploration and the completion of a feasibility study on the Kasombo Project in accordance with the requirements of the Gecamines Contract up to a cost of US$7.5 Million (Sole Funding Commitment);

(d) provide any required funds in excess of US$7.5 million by way of a loan to Soludo Lambert, which is repayable from future profits of Soludo Lambert; and

(e) if it is determined that a mining operation is viable at the Kasombo Project, secure, on behalf of Soludo Lambert, 100% of the funds for development of the Kasombo Project and to upgrade the Kipushi Processing Plant to process ore from the project, and to also conclude any obligations with Gecamines,

(together, the **Kasombo Project JV Commitments**).

Kasombo Project obligations (production)

FEL is further obliged:

(a) in the event that production is achieved at the Kasombo Project:

(i) prior to production at Cape Lambert's Kipushi Tailings Project, then FEL will:

- issue Pelesa & Associates Law Firm (**Pelesa**) (being the party that introduced Paragon's Kasombo Proejct, Kipushi Tailings Project and Kipushi Processing Plant to Cape Lambert and later facilitated and assisted in negotiating the JV Agreement) 25,000,000 shares within 5 business days of achieving production at the Kasombo Project (or within 5 business days of receiving FEL shareholder approval if required); and
- pay Pelesa US$75,000 within 5 business days of achieving production at the Kasombo Project; or

(ii) after production at Cape Lambert's Kipushi Tailings Project, then FEL will issued Cape Lambert 25,000,000 shares within 5 business days of achieving production at the Kasombo Project (or within 5 business days of receiving FEL shareholder approval if required); and

(b) the grant by FEL to Pelesa of a 1% royalty on all of FEL's attributable production from the Kasombo Project.

FEL may elect to withdraw and terminate the agreement in respect of the Kasombo Acquisition by giving 30 days' notice in writing to Cape Lambert and Paragon.

Office Rental Commitments

On 30 April 2018, the Consolidated Entity entered into a sub-lease with Cape Lambert Resources Ltd for office premises for a lease period terminating on 31 March 2020. The expenditure commitment with respect to rent payable under the sub-lease arrangement is as follows:

	2018 $	2017 $
Within one year	36,732	-
After one year but less than five years	27,549	-
More than five years	-	-
	64,281	-

Contingencies

At 30 June 2018 there were no contingent liabilities or contingent assets (30 June 2017: nil).

19 CONTROLLED ENTITIES

The consolidated financial statements include the financial statements of Fe Limited and the subsidiaries listed in the following table.

Subsidiary	Country of Incorporation	Equity interest % 2018	2017
Jackson Minerals Pty Ltd	Australia	100	100
Mooloogool Pty Ltd	Australia	100	100
Bulk Ventures Ltd	Australia	100	100
Bulk Ventures (Bermuda) Limited	Bermuda	100	100

20 PARENT ENTITY FINANCIAL INFORMATION

	2018 $	2017 $
Current Assets	912,069	431,580
Non-Current assets	735,174	248
Total Assets	1,647,243	431,828
Current Liabilities	292,729	39,375
Non-current liabilities	-	-
Total Liabilities	292,729	39,375
Net assets	1,354,514	392,453
Issued Capital	39,381,064	37,395,564
Accumulated losses	(38,813,377)	(38,731,102)
Share Based Payment reserve	1,786,827	1,727,991
Total Shareholder's Equity	1,354,514	392,453

	2018	2017
Loss for the period	(1,082,275)	(295,971)
Total comprehensive loss for the period	(1,082,275)	(297,721)

There were no guarantees entered into by the parent entity in relation to the debts of its subsidiaries (30 June 2017: nil).

There were no contingent liabilities in the parent entity (30 June 2017: nil).

Commitments of the parent entity are the same as those of the Consolidated Entity as detailed at note 18.

