ASIAMET RESOURCES

2020 Annual Report

For the year ended 31 December 2020

In USD unless otherwise noted

Contents

Company Information

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Antony (Tony) Manini	Director, Executive Chairman
Dominic Heaton	Non-Executive Director
Peter Pollard	Non-Executive Director
Faldi Ismail	Non-Executive Director
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Eva Armila Djauhari	Non-Executive Director

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Overview

Asiamet Resources Limited (the "Company" or "Asiamet") is an emerging mid-tier exploration and development company focused on copper and copper-gold deposits in Indonesia, with its key projects located in the islands of Kalimantan and Sumatra, adjacent to the key growth markets in Asia.

- The KSK Contract of Work ("KSK CoW") (100% owned) covers 390km², in the Kalimantan Volcanic Arc, a highly endowed and prospective region of Kalimantan, Indonesia. The KSK project comprises:
    - BKM copper project ("BKM Project" or "BKM"):

      Development ready heap-leach Solvent Extraction-Electrowinning ("SX-EW") project. Completed Feasibility Study demonstrates a technically viable and economically robust copper cathode project with significant upside potential for mine life extensions through Resource growth and development of satellite deposits.
    - BKZ polymetallic project:

      Emerging high-grade polymetallic zinc-lead-silver-gold-copper and copper-silver deposits (800 metres north of the BKM Project).
    - Exploration portfolio:
        - The KSK CoW covers a large and highly prospective area where Asiamet has identified a pipeline of fifteen copper, polymetallic and gold targets including the BKM Project and BKZ deposit, and the extensively drilled Baroi prospect.
- The Beutong project ("Beutong Project") (80% owned) is held under an Izin Usaha Pertambangan Operasi Produksi (Operation Production Mining Business Licence) ("IUP-OP") covering 100km² in Aceh Province, Indonesia. The Beutong Project represents a rare opportunity given its key characteristics, that include:
    - Large high-quality copper-gold porphyry development project located in close proximity of existing infrastructure and only 60 kilometres from a seaport.
    - Contained metal in JORC compliant Resources (100% basis) of 2.43Mt Cu, 2.11Moz Au and 20.9Moz Ag.
    - Significant Resource expansion and exploration upside potential.

Coupled with its exciting project portfolio, Asiamet has a strong technical and commercial team with extensive experience in South-East Asia and a proven track record of bringing mining projects into production.

2020 Highlights

- Relocation of Head Office and Corporate function to Jakarta.
- Capital placing raising gross proceeds of approximately $3.9 million completed in March 2020.
- Final approval of the Further Exploration Permit for the KSK CoW received from Badan Koordinasi Pernanaman Modal ("BKPM"), the investment co-ordinating body in Indonesia.
- The Company signed a conditional binding Share and Purchase Agreement ("SPA") with PT Wasesa Indo Nusa ("PT WIN") in December 2020. This was subsequently terminated in January 2021 when PT WIN did not fulfil its obligations under the binding SPA.
- Continuation of value enhancement activities for the BKM Project.

Chairman's Statement

The first half of 2020 was characterised by significant uncertainty and volatility in equity and commodities markets as a result of the outbreak of the coronavirus which spread quickly and developed into a pandemic with extensive global consequences. At Asiamet, we acted quickly to ensure our employees and colleagues were safe. Travel restrictions in Indonesia meant that we had to delay some of our planned field based activity though we continued to make good progress on permits and funding discussions.

In the second half of 2020, we witnessed commodity markets and global confidence return along with signs of growth especially in the latter part of the year. Driven by mine supply issues, lower overall copper production and continued strong industrial demand from China base metal prices, particularly copper, recovered rapidly to hit multi year highs.

As we head into 2021 with the worst of the global pandemic seemingly behind us, many of the major economies are planning large infrastructure related development programs focussed on decarbonisation and the transition to renewable energy and electrification of transport. Copper is expected to be a major beneficiary of these policies as the energy transition will require significant additional copper supply over and above the current baseload requirements. This anticipated surge in demand comes at a time when supply is likely to be constrained due to prolonged underinvestment in exploration and new mine development.

It is now widely forecast that copper supply will not meet demand in the foreseeable future. Most market analysts suggest the gap between supply and demand is widening and are expecting a prolonged period of strong prices. Copper producers will inevitability need to replace or replenish dwindling reserves and the level of M&A activity in the sector is likely to increase, along with exploration expenditures.

At Asiamet, we are well placed to benefit from this surge in demand for copper. The BKM Feasibility Study demonstrates a technically viable and economically robust copper project with production of up to 25,000 tonnes per annum over an initial nine-year mine life. There is significant scope to further increase mine life through the conversion of existing Inferred Resources and new deposit discoveries on identified prospects adjacent to the proposed BKM mine development. Further significant value uplift is anticipated to come from a range of value engineering initiatives in progress, including optimising the processing flowsheet, together with extensions to the life of mine. These works will continue throughout 2021 and the Company will provide updates as information comes to hand.

From a permitting standpoint, the Company received approvals from the Government of Indonesia for the AMDAL (Environmental Impact Assessment) permit, as well as the Indonesian Feasibility Study. We are currently advancing the final major permit required for mine development, being the "Pinjam Pakai" or "Borrow and Use" permit from the Ministry of Environment and Forestry. This complex and detailed process requires several key sub-permits which are expected to be received during 2021.

The Beutong Project is a scarce high quality copper-gold porphyry deposit which benefits from proximity to infrastructure and remains a key asset in the Company's portfolio. Asiamet intends to recommence field activities at Beutong during 2021 with increased community engagement and a plan to drill extensions below the current defined resource envelope. Some metallurgical test work to better understand the development optionality for the project is also planned.

At a corporate level, we made the decision to relocate the corporate head office from Melbourne to Jakarta as the Company moves into the development phase of the BKM Project. Peter Bird stepped down as CEO as part of this transition and in September 2020 we welcomed Leonard Aurlianus as our CFO. James Deo has transitioned from CFO to the role of Chief Development Officer. On 5 May 2021, the Company appointed Eva Armila Djauhari to the Board as a Non-Executive Director. The team will continue to grow as the Company moves into the project financing and development stages during 2021.

In March 2020, Asiamet completed a strategic private placement with Singapore based commodities trading company, Aeturnum Energy ("Aeturnum"). Asiamet subsequently entered into an exclusivity agreement with Aeturnum to enable due diligence to be finalised on the KSK CoW. A Heads of Agreement for the sale of the KSK CoW was signed on 8 October 2020 and a conditional binding Share and Purchase agreement ("SPA") was finalised on 24 December 2020. In early January 2021 it became apparent that Aeturnum did not intend to fulfil its obligations under the SPA and as a result a notice of termination was served.

With strong support from both new institutional investors and existing shareholders a £10 million equity financing was completed in late February 2021 to strengthen the balance sheet and significantly advance the Company's copper projects towards development. Funds will be directed to financing, permitting and development activities on the BKM Copper Project and to community engagement, drilling and metallurgy at Beutong.

On a corporate social responsibility side, I am pleased to report that the Company continues to make excellent progress on several community development initiatives being implemented in and around the KSK CoW. Village capacity building, education and agricultural initiatives are helping to deliver tangible improvements to the lives of the local Dayak communities while simultaneously developing a broader awareness of mining in preparation for project construction and operations. Increasing our levels of community engagement at Beutong is also a priority objective for 2021 and beyond.

Despite the significant challenges presented by the COVID 19 pandemic during 2020, the Company continued to make solid progress and deliver on its key milestones and objectives. As a result, Asiamet is now well positioned to execute on its strategy of building Asia's next copper mine at a time when confidence in global commodity markets rebounds and the copper price moves into a period of sustained stronger prices driven by surging demand and long term underinvestment in new supply.

I would like to take this opportunity to thank our shareholders for their continued support over the past year and look forward to reporting further on our progress during 2021.

As a final note, I would like to thank our employees, consultants and contractors for their continued hard work and express my sincere thanks to all our stakeholders in Indonesia and internationally for their support throughout the year. It is greatly valued.

A Manini

Tony Manini
Chairman

Strategic Report

Overview of Operations

Asiamet is incorporated in Bermuda and is engaged in the exploration and development of its mineral properties in Indonesia. The Company's shares trade in British Pounds Sterling ("GBP") on the AIM Market in London under the symbol "ARS".