21 AUDITORS' REMUNERATION

	2018	2017
	$	$
Amounts received or due and receivable by Ernst & Young Australia for:		
An audit or review of the financial report of the entity and any other entity in the consolidated entity:		
Amounts paid or payable relating to current year audit and half year review	28,403	25,300
	28,403	25,300

22 RELATED PARTY DISCLOSURES

Note 19 provides the information about the Consolidated Entity's structure including the details of the subsidiaries and the holding company.

Transactions with directors, director related entities and other related parties

During the year ended 30 June 2018, an aggregate amount of $40,671 (30 June 2017: $2,087) was paid or payable to Cauldron Energy Ltd (**Cauldron**) for reimbursement of consultant costs. At 30 June 2018, $40,671 was payable to Cauldron (30 June 2017: nil). Mr Antony Sage and Mr Nicholas Sage are directors of Cauldron.

During the year ended 30 June 2018, an aggregate amount of $154,659 (30 June 2017: $60,891) was paid or payable to Cape Lambert Resources Ltd (**Cape Lambert**) for reimbursement of rent, travel costs, and costs associated with the Kasombo Project. At 30 June 2018, $83,896 was payable to Cape Lambert (30 June 2017: $1,102).

Related party loan

On 12 June 2018, the Company advanced a short-term interesting-bearing loan of $65,000 to Cape Lambert. Under the terms of the loan agreement, daily compounding interest at a rate of 7.5% per annum applied. The loan (including accrued interest of $241) was repaid on 29 June 2018. Mr Antony Sage is a director of Cape Lambert.

Significant shareholders

As detailed in the Company's 2017 Annual Report, at 30 June 2017, Cape Lambert was then the ultimate parent entity of FEL, holding an 44.69% interest in the Company. During the year, Cape Lambert received 25,000,000 shares (subject to 12 month escrow) in FEL as consideration for the Kasombo Project acquired by FEL. Following the capital raising in January, Cape Lambert's equity interest has been diluted to 40.17%. The Company have determined that Cape Lambert are no longer considered the ultimate parent entity, but remain a significant shareholder. As at 30 June 2018, Cape Lambert held a 39.33% interest (including escrow shares).

At 30 June 2018, Cauldron held a significant interest of 7.59% in the issued capital of FEL (30 June 2017: 8.81%). Mr Antony Sage and Mr Nicholas Sage are directors of Cauldron.

Terms and conditions of transactions with related parties other than KMP

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Transactions with key management personnel

Compensation of key management personnel

	2018 $	2017 $
Short term employee benefits	185,000	134,738
Share based payments	58,836	930
	243,836	135,668

Interests held by Key Management Personnel

Movements in share options held by key management personnel to purchase ordinary shares is summarised as follows:

30 June 2018	Balance at 1 July 2017	Acquired /granted during year (i)	Lapsed during Year	Balance at 30 June 2018	Exer-cisable	Not Exer-cisable	Exercise Price	Expiry Date
Directors								
A Sage	-	6,500,000	-	6,500,000	-	6,500,000	$0.045	31 May 2020
N Sage	-	1,500,000	-	1,500,000	-	1,500,000	$0.045	31 May 2020
K Keogh	-	4,500,000	-	4,500,000	-	4,500,000	$0.045	31 May 2020
	-	12,500,000	-	12,500,000	-	12,500,000		

(i) Refers to Director Options as detailed at note 14(ii).

30 June 2017	Balance at 1 July 2016	Acquired /granted during year	Lapsed during Year	Balance at 30 June 2017	Exer-cisable	Not Exer-cisable	Exercise Price	Expiry Date
Directors								
A Sage	-	-	-	-	-	-	-	-
N Sage	-	-	-	-	-	-	-	-
K Keogh	-	-	-	-	-	-	-	-
M Gwynne	-	-	-	-	-	-	-	-
P Kelly	-	-	-	-	-	-	-	-
Executives								
E Von Puttkammer	1,800,000	-	(1,800,000)	-	-	-	-	-
	1,800,000	-	(1,800000)	-	-	-		

Shares to a director

On 22 February 2018, the Directors in their discretion, acknowledging that Okewood, a company controlled by Mr Antony Sage, previously agreed to reduced fees during the period from 1 April 2016 to 31 January 2018 (as detailed in the Remuneration Report), agreed to issue 2,750,000 shares to Okewood at a deemed issue price of 4 cents per share, subject to shareholder approval.