Asiamet has two principal areas of interest:

- The KSK CoW in Central Kalimantan, Indonesia - Asiamet holds a 100% direct interest. The KSK CoW covers 390km² covering multiple copper and gold prospects including the BKM Project and the nearby surrounding BKZ, BKS and BKW prospects. A Mineral Resource Estimate, Ore Reserve Estimate and a Feasibility Study ("BKM FS") have been completed for the BKM Project. The BKM FS technical report was compiled using study inputs from various subject matter experts, all of which were external and independent of the Company. The Mineral Resource and Ore Reserve Estimates were prepared in accordance with the JORC (2012) Reporting Standards.
- The Beutong IUP-OP located on the island of Sumatra, Indonesia - Asiamet holds an 80% direct interest. The Beutong Project covers 100km² and hosts two porphyry copper-gold-molybdenum prospects (West and East Porphyries) and the Beutong Skarn (copper-gold) project. Beutong is a development project with a large copper-gold Resource and has a production licence.

BKM Project

The BKM Project is a development ready copper project located on the eastern part of the KSK CoW. The BKM FS demonstrates a technically commercial, economically viable and robust copper project utilising open pit mining and heap-leach solvent extraction-electrowinning ("SX-EW") processing to produce copper cathode. The BKM Project is anticipated to produce up to 25,000 tonnes of copper cathode per annum and has an initial mine life of 9-years.

The BKM FS key metrics are highlighted in Table 1 below. All dollar amounts are in USD. The following assumptions were used in the studies:

- a long-term copper price of $3.30/lb LME (London Metal Exchange);
- a real, after-tax, US dollar, discount rate of 8%;
- Indonesian corporate income tax ("CIT") rate of 25%; and
- Indonesian Government Royalty of 4% (of revenue)

Table 1 - Summary Metrics for BKM Feasibility Study

Area	Measure	Unit	Feasibility Study
Production	Ore mined	Mt	56.61
	Waste mined	Mt	79.91
	Strip ratio	Waste:Ore	1.41:1
	Copper ore grade	%	0.60
	Average soluble copper grade	%	0.39
	Copper recoveries - Chalcocite ore type - Covellite/Bornite ore type - Chalcopyrite ore type	%	 80% 75% 77%
	Copper cathode produced	kt	172.63

Area	Measure	Unit	Feasibility Study
Capital[1]	Initial Project Capital (ex. contingency)	$M	192.0
	Contingency (initial capital)	$M	31.4
	Phase 2 - Heap Leach (ex. contingency)	$M	17.4
	Phase 2 contingency	$M	3.9
	Closure costs	$M	32.9
Economic Assumptions	Copper price	$/lb	3.30
	Discount factor	% (real)	8.00
Financials	Revenue	$M	1,270.0
	Costs	$M	627.2
	Royalties	$M	50.8
	NPV_8 post-tax	$M (real)	124.8
	NPV_8 post-tax, pre-closure	$M (real)	133.5
	IRR post-tax	% (real)	19.1
	IRR post-tax, pre-closure	% (real)	19.5
	Initial mine life	Years	8.83
	EBITDA[2]	$M	563.3
	C1[3]	US$/lb	1.65
	AISC[4]	US$/lb	1.78

Please refer to the Company's website for more detail on the BKM FS, including capital and operating cost estimates.

Value Enhancement

Following the completion of the BKM FS, a strategic review of the proposed capital and operating cost estimates was also completed to identify opportunities to further enhance the BKM Project economics. The process identified and ranked twenty 'Value Enhancement' opportunities. Those with the highest value and ease of implementation totalled an estimated $35 million increase over the base NPV on a risk adjusted basis and excludes any value being ascribed for exploration success. The opportunities that have been prioritised for investigation include:

- pre-treatment of the currently discarded, less-leachable heap-leach ore types including chalcopyrite dominant ores by utilising an alternate leaching technology ~$20 million.
- improving geological controls on mineralisation through the development and implementation of a detailed structural geology model ~$5 million.
- evaluating electricity options for an alternate and more efficient power source to reflect the benefits associated with a longer life of mine~$4 million.
- further refining the methodology of ore block classification to enhance metal produced and commercial returns ~$3.5 million.
- reducing construction earthworks costs using local contractors and delivering synergies with the mining contractor ~$3 million; and

[1] Capital costs have been estimated for the BKM Project based on Feasibility Study level engineering.
[2] EBITDA = Earnings Before Interest, Tax, Depreciation and Amortisation.
[3] C1 = cost of production excluding product distribution costs, sales royalties and depreciation and amortisation before adjustment for impairment. C1 cost, which is non-IFRS information, is a widely used 'industry standard' term.
[4] AISC = All-in Sustaining Costs is a measure derived by the World Gold Council. On 27 June 2013, the Council released a publication outlining definitions of both Cash Costs and All-in Sustaining Costs.

- exploration of near mine targets proximal (less than 3kms) to the BKM ore body also have the potential to add very significant value by extending mine life beyond 2030. These targets are expected to add heap-leachable copper resources to those already defined and create further opportunities for revenue enhancement. The high priority targets to be investigated immediately include:
    - the BKM 'link zone target' between the BKM and BKZ deposits;
    - testing IP geophysical targets approximately 800m to the north-west of BKM;
    - BKM deposit depth extensions with drilling to follow up IP geophysical targets immediately below the currently defined Resource; and
    - BK South near surface oxide targets.

The mine-optimisation study and metallurgical test work completed in 2020 and early 2021 confirmed the opportunity to revise the ore processing method for the BKM copper project from a traditional heap leach process to a tank leaching process. Results to date indicate the potential to increase life-of-mine copper recoveries by 40% on a relative basis, and significantly improve project cash flows, while reducing overall environmental impacts. Further engineering works during 2021 will provide the level of detail required by the Company to progress an investment decision.

Permitting

The Company has received approvals from the Government of Indonesia for the BKM Project including for the BKM FS and the associated AMDAL (Environmental Impact Assessment). There is also continued support from both the Provincial government in Central Kalimantan and local communities placing the Company in a strong position to progress development of the BKM Project.

During the year, the Company worked to secure the forestry exploration permit and the Governor's recommendation for the Pinjam Pakai permitting process.

In January of 2021, the Company received approval for the revised AMDAL permit (Environmental Permit) that allows the BKM project to proceed to the final step to secure the forestry borrow-to-use permit. Ongoing work is underway to secure the remaining permits required to enable the Company to move forward into the financing and construction stages.

Outlook

In the short term, the focus of the Company will be to:

- further assess value enhancement opportunities and incorporating them into the project where applicable;
- advance near mine exploration targets to augment existing Ore Reserves and Mineral Resources;
- progress all remaining permits required for mine construction and operation;
- commence detailed engineering and design works; and
- advance project equity and debt funding alternatives including but not limited to finalising strategic partner discussions, traditional project financing with banks and other supportive institutional lenders, offtake and equipment lease financing, EPCM financiers, export credit lenders and other non-restrictive financing arrangements. The Company will also consider an IPO on the Indonesian Stock Exchange.

Table 4 - BKM Measured, Indicated and Inferred Mineral Resource (JORC) – June 2019 (100% Basis)

Measured Mineral Resources (JORC, 2012)				
Cut-off Grade Cu %	**Tonnes M**	**Cu Grade %**	**Contained Copper Kt**	**Contained Copper Mlbs**
0.2	20.6	0.7	148.5	327.3
0.5	14.9	0.8	124.9	275.3
0.7	8.6	1.0	87.6	193.0
Indicated Mineral Resources (JORC, 2012)				
Cut-off Grade Cu %	**Tonnes M**	**Cu Grade %**	**Contained Copper Kt**	**Contained Copper Mlbs**
0.2	34.1	0.6	212.6	468.8
0.5	21.4	0.8	161.3	355.6
0.7	9.5	1.0	90.6	199.7
Inferred Mineral Resources (JORC, 2012)				
Cut-off Grade Cu %	**Tonnes M**	**Cu Grade %**	**Contained Copper Kt**	**Contained Copper Mlbs**
0.2	15.0	0.6	90.8	200.3
0.5	10.0	0.7	70.3	154.9
0.7	3.8	0.9	33.5	73.8

Measured Plus Indicated Mineral Resources (JORC, 2012)				
Cut-off Grade Cu %	**Tonnes M**	**Cu Grade %**	**Contained Copper Kt**	**Contained Copper Mlbs**
0.2	54.7	0.7	361.1	796.1
0.5	36.3	0.8	286.2	630.9
0.7	18.1	1.0	178.1	392.7
Measured Plus Indicated Plus Inferred Mineral Resources (JORC, 2012)				
Cut-off Grade Cu %	**Tonnes M**	**Cu Grade %**	**Contained Copper Kt**	**Contained Copper Mlbs**
0.2	69.6	0.6	451.9	996.3
0.5	46.3	0.8	356.4	785.8
0.7	21.9	1.0	211.6	466.5

Notes: The 0.2% Cu grade reporting cut-off grade approximates the mineralised domains extents. Mineral Resources for the Beruang Kanan Main Zone mineralisation have been estimated in conformity with generally accepted guidelines outlined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition). In the opinion of Duncan Hackman, the block model Resource Estimate and Resource classification reported herein are a reasonable representation of the copper Mineral Resources found in the defined volume of the Beruang Kanan Main mineralisation. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Ore Reserve. Computational discrepancies in the table and the body of the Report are the result of rounding.

Table 5 - The BKM Ore Reserve Estimate is summarised in the table below, June 2019 (100% Basis)

Ore Reserve Category	Volume	Tonnes	Total	Soluble	Contained Copper	
			Copper	Copper	Total	Soluble
	Mbcm	Mt	%	%	kt	kt
Proved Ore						
Chalcocite dominant	5.2	14.9	0.7	0.5	103	77
Covellite/Bornite dominant	1.6	4.4	0.5	0.5	24	20
Chalcopyrite dominant	0.6	1.9	0.6	0.2	11	3
Total Proved Ore	**7.4**	**21.1**	**0.6**	**0.5**	**137**	**101**
Probable Ore						
Chalcocite dominant	5.8	15.4	0.6	0.4	88	63
Covellite/Bornite dominant	2.9	7.8	0.5	0.4	40	31
Chalcopyrite dominant	2.7	7.2	0.5	0.1	38	11
Total Probable Ore	**11.4**	**30.4**	**0.5**	**0.3**	**166**	**105**
Proved + Probable Ore						
Chalcocite dominant	11.0	30.2	0.6	0.5	190	140
Covellite/Bornite dominant	4.5	12.2	0.5	0.4	64	51
Chalcopyrite dominant	3.3	9.1	0.5	0.2	49	14
Total Proved and Probable Ore	**18.8**	**51.5**	**0.6**	**0.4**	**303**	**206**
Waste Rock	33.1	85.0				
Waste : Ore Ratio	1.8	1.7				

Notes: The tonnes and grades shown in the 'Total's' rows are stated to a number of significant figures reflecting the confidence of the estimate. The table may nevertheless show apparent inconsistencies between the sum of components and the corresponding rounded totals.

The Ore Reserves are reported within the final pit design forming the basis of the Feasibility Study. They do not include Inferred Mineral Resources. The Ore Reserves treat Inferred Resources within the pit design as waste rock.

The Ore Reserves are reported against a variable economic cut-off grade which takes account of the ore type and varying conditions over the project life.

Beutong Project

The Beutong Project is a large porphyry copper-gold system, which comprises the Beutong East Porphyry ("BEP"), Beutong West Porphyry ("BWP") and the Beutong Skarn ("BSK"). The Beutong Project has JORC (2012) compliant Resources as shown in Table 6 below. The near surface mineralisation at BEP and BWP comprises chalcocite, covellite and digenite mineralisation with lesser chalcopyrite.

At +600 metres depth there is a notable transition to chalcopyrite-bornite mineralisation, similar to the deeper sections of other porphyry systems in Southeast Asia such as the giant high-grade Grasberg Indonesia (Freeport-McMoRan Copper & Gold), Wafi-Golpu PNG (Newcrest Mining) and Tujuh Bukit Indonesia (Merdeka Resources) porphyry deposits. At depth in the BEP, large clasts of potassic altered (biotite, potassic feldspar and magnetite) diorite porphyry with intense stockwork chalcopyrite-bornite mineralisation occur within a diatreme breccia and are interpreted to have been transported from a high-grade potassic core at depth. The BEP and BWP systems remain open in several directions and the interpreted BEP high-grade core remains untested at depth.

The Beutong Project holds an Izin Usaha Pertambangan Operasi Produksi "IUP-OP", which enables the Company to advance to the development stage. The IUP-OP provides for an initial 20 years of licence tenure which may be extended twice, each for a period of 10 years, totalling 40 years. The Company is committed to meeting in-country processing requirements and will work with companies that have pledged to build local smelters to process copper concentrate.

The 2021 work plan at Beutong will focus on community re-engagement together with a drilling and metallurgy work program.

Table 6 - Beutong Mineral Resource Estimate, January 2019 (80% Basis)

Beutong 2019 Resource Estimate - Report at 0.3% Cu Lower Cut - 80% basis										
Classification	Mineralisation	Tonnes	Grade				Metal			
JORC 2012		(Mt)	Cu%	Au (ppm)	Ag (ppm)	Mo (ppm)	Cu (Kt)	Au (koz)	Ag (Koz)	Mo (Kt)
Measured	East Porphyry	27	0.67	0.13	1.68	90	181	114	1,464	2
Indicated	East Porphyry	40	0.57	0.1	1.56	116	225	127	1,988	5
	Skarn	6	0.71	0.28	5.89	8	37	47	995	0.1
Inferred	East Porphyry	66	0.54	0.13	2.32	147	360	278	4,953	10
	West Porphyry	257	0.43	0.13	0.78	121	1,093	1,072	6,434	31
	Outer East Porphyry	5	0.36	0.06	1.12	157	16	9	158	0.80
	Outer West Porphyry	4	0.36	0.1	0.84	54	14	13	106	0.24
	Skarn	4	0.67	0.24	5.1	10	26	30	635	0
Measured	**Total**	**27**	**0.67**	**0.13**	**1.68**	**90**	**181**	**114**	**1,464**	**2**
Indicated	**Total**	**46**	**0.58**	**0.12**	**2.07**	**104**	**262**	**174**	**2,983**	**5**
Inferred	**Total**	**336**	**0.45**	**0.13**	**1.14**	**125**	**1,509**	**1,401**	**12,286**	**42**
	Total	**409**	**0.48**	**0.13**	**1.28**	**120**	**1,951**	**1,689**	**16,734**	**49**

Beutong 2019 Resource Estimate - Report at 0.5% Cu Lower Cut - 80% basis										
Classification	Mineralisation	Tonnes	Grade				Metal			
JORC 2012		(Mt)	Cu%	Au (ppm)	Ag (ppm)	Mo (ppm)	Cu (Kt)	Au (koz)	Ag (Koz)	Mo (Kt)
Measured	East Porphyry	22	0.72	0.13	1.74	92	160	93	1,241	2
Indicated	East Porphyry	26	0.64	0.1	1.66	119	168	84	1,400	3
	Skarn	3	0.84	0.34	6.51	7	30	39	749	0.02
Inferred	East Porphyry	37	0.63	0.14	2.49	164	234	166	2,954	6
	West Porphyry	36	0.57	0.11	0.88	142	207	129	1,027	5
	Outer East Porphyry	-	0.55	0.09	1.22	226	1	1	6	0.03
	Outer West Porphyry	-	0.57	0.08	1.84	51	1	0.5	11	0.01
	Skarn	2	0.8	0.27	5.68	8	22	24	498	0.02
Measured	**Total**	**22**	**0.72**	**0.13**	**1.74**	**92**	**160**	**93**	**1,241**	**2**
Indicated	**Total**	**30**	**0.66**	**0.13**	**2.24**	**105**	**198**	**123**	**2,149**	**3**
Inferred	**Total**	**76**	**0.61**	**0.13**	**1.83**	**148**	**464**	**320**	**4,497**	**11**
	Total	**128**	**0.64**	**0.13**	**1.91**	**128**	**822**	**536**	**7,886**	**17**