23 EVENTS AFTER THE REPORTING DATE

As announced in August 2018, FEL advised that Sandfire had signed an agreement with Alchemy to acquire IGO's farm-in rights over base metals in the Bryan Basin Project. The agreement with Sandfire is expected to result in a significant ramp up of exploration within the base metal prospective area of the Bryan Basin Project. FEL holds a 20% interest, free-carried to decision to mine, in a joint venture area of which key terms remain unchanged from the previous letter agreement with IGO.

There have been no other events subsequent to 30 June 2018 up to the date of this report that would materially affect the operations of the consolidated entity or its state of affairs which have not otherwise been disclosed in this financial report.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Fe Limited, I state that:

1. In the opinion of the directors:

   a) the financial statements and notes of Fe Limited for the year ended 30 June 2018 are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2018 and its performance for the year ended on that date; and

      (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

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

   c) subject to the matters described in note 2(d), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the year ended 30 June 2018.

On behalf of the Board

Mr Antony Sage
Non-Executive Chairman

27 August 2018

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Independent auditor's report to the members of Fe Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Fe Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2018, 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, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2018 and of its consolidated financial performance for the year ended on that date; and

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

Basis for opinion

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

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

Material uncertainty related to going concern

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section of our report, we have determined the matter described below to be the key audit matter to be communicated in our report. Our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters, provide the basis for our audit opinion on the accompanying financial report.

Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
The carrying value of exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that an exploration and evaluation asset may exceed its recoverable amount. The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgments including whether the Group will be able to maintain tenure, perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. During the year the Group determined that there had been no indicators of impairment. Refer to Note 8 – Exploration assets to the financial report for the amounts held on the consolidated statement of financial position as at 30 June 2018 and related disclosure.	In performing our procedures, we: ▶ Considered the Group's right to explore in the relevant area of interest, which included obtaining and assessing supporting documentation such as the project acquisition agreement. ▶ Considered the Group's intention to carry out significant exploration and evaluation activity in the relevant exploration area, which included assessment of the Group's cash-flow forecast models, discussions with senior management and Directors as to the intentions and strategy of the Group. ▶ Considered whether the exploration activities within each area of interest have reached a stage where the commercially viable resource estimate could be made. ▶ Assessed the adequacy of the disclosure included in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

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

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

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

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

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

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

Report on the audit of the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 9 to 14 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Fe Limited for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Ernst & Young

Ernst & Young

V L Hoang
Partner
Perth
27 August 2018

SCHEDULE OF TENEMENTS

As at 3 August 2018:

Tenement reference	Project & Location	Interest	Notes
E52/1659	Forrest (Milgun) - Western Australia	20%	1, 2, 3
E52/1668	Peak Hill - Western Australia	20%	4
E52/1671	Forrest (Milgun) - Western Australia	20%	1, 2, 3
E52/1678	Peak Hill - Western Australia	20%	4
E52/1722	Peak Hill - Western Australia	20%	5
E52/1730	Peak Hill - Western Australia	20%	4
P52/1494	Forrest (Milgun) - Western Australia	20%	1
P52/1495	Forrest (Milgun) - Western Australia	20%	1
P52/1496	Forrest (Milgun) - Western Australia	20%	1
PE4886	Kasombo 5 & 7 – DRC	50%	6
PE481	Kasombo 6 – DRC	50%	6