Notes

1. *Duncan Hackman B.App,Sc, MSc, MAIG from Hackman Associates, is responsible for this Mineral Resource Estimate and is a Competent Person within the meaning of JORC (2012) and for the purposes of the AIM Rules for Companies.*
2. *The Mineral Resource is reported using a cut-off grade of 0.3% and 0.5% copper*
3. *The Mineral Resource is considered to have reasonable potential for eventual economic extraction by open pit and underground mining*
4. *Mineral Resources are not Ore Reserves and do not have demonstrated economic viability*
5. *This statement uses terminology, definitions and guidelines given in the JORC Code (2012 Edition)*
6. *The Mineral Resource is reported on an 80% basis*

Other KSK CoW Projects

The technical team has delineated a pipeline of 13 separate copper, gold and polymetallic targets on the KSK CoW additional to the deposits already defined at BKM and BKZ. These targets include the BKW and BKS prospects as well as Beruang Tengah, Gold Ridge, Mamuring, Volcano, Waterfall, Ketambung, Lakapoi, Rinjin, Baroi Central and South, Baroi Far East Zone, Mansur, Huoi and Focus. Previous geophysical, soil sampling and scout drilling programs have identified significant copper, zinc and associated base and precious metal mineralisation warranting further exploration.

BKZ Project

The BKZ Project is located less than 800 metres north of the BKM project is defined by a strong zinc-lead-copper in soil anomaly measuring 400 metres by 200 metres, coincident with outcrops of massive sulphide.

The Mineral Resource Estimate, prepared in accordance with JORC (2012), for the BKZ polymetallic deposit are included in Table 7 below. The BKZ deposit remains open in multiple directions and is expected to grow significantly with further drilling.

Table 7 - BKZ Mineral Resource Estimate, April 2018 (100% basis)

BKZ Polymetallic Deposit Inferred Resource Estimate *(JORC Code, 2012)*									
Upper Polymetallic Zone. High Grade Zinc, Lead, Silver and Gold Domain. Inferred Resources (JORC 2012) *									
Reporting Cut (Zn%)	**Tonnes (kt)**	**Grade**				**Contained Metal**			
		Zn (%)	**Pb (%)**	**Ag (ppm)**	**Au (ppm)**	**Zn (kt)**	**Pb (kt)**	**Ag (koz)**	**Au (koz)**
4.0	750	8.0	3.4	50	0.35	60	26	1,206	8.4
Upper Polymetallic Zone. Low Grade Zinc, Lead, Silver and Gold Domain. Inferred Resources (JORC 2012) **									
Reporting Cut (Zn%)	**Tonnes (kt)**	**Grade**				**Contained Metal**			
		Zn (%)	**Pb (%)**	**Ag (ppm)**	**Au (ppm)**	**Zn (kt)**	**Pb (kt)**	**Ag (koz)**	**Au (koz)**
1.0	590	1.6	0.5	13	0.15	9	3	247	2.8
Lower Copper Zone. Copper and Silver Mineralisation. Inferred Resources (JORC 2012)									
Reporting Cut (Cu%)	**Tonnes (kt)**	**Grade**				**Contained Metal**			
		Cu (%)		**Ag (ppm)**		**Cu (kt)**		**Ag (koz)**	
0.5	1,100	1.1		13		12		460	

** Lowest estimated Zn grade in the high grade zinc domain is 4.1% Zn*

*** Highest estimated Zn grade in the low grade zinc domain is 4.2% Zn*

Notes: Lower Zn and Cu grade reporting cuts approximate the mineralised domains extents. Mineral Resources for the BKZ Polymetallic Project have been estimated and reported under the guidelines detailed in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). In the opinion of Duncan Hackman, the block model, resource estimate and resource classification reported herein are a reasonable representation of the Mineral Resources found in the defined area of the BKZ Polymetallic Project. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Ore Reserve. Computational discrepancies in the table and the body of the Release are the result of rounding.

Corporate Social Responsibility (CSR) Programme

While there are no villages in the KSK CoW area, the Company has had a long association and close working relationship with Yayasan Tambuhak Sinta ("YTS") to deliver CSR programs to several Dayak villages located along the Kahayan River and predominantly downstream of the KSK CoW area. The Company, through YTS, continues to provide support to 22 villages. This year these programs will be expanded to 32 villages to include villages along the road access to the BKM project.

The Company's programmes are focussed on strengthening village governance through training and capacity-building, improving economic livelihood activities, and helping our communities take greater responsibility for their own development agenda through participatory planning and active engagement with local government.

During the year, the Company completed the second of a two-year capacity building social forestry programme in eight villages that enabled these communities to obtain permits to manage forestry land within the village area. This included agricultural training to enhance village sustainability.

The Strategic Report has been approved by the Board and signed on its behalf by:

Tony Manini
Chairman
24 May 2021

Board of Directors

Antony (Tony) Manini, Director and Executive Chairman

Tony Manini is a geologist with over 30 years diverse experience in the resources industry. His background covers a wide range of commodities in more than 20 countries and includes technical, commercial, senior management and executive roles in exploration, project evaluation, business development, strategy and operations with Rio Tinto, Oxiana / OZ Minerals, Tigers Realm Group and EMR Capital.

Tony is a founder and the CEO of private incubator company, Tigers Realm Group and is a co-founder of resources private equity firm, EMR Capital. He has been closely involved in the discovery and development of multiple mines and deposits in Laos, Indonesia, Australia and FE Russia and has listed three highly successful junior exploration companies each of which has made a major discovery (Tigers Realm Coal – ASX; Nexgen Energy – TSX and Asiamet Resources). Tony is also currently an Executive Director of EMR Capital and a Director of Carube Copper Inc.

Dominic Heaton, Non-Executive Director

Dominic Heaton has over 27 years of global resource industry experience across a diverse range of commodities. For seven years from 2010, Dominic was the inaugural Chief Executive Officer of Masan Resources and led the development and operations of the Nui Phao tungsten – polymetallic project in Vietnam. Earlier in his career, he served a variety of management roles at Aurora Gold, Oxiana / OZ Minerals and at MMG where he was General Manager of the 60,000tpa Sepon SX-EW copper project in Laos and as General Manager of Operations of Martabe gold mine in Indonesia.

Dominic holds a Bachelor of Science from James Cook University, Townsville, Australia and a Post Graduate Diploma in Mineral Processing Technology from La Trobe University, Australia. He has also completed an Advanced Management Program with the Mt Eliza arm of the Melbourne Business School.

Dominic is a member of Australian Institute of Mining & Metallurgy and Australian Institute of Company Directors.

Dr. Peter Pollard, Non-Executive Director

Peter Pollard is a consulting economic geologist with more than 30 years' experience. He holds a PhD from James Cook University, Australia and is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Society of Economic Geologists. Dr Pollard has consulted widely on porphyry copper-gold, iron oxide copper-gold and intrusion-related copper and gold deposits.

Peter has worked on some of the world's major porphyry copper-gold deposits including Grasberg (Indonesia), Escondida Norte (Chile), Oyu Tolgoi (Mongolia) and Ok Tedi (Papua New Guinea). In addition, he has consulted on porphyry exploration programs in Australia, China, Indonesia, Iran, Kazakhstan, Mongolia, Peru, U.S.A. and Vietnam. Dr Pollard is also a non-executive director of Sentinel Resources Corp. (CSE: SNL)(US OTC PINK: SNLRF).

Faldi Ismail, Non-Executive Director

Faldi Ismail has significant experience working as a corporate advisor specialising in the restructure and recapitalisation of a wide range of ASX-listed companies has many years of investment banking experience and has advised on numerous cross border transactions including capital raisings, structuring of acquisitions and joint ventures overseas. Faldi is currently a Director of several ASX-Listed companies. Faldi was the Deputy Chairman and CEO of Asiamet from April 2011 until January 2015.

Feng (Bruce) Sheng, Non-Executive Director

Bruce Sheng is the Chairman of Melbourne based Asipac Group Pty Ltd, a diversified company with investments across the resources and financial sectors, and various property businesses. Bruce also currently serves as Vice Chairman of the Australia China Business Council (Victoria) and the Executive Chairman of ASX listed Terramin Australia Ltd, a company developing a portfolio of zinc and gold projects in Australia and Algeria.

Eva Armila Djauhari, Non-Executive Director

Eva Armila Djauhari is a prominent Indonesian lawyer with extensive mining related experience in both the private and public sectors. She is the founding partner of Armila and Rako Law and has worked extensively with key mining related Associations and Institutes advising the Government of Indonesia on various mining law and policy matters, and the promotion of foreign investment. She is a member of the National Mining Policy Formulation Team (Tim Formulasi Kebijakan Tambang) preparing Indonesian mining policy.

Eva has a Bachelor of Law from Padjadaran University (Indonesia), a Master of Law from Queensland University (Australia) and an MBA from Queensland University of Technology (Australia).

Eva joined the Board on 5 May 2021.

Directors' Report

The Directors present their annual report on the affairs of the Group, together with the Financial Statements and Auditor's Report for the year ended 31 December 2020.

Principal activities

The Group is engaged in the business of exploring and developing its mineral properties in Indonesia. The review of the business and future strategy is covered in the Chairman's Statement on page 5.

Fundraising and share capital

During the year the Company raised $3.898 million[5] (2019: $4.133 million) of new equity by the issue of 373.399 million shares (2019: 87.348 million shares). Further details are given in note 16 to the Financial Statements.

Results and dividends

The results of the Group for the year ended 31 December 2020 are set out in the Consolidated Statement of Comprehensive Loss on page 34. The Directors do not recommend the payment of a dividend for the year (2019: nil)

Directors and Directors' interests

The Directors who served during the period to date are as follows:

Tony Manini
Dominic Heaton
Peter Pollard
Faldi Ismail
Bruce Sheng
Eva Armila Djauhari (appointed 5 May 2021)
Peter Bird (resigned 31 January 2020)

The direct and beneficial shareholdings of the Board in the Company as at 31 December 2020 were as follows:

	Shares			% of issued		
	Direct	**Beneficial**	**Total**	**Share capital**	**Options**	**Warrants**
T Manini	**2,808,141**	**43,950,494**	**46,758,635**	**3.16%**	**6,750,000**	**-**
P Bird (1)	**197,647**	**181,818**	**379,465**	**0.03%**	**-**	**-**
D Heaton	**2,977,651**	**-**	**2,977,651**	**0.20%**	**-**	**-**
P Pollard	**2,753,858**	**-**	**2,753,858**	**0.19%**	**1,000,000**	**-**
F Ismail	**9,745,357**	**5,979,395**	**15,724,752**	**1.06%**	**800,000**	**-**
B Sheng	**-**	**120,761,364**	**120,761,364**	**8.16%**	**-**	**2,240,896**

(1) Closing balance represents the balance at date of departure.

The direct and beneficial shareholdings of the Board in the Company as at 31 December 2019 were as follows:

	Shares			% of issued		
	Direct	**Beneficial**	**Total**	**Share capital**	**Options**	**Warrants**
T Manini	1,726,133	32,166,050	33,892,183	3.08%	9,750,000	-
P Bird	197,647	181,818	379,465	0.03%	10,250,000	-
D Heaton	1,910,395	-	1,910,395	0.17%	-	-
P Pollard	1,671,850	-	1,671,850	0.15%	1,400,000	-
F Ismail	663,349	5,979,395	6,642,744	0.60%	1,100,000	-
B Sheng	-	73,904,723	73,904,723	6.71%	-	2,240,896

[5] Includes $0.123 million of related party loans converted to shares. See note 13 for details on related party loans.

Purchase of shares and exercise of warrants and options

On 25 March 2020 Tony Manini subscribed for 11,784,444 shares of the Company as part of the March 2020 private placement at a price of GBP0.009 per share for a total consideration of $0.123 million.

On 25 March 2020 Bruce Sheng subscribed for 46,337,856 shares of the Company as part of the March 2020 private placement at a price of GBP0.009 per share for a total consideration of $0.483 million.

On 25 March 2020 Faldi Ismail subscribed for 8,000,000 shares of the Company as part of the March 2020 private placement at a price of GBP0.009 per share for a total consideration of $0.083 million.

See note 19(a) of the Financial Statements for details of Director share purchases subsequent to year end.

Director remuneration ($)

Director		Salary / consulting fees	Directors fees (3)	Other (4)	Performance incentives (5)	Total remuneration
T Manini (1)	**2020**	**75,952**	**35,000**	**-**	**-**	**110,952**
	2019	62,347	35,000	-	-	97,347
P Bird (2)	**2020**	**17,822**	-	**127,710**	**-**	**145,532**
	2019	201,586	-	14,298	12,256	228,140
D Heaton	**2020**	**-**	**35,000**	**-**	**-**	**35,000**
	2019	-	35,000	-	-	35,000
P Pollard	**2020**	**-**	**35,000**	**-**	**-**	**35,000**
	2019	-	35,000	-	-	35,000
F Ismail	**2020**	**-**	**35,000**	**-**	**-**	**35,000**
	2019	-	35,000	-	-	35,000
B Sheng	**2020**	**-**	**35,000**	**-**	**-**	**35,000**
	2019	-	16,781	-	-	16,781
Total	**2020**	**93,774**	**175,000**	**127,710**	**-**	**396,484**
	2019	263,933	156,781	14,298	12,256	447,268

(1) Refer to note 13 for details on salary and consulting fees paid.

(2) Peter Bird resigned as a Director on 31 January 2020.

(3) Directors received their fees in the form of performance rights.

(4) Includes superannuation, pensions, termination and other benefits provided.

(5) Includes Short Term Incentives (2019: nil) and Long Term Incentives (fair value of options) earned.

Director incentives and performance rights

In the year to 31 December 2020, the Company recorded $0.175 million of performance rights (2019: $0.156 million) as payment for director fees. The performance rights will be issued after the Audited Annual Accounts have been released and will vest immediately. The number of ordinary shares received will be determined by the share price at the time of issue.

In the year to 31 December 2020, no options were granted to Directors (2019: nil). As at 31 December 2020, 8.55 million (2019: 22.50 million) options issued to Directors were outstanding.

Subsequent events

Events after the reporting period have been disclosed in note 19 to the Financial Statements.

Corporate governance

The Company has set out its full Corporate Governance Statement on page 26.

Risk management

The Group is exposed to a variety of financial risks and the impact on the Company's financial instruments are summarised in the Risk Management Report on page 21.

This Directors' Report has been approved by the Board and signed on its behalf by:

Tony Manini
Chairman
24 May 2021

Risk Management Report

The Company has undertaken an evaluation of the risks it is exposed to as a result of the environment it operates in. The Company's risk exposures and the impact on the Company's financial instruments are similar to those reported in the previous Annual Report and are summarised as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, receivables, and balances receivable from the government. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions in business and savings accounts which are available on demand by the Company for its programs. The Company does not invest in money market funds.

Financing Risk

The successful exploration of natural resources on any project requires significant capital investment. The Group currently sources finance through the issue of additional equity capital. The Group's ability to raise further funds will depend on the success of its investment strategy and acquired operations. The Group successfully raised capital recently, which places it in a strong position, however, the Group may not be successful in procuring the requisite funds on terms which are acceptable to take the project forwards and, if such funding is unavailable, the Group may be required to reduce the scope of its investments or anticipated expansion. As the Group is currently in the exploration stage it does not generate revenues and is therefore reliant on its cash resources and obtaining additional financing to fund its operations, should the cash resources deplete and should there be a lack of available financing alternatives the Group may find it difficult to fund its working capital.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's current financial liabilities are anticipated to mature within the next ninety days.

Exploration and Development Risk

The exploration and mining business is controlled by a number of global factors, principally supply and demand which in turn is a key driver in global metal prices; these factors are beyond the control of the Group. Exploration is a high-risk business and there can be no guarantee that any mineralisation discovered will result in proven and probable reserves or go on to be an operating mine. At every stage of the exploration process the projects are rigorously reviewed, both internally and by qualified third party consultants to determine if the results justify the next stage of exploration expenditure, ensuring that funds are only applied to high priority targets.

The Company undertakes the necessary technical geophysical testing to ensure the target generation exercise is systematic. This data is then prioritised to give the Company the best possible chance to deliver a successful exploration program.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

Interest Rate Risk: The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and short-term investments and on the Company's obligations are not considered significant.