NOTES:	
1	Peak Hill Sale Agreement: Auris Exploration Pty Ltd (Auris - previously known as Grosvenor Gold Pty Ltd) 80% (Operator) and Jackson Minerals Pty Ltd 20% in all minerals free carried to decision to mine.
2	Westgold Resources Limited owns 80% gold rights, Auris Exploration Pty Ltd (Auris)(previously known as Grosvenor Gold Pty Ltd) (Operator) holds 80% interest in all minerals other than gold and Jackson Minerals Pty Ltd holds 20% in all minerals free carried to decision to mine.
3	Westgold Resources Limited has first right of refusal over disposal of RNI/Auris 80% interest.
4	Alchemy 80% reducing to 10% in all minerals once Independence Group NL (IGO) and Billabong Gold Pty Ltd (Billabong) (Operator) earn in under respective JV agreements with Alchemy Resources Ltd (ALY). Billabong earning 70% interest in all minerals in part of this tenement and IGO earning 70% in base metals only (excluding Iron Ore) in the remaining tenement area. Jackson Minerals holds 20% in all minerals in the whole of the tenements free carried to decision to mine.
5	Alchemy 80% reducing to 10% in all minerals once IGO (Operator) earn in under JV agreement with ALY. IGO earning 70% in base metals only (excluding iron ore) in the whole of tenement area by sole funding exploration expenditure. Jackson Minerals holds 20% in all minerals free carried to decision to mine.
6	FEL holds no direct interest in the licences, but has an indirect 50% interest from the acquisition of Cape Lambert's rights and obligations. Full details of the assignment are described in the Notice of Annual General Meeting, refer ASX announcement dated 14 October 2017.

ADDITIONAL SHAREHOLDER INFORMATION

Shares

The total number of Shares on issue as at 3 August 2018 was 370,877,963, held by 866 registered Shareholders. 486 shareholders hold less than a marketable parcel, based on the market price of a share as at 3 August 2018.

Each Share carries one vote per Share without restriction.

Quoted Options

The Company does not have any quoted Options on issue.

Unquoted Options

The Company does not have any unquoted Options on issue.

Twenty Largest Shareholders

As at 3 August 2018, the twenty largest Shareholders were as shown in the following table and held 81.10% of the Shares.

	Legal Holder	Holding	%
1	DEMPSEY RESOURCES PTY LTD	120,848,635	32.58
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	42,152,926	11.37
3	CAULDRON ENERGY LIMITED	28,153,112	7.59
4	DEMPSEY RESOURCES PTY LTD	25,000,000	6.74
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	24,290,000	6.55
6	WHITEY TIGER PTY LTD <THE WTL A/C>	14,789,469	3.99
7	MR JOHN CHARLES CHERRY	12,500,000	3.37
8	SUBURBAN HOLDINGS PTY LIMITED <SUBURBAN SUPER FUND A/C>	4,103,546	1.11
9	ANTONY WILLIAM PAUL SAGE & LUCY FERNANDES SAGE <EGAS SUPERANNUATION FUND>	3,923,010	1.06
10	FRED PARRISH INVESTMENTS PTY LTD <PARRISH FAMILY A/C>	2,845,449	0.77
11	MRS LILIANA TEOFILOVA	2,671,890	0.72
12	1620 CAPITAL PTY LTD	2,650,000	0.71
13	MR ANTHONY ROBERT RAMAGE	2,400,000	0.65
14	GOLDFIRE ENTERPRISES PTY LTD	2,200,000	0.59
14	GEMGILD PTY LIMITED	2,011,078	0.54
15	PEARL BLISS PTY LTD <PEARL BLISS A/C>	2,000,000	0.54
16	AFRICA COAL PTY LTD	2,000,000	0.54
17	BNP PARIBAS NOMINEES PTY LTD <JARVIS A/C NON TREATY DRP>	1,633,334	0.44
18	GOLDSHORE INVESTMENTS PTY LTD <M R DAY SUPERFUND A/C>	1,633,333	0.44
19	MR PAUL MICHAEL DUFF	1,500,000	0.40
20	MR SIMON PETER WHITE	1,471,469	0.40
	Total	**300,777,251**	**81.10**

Distribution Schedule

A distribution schedule of the number of Shareholders, by size of holding, as at 3 August 2018 is below:

Size of holdings	Number of Shareholders
1 – 1000	72
1,001 – 5,000	167
5,001 – 10,000	136
10,001 – 100,000	331
100,001 and over	160
Total	**866**