Foreign Currency Risk: The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates against the Company's functional currency, which is the United States dollar ("USD"). The Company generally undertakes equity raises in Great British Pounds ("GBP") in the United Kingdom. The Company conducts its business in Indonesia in Indonesian Rupiah ("IDR") with a significant portion of expenditures being denominated in USD. A portion of the Company's business is conducted in GBP and Australian dollars ("AUD"). As such, it is subject to risks due to fluctuations in the exchange rates between the USD and each of the IDR, GBP and AUD. A significant change in the currency exchange rates between the USD relative to foreign currencies could have an effect on the Company's results of operations, financial position and/or cash flows. The Company has not hedged its exposure to currency fluctuations.

Commodity Price Risk - While the value of the Company's core mineral resource properties, the KSK CoW and the Beutong IUP-OP are related to the price of copper and gold and the outlook for these minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect of its operational activities.

Historically, gold and copper prices have fluctuated and are affected by numerous factors outside of the Company's control, including but not limited to: industrial and retail demand; central bank lending; forward sales by producers and speculators; levels of worldwide production; short-term changes in supply and demand because of speculative hedging activities; and other factors related specifically to gold.

Licencing Risk

The Group's exploration and development activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations or performance criteria. Such licences and permits are as a practical matter subject to the discretion of the applicable Government office or regulatory authority. The Group must comply with known standards, existing laws and regulations that may entail costs and delays depending on the nature of the activity to be permitted. The interpretations, amendments to existing laws and regulations, or more stringent enforcement of existing laws and regulations could have a material adverse impact on the Group's results of operations and financial condition. Whilst the Group continually seeks to do everything within its control to ensure that the terms of each licence are met and adhered to, third parties may seek to exploit any technical breaches in licence terms for their own benefit. There is a risk that negotiations with a Government in relation to the grant, renewal or extension of a licence may not result in the grant, renewal or extension taking effect prior to the expiry of the previous licence period, and there can be no assurance of the terms of any extension, renewal or grant.

Political Risk

In conducting operations in Indonesia, the Company is subject to considerations and risks related to the political, economic and legal environments in which the Company operates. Among other things, the Company's results may be impacted by changes in the political and social conditions in Indonesia, and by changes in governmental policies with respect to mining laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation.

This Risk Management Report has been approved by the Board and signed on its behalf by:

Tony Manini
Chairman
24 May 2021

Stakeholder Engagement Statement

Although not required, the Company has included a Stakeholder Engagement Statement, in line with industry good practice. This Statement is based on section 172 of the Companies Act 2006. The Directors believe they have acted in the way most likely to promote the success of the Group for the benefit of its members as a whole, as required by Section 172 of the Companies Act 2006.

This Statement should be read in conjunction with the overview of operations in the Strategic Report as well as the Corporate Governance Statement.

Section 172 requires Directors to act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, taking into account a number of factors. Set out below are those factors and how the Directors have acted accordingly.

1. **The likely consequences of any decision in the long term:**

   The Board is focussed on the development of its two key assets: the BKM Project and the Beutong Project. All decisions are made with the view to the long-term successful development of each of these projects. Further details relating to the various initiatives that have been implemented by the Board in relation to these projects are contained in the Chairman's Statement and the Strategic Report. Further, the Risk Management Report contains details of the principal risks confronting the Company and the Corporate Governance Statement contains the principles by which the Board operates to ensure the successful implementation of the Board's strategy.

2. **The interests of the Company's employees:**

   The Board considers the Company's employees and contractors to be key to the successful running of its business and is aware that the objectives of the Company being met will depend on the ability to attract, motivate and retain employees and contractors. The corporate culture of the Company is promoted through its employees and contractors and is underpinned by compliance with local regulations and the implementation and regular review and enforcement of various policies: Health and Safety Policy; Share Dealing Policy; Code of Conduct; Anti-bribery and Corruption Policy, IT, communications and systems Policy and Social Media Policy, so that all aspects of the Company are run in a robust and responsible way. The Board recognises that their decisions regarding strategy and risk will impact the corporate culture and that this will impact performance and considers that it has systems in place to ensure that the best interests of the employees and contractors are looked after.

3. **The need to foster the Company's business relationships with suppliers, customers and others:**

   There are a number of key relationships and resources that are fundamental to the Company's success, which include, amongst other things, relationships with suppliers, customers and its shareholders. These relationships are key components to the successful running of the Company's projects and are reviewed by the Board and management on a regular basis to ensure that all potential risks are mitigated. To the extent any issues or concerns come to light following such review, or upon engagement with such stakeholders, the Company seeks to address matters in an expeditious manner in order to preserve and strengthen relationships. Further details of the how the Company communicates with its shareholders can be found in the Corporate Governance Statement.

4. The impact of the Company’s operations on the community and the environment:

The exploration for and development of mineral resources can have significant impact in the areas where the Company and its contractors are active and it is important that the communities in which we operate view Company’s activities positively. The Company’s Corporate Social Responsibility programme is summarised in the Strategic Report. In respect of the environment, the Company has strict obligations to comply with local Indonesian environmental laws and to perform an environmental impact assessment where required as part of the mine development process.

5. The desirability of the Company maintaining a reputation for high standards of business conduct:

As set out in the Chairman’s Statement, the Company is focussed on maintaining a corporate culture with adherence to a robust corporate governance regime. The Corporate Governance Statement, specifically principles 8 and 9, set out how the Company achieves these objectives.

6. The need to act fairly between members of the Company:

The Company has a number of key relationships that are fundamental to the Company's success which are reviewed by the Board and management on a regular basis. To the extent any issues or concerns come to light following such review, or upon engagement with such stakeholders, the Company seeks to address matters in an expeditious manner in order to preserve and strengthen relationships. In addition the Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Further details are contained in the Corporate Governance Statement.

Corporate Governance Statement

Asiamet continues to be guided by the Quoted Companies Alliance Corporate Governance Code. Throughout the past year, the Company has complied with all aspects of the QCA Code and completed periodic reviews of its charter in order to maintain the robustness of its governance systems. No material issues were identified over the past twelve months.

The Company is committed to maintaining the highest standards in corporate governance throughout its operations and to ensure all of its practices are conducted transparently, ethically and efficiently. The Company believes scrutinising all aspects of its business and reflecting, analysing and improving its procedures will result in the continued success of the Company and improve shareholder value. Therefore, and in accordance with the AIM Rules for Companies (as updated from time to time), the Company has chosen to formalise its governance policies by complying with the UK's Quoted Companies Alliance Corporate Governance Code (the "QCA Code").

The key challenges facing the company have been set out above in the Chairman’s Statement.

QCA Code

The 10 principles set out in the QCA Code are listed below, with an explanation of how the Company applies each of the principles and the reason for any aspect of non-compliance. There were no key governance related matters that occurred during the year.

1. Establish a strategy and business model which promote long-term value for shareholders

The strategic vision of the Company is to build a leading Asia Pacific copper-gold company leveraging off the three core fundamentals it has put in place for delivering on this vision:

1. High quality project pipeline;
2. Highly qualified and experienced team with a proven track record of finding resources and building mines; and
3. Supportive and strategically aligned shareholder base.

The key challenges facing the company have been set out in the Risk Management report on pages 22 to 24.

2. Seek to understand and meet shareholder needs and expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company’s Annual General Meeting and any other General Meetings that are held throughout the year.

Investors also have access to current information on the Company through its website www.asiametresources.com and through updates as provided by management, who are available to answer investor relations enquiries. The Company provides regulatory, financial and business news updates through the Regulatory News Service in accordance with the AIM Rules for Companies.

3. **Take into account wider stakeholder and social responsibilities and their implications for long term success**

   There are a number of key relationships and resources that are fundamental to the Company's success, which include, amongst other things, relationships with local communities, governments, suppliers, contractors, employees and customers. These relationships are key components to the successful running of the Company's projects and are reviewed by the Board and management on a regular basis to ensure that all potential risks are mitigated. To the extent any issues or concerns come to light following such review, or upon engagement with such stakeholders, the Company seeks to address matters in an expeditious manner in order to preserve and strengthen relationships.

4. **Embed effective risk management, considering both opportunities and threats, throughout the organisation**

   The Board regularly reviews the risks to which the Company is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible whilst recognising that its business opportunities carry an inherently high level of risk. The principal risks and uncertainties facing the Company at this stage and in the foreseeable future are detailed in the Risk Management report on page 22 together with risk mitigation strategies employed by the Board.

5. **Maintain the board as a well-functioning, balanced team led by the Chairman**

   The Board's role is to agree the Company's long-term direction and strategy and monitor achievement of key milestones against its business objectives. The Board meets formally at least four times a year for these purposes and holds additional meetings when necessary to transact other business. The Board receives reports for consideration on all significant strategic, operational and financial matters.

   During the year, the board comprised of an Executive Chairman (Tony Manini) and four NEDs (Peter Pollard, Faldi Ismail, Dominic Heaton and Bruce Sheng). Each Director serves on the Board until the Annual General Meeting following his election or appointment. The Company is currently seeking a replacement CEO following the departure of the CEO (Peter Bird) in January 2020. The Executive Director and CEO will work full time for the Company. NEDs are committed to devote at least 12 days per year to the Company.

   The Board considers that appropriate oversight of the Company is provided by the currently constituted Board. The Board as a whole also considers the NEDs to be independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

   The Board delegates certain aspects of its responsibilities to the Board committees which have terms of reference as listed below.

   The table below sets out the number of Board Committee meetings held during the year ended 31 December 2020 and each Director's attendance at those meetings.

	Board		Audit (1)		Remuneration & Nomination (1)	
	Held	Attended	Held	Attended	Held	Attended
T Manini	8	8	-	-	2	2
P Bird (2)	2	2	-	-	-	-
D Heaton	8	8	-	-	2	2
P Pollard	8	8	3	3	-	-
F Ismail	8	7	3	3	2	2
F Sheng	8	8	-	-	-	-

(1) NEDs who sit on the Audit and Remuneration & Nomination Committees are not paid additional fees.

(2) Peter Bird resigned as a Director on 31 January 2020.

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board considers the current balance of sector, financial and public market skills and experience which it embodies is appropriate for the size and stage of development of the Company and that the Board has the skills and requisite experience necessary to execute the Company's strategy and business plan whist also enabling each Director to discharge his fiduciary duties effectively. Details of the current Board of Directors biographies is provided on page 16.

The Board reviews annually, and when required, the appropriateness of its mix of skills and experience to ensure that it meets the changing business needs.

The Company has a professional Company Secretary in the UK who assists the Chairman in preparing for and running effective board meetings, including the timely dissemination of appropriate information. The Company Secretary provides advice and guidance to the extent required by the board on the legal and regulatory environment.

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Review of the Company's progress against the long-term strategy and aims of the business provides a means to measure the effectiveness of the Board. This progress is reviewed in Board meetings held at least four times a year. The Chief Executive Officer's performance is reviewed once a year by the rest of the Board and measured against a definitive list of short, medium and long-term strategic targets set by the Board.

The Company conducts periodic reviews of its Board succession planning protocols which includes an assessment of the number of board members and relative experience of each board member vis-a-vis the Company's requirements given its stage of development, with the goal of having in place an adequate and sufficiently experienced board at all times.

8. Promote a corporate culture that is based on ethical values and behaviours

The corporate culture of the Company is promoted throughout its employees and contractors and is underpinned by compliance with local regulations and the implementation and regular review and enforcement of various policies: Health and Safety Policy; Share Dealing Policy; Code of Conduct; Anti-bribery and Corruption Policy, IT, communications and systems Policy and Social Media Policy so that all aspects of the Company are run in a robust and responsible way.

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company and that this will impact performance. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company and the way that employees behave. The exploration for and development of mineral resources can have significant impact in the areas where the Company and its contractors are active and it is important that the communities in which we operate view Company’s activities positively. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this is reflected in all the Company does.

The Company has an established code for Directors’ and employees’ dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with Rule 21 of the AIM Rules for Companies and the Market Abuse Regulation.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board is responsible for setting the vision and strategy for the Company to deliver value to the Company’s shareholders by effectively putting in place its business model.

The roles and responsibility of the Chairman, CEO and other Directors are laid out below:

- The Executive Chairman’s primary responsibilities are supporting management to achieve the long-term objectives of the Company, providing leadership of the Board and ensuring effective conduct of the Board’s function and the Company's corporate governance model.
- The CEO is responsible for implementing the strategy of the Board and managing the day-to-day business activities of the Company. The CEO works with the chair and NEDs in an open and transparent way and keeps the chair and NEDs up to date with operational performance, risks and other issues to ensure that the business remains aligned with the strategy.
- The Company’s NED'S participate in all board level decisions and play a particular role in the determination and articulation of strategy. The Company’s NED’s provide oversight and scrutiny of the performance of the Executive Directors, whilst both constructively challenging and inspiring them, thereby ensuring the business develops, communicates and executes the agreed strategy and operates within the risk management framework
- The Company Secretary is responsible for ensuring that Board procedures are followed and applicable rules and regulations are complied with.

The Board is supported by the audit and the remuneration and the nomination committee as described below.

Audit Committee

The purpose of the Audit Committee is to monitor the integrity of the financial statements of the Company and assists the Board in meeting responsibilities in respect of external financial reporting and internal controls.

The Audit Committee has two NEDs - currently Peter Pollard and Faldi Ismail and meets at least twice a year. The Company’s Chief Financial Officer also attends those meetings.

A copy of the terms of reference of the Audit Committee can be found on the Company’s website.

Remuneration and Nomination Committee

The purpose of the Remuneration and Nomination Committee is to review the pay and employment conditions across the Company, including the Board of Directors, approving targets and performance related pay schemes operated by the Company and all share incentive plans and pension arrangements and identifying suitable candidates from a wide range of backgrounds to be considered for positions on the board.

The Remuneration and Nomination Committee has two NEDs - currently Dominic Heaton and Faldi Ismail and aims to meets at least once a year or as required.

A copy of the terms of reference of the Remuneration and Nomination Committees can be found on the Company’s website.

Given the small number of meetings held by of each of the above-mentioned Committees, neither have produced a separate report, however the Company intends to review this requirement on an annual basis.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company.

The Company also provides regular updates on the progress of the Company, detailing recent business and strategy developments, in news releases which is available on the Company's website www.asiametresources.com and through certain social media channels.

The Company’s financial reports can be found on their website www.asiametresources.com. The Company has elected to host its Annual General Meeting in London. The Directors believe hosting the Annual General Meeting in London will enhance engagement with the Company's shareholders by making the meeting more accessible.

The board would be delighted to receive feedback from shareholders. Communications should be directed to info@asiametresources.com. The management of the Company actively manage the relationship between the Company and its shareholders and will review and report to the board on any communications received.

The Corporate Governance Report has been approved by the Board and signed on its behalf by:

Tony Manini
Chairman
24 May 2021

Directors' Responsibility Statement

The Directors are responsible for preparing the Directors' Report, the Risk Management Report, and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. The Directors are required by the AIM Rules for Companies of the London Stock Exchange to prepare Group financial statements in accordance with International Financial Reporting Standards ("IFRS") and have elected under company law to prepare the Company Financial Statements in accordance with IFRS.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and Company for that period.

In preparing the Group and Company Financial Statements, the Directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and accounting estimates that are reasonable and prudent;
3. state whether they have been prepared in accordance with IFRS; and
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Asiamet website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Contents

Consolidated Statement of Financial Position

As at 31 December 2020

	Note	2020 $'000	2019 $'000
Assets			
Current assets			
Cash		**1,179**	418
Receivables and other assets	*11*	**4**	50
		1,183	468
Assets classified as held for sale	*8*	**125**	-
		1,308	468
Non-current assets			
Plant and equipment	*12*	**39**	197
Right-of-use assets	*15*	**3**	236
Receivables and other assets	*9b), 11*	**5**	86
		47	519
Total assets		**1,355**	987
Liabilities and Equity			
Current liabilities			
Trade and other payables		**391**	396
Provisions	*14*	**253**	89
Lease liabilities	*15*	**278**	78
		922	563
Liabilities directly associated with the assets classified as held for sale	*8*	**753**	-
		1,675	563
Non-current liabilities			
Provisions	*14*	**81**	473
Lease liabilities	*15*	**-**	237
		81	710
Total liabilities		**1,756**	1,273
Equity			
Share capital	*16*	**14,752**	10,969
Equity reserves		**56,661**	56,435
Other comprehensive income		**83**	74
Accumulated deficit		**(68,644)**	(64,511)
Other reserves		**(3,246)**	(3,246)
Parent entity interest		**(394)**	(279)
Non-controlling interest		**(7)**	(7)
		(401)	(286)
Total liabilities and equity		**1,355**	987

Consolidated Statement of Comprehensive Loss
For the year ended 31 December 2020

	Note	2020 $'000	2019 $'000
Continuing Operations			
Expenses			
Exploration and evaluation	*9a)*	**(190)**	(640)
Employee benefits		**(960)**	(890)
Consultants		**(453)**	(359)
Legal and Company Secretarial		**(24)**	(17)
Accounting and audit		**(30)**	(83)
General and administrative		**(268)**	(383)
Depreciation		**(55)**	(110)
Share-based compensation	*16e)*	**(175)**	(298)
		(2,155)	(2,780)
Other items			
Foreign exchange gain		**354**	98
Interest income		**1**	2
Finance costs	*13, 15*	**(27)**	(25)
Impairment expense	*11, 12, 15*	**(305)**	(46)
Other income		**71**	2
		94	31
Net loss before tax from continuing operations		**(2,061)**	(2,749)
Income tax expense		**-**	-
Net loss for the year from continuing operations		**(2,061)**	(2,749)
Discontinued operations			
Loss after tax for the year from discontinued operations	*8*	**(2,072)**	(4,434)
Net loss for the year		**(4,133)**	(7,183)
Item that may not be reclassified subsequently to profit or loss:			
Actuarial gain on employee service entitlements	*14*	**9**	64
Total comprehensive loss for the year		**(4,124)**	(7,119)
Net loss attributable to:			
Equity holders of the parent		**(4,040)**	(6,995)
Non-controlling interests		**(93)**	(188)
Total comprehensive loss attributable to:			
Equity holders of the parent		**(4,031)**	(6,931)
Non-controlling interests		**(93)**	(188)
Basic and diluted loss per common share		**(0.00)**	(0.01)
Weighted average number of shares outstanding (thousands)		**1,414,666**	1,044,185

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	Notes	2020 $'000	2019 $'000
Operating activities			
Loss before tax from continuing operations		**(2,061)**	(2,749)
Loss before tax from discontinued operations	8	**(2,072)**	(4,434)
Loss before tax		**(4,133)**	(7,183)
Adjustments for:			
Share-based compensation	*16e)*	**175**	298
Depreciation		**81**	133
Settlement of consulting fees via issue of ARS shares	*16b)*	**-**	200
Net foreign exchange gain		**(18)**	(32)
Impairment expenses	*11, 12, 15*	**335**	724
Finance costs	*13, 15*	**27**	26
Movements in provisions		**271**	198
Changes in working capital:			
Receivables and other assets		**34**	27
Value Added Tax ("VAT")		**-**	(154)
Trade and other payables		**258**	(515)
		(2,970)	(6,278)
Interest payments	*13, 15*	**(27)**	(26)
Refund of security deposit		**15**	10
Net cash flows used in operating activities		**(2,982)**	(6,294)
Investing activity			
Purchases of property, plant and equipment		**(4)**	(38)
Net cash flows used in investing activities		**(4)**	(38)
Financing activities			
Payment of principal portion of lease liabilities	*15*	**(80)**	(48)
Proceeds from related party loans	*13a)*	**380**	-
Repayment of related party loans	*13a)*	**(257)**	-
Proceeds from warrants and options exercises		**-**	237
Proceeds from equity raising		**3,775**	4,133
Equity raising costs		**(64)**	(251)
Net cash flows from financing activities		**3,754**	4,071
Increase/(decrease) in cash		**768**	(2,261)
Cash at beginning of the year		**418**	2,679
Cash at end of the year		**1,186**	418

Consolidated Statement of Changes in Equity
For the year ended 31 December 2020

	Share capital $'000	Equity reserves $'000	Other comprehensive income $'000	Accumulated deficit $'000	Other reserves $'000	Total equity attributable to the parent $'000	Non-controlling interests $'000	Total $'000
Balance at 1 January 2019	9,983	52,804	10	(57,328)	(3,246)	2,223	(7)	2,216
Loss for the year	-	-	-	(6,995)	-	(6,995)	(188)	(7,183)
Other comprehensive income	-	-	64	-	-	64	-	64
Total comprehensive income	-	-	64	(6,995)	-	(6,931)	(188)	(7,119)
Transactions with owners in their capacity as owners								
Equity raising	873	3,260	-	-	-	4,133	-	4,133
Warrant exercises	19	122	-	-	-	141	-	141
Option exercises	26	70	-	-	-	96	-	96
Equity raising costs	-	(251)	-	-	-	(251)	-	(251)
Shares issued to consultant	45	155	-	-	-	200	-	200
Reclassify shares issued to directors	23	(23)	-	-	-	-	-	-
Share-based compensation	-	298	-	-	-	298	-	298
Contribution by parent in NCI	-	-	-	(188)	-	(188)	188	-
Balance at 31 December 2019	10,969	56,435	74	(64,511)	(3,246)	(279)	(7)	(286)

Consolidated Statement of Changes in Equity

For the year ended 31 December 2020

	Share capital $'000	Equity reserves $'000	Other comprehensive income $'000	Accumulated deficit $'000	Other reserves $'000	Total equity attributable to the parent $'000	Non-controlling interests $'000	Total $'000
Balance at 1 January 2020	**10,969**	**56,435**	**74**	**(64,511)**	**(3,246)**	**(279)**	**(7)**	**(286)**
Loss for the year	-	-	-	(4,040)	-	(4,040)	(93)	(4,133)
Other comprehensive income	-	-	9	-	-	9	-	9
Total comprehensive income	-	-	9	(4,040)	-	(4,031)	(93)	(4,124)
Transactions with owners in their capacity as owners								
Equity raising	3,617	158	-	-	-	3,775	-	3,775
Related party loans converted to equity	117	6	-	-	-	123	-	123
Equity raising costs	-	(64)	-	-	-	(64)	-	(64)
Reclassify shares issued to directors	49	(49)	-	-	-	-	-	-
Share-based compensation	-	175	-	-	-	175	-	175
Contribution by parent in NCI	-	-	-	(93)	-	(93)	93	-
Balance at 31 December 2020	**14,752**	**56,661**	**83**	**(68,644)**	**(3,246)**	**(394)**	**(7)**	**(401)**

1. Corporate Information

The Consolidated Financial Statements of Asiamet Resources Limited (the "Company" or "Asiamet") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Directors on 24 May 2021. The Company is a publicly listed company incorporated under the laws of Bermuda. The Company's shares are listed on the AIM market of the London Stock Exchange ("AIM") under the symbol "ARS". The Company is in the process of transitioning the corporate office from its Melbourne office at Level 22, 303 Collins Street Melbourne to its Jakarta office at 7th Floor, Gedung Graha Simatupang, Tower Block 1D Jl. TB. Simatupang Kav. 38 Jakarta, Indonesia.

The Group is principally engaged in the exploration and development of mineral properties. The Company's principal mineral property interests are located in Indonesia. Information on the Group's structure is provided in note 18. Information on other related party relationships of the Group is provided in note 13.

2. Significant accounting policies

2.1 Basis of preparation

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The Consolidated Financial Statements have been prepared on the historical cost basis except for financial assets and liabilities which are required to be measured at fair value. In addition, these Consolidated Financial Statements have been prepared using the accrual basis of accounting. The Consolidated Financial Statements are presented in United States dollar and all values are rounded to the nearest thousand ($'000), except when otherwise indicated.

2.2 Going concern

For the year ended 31 December 2020, the Group's current liabilities exceeded its current assets by $0.367 million (2019: net current liabilities of $0.095 million). The Group also incurred a loss of $4.1 million (2019: $7.1 million) and had cash outflows from operations of $2.982 million (2019: $6.294 million). The Group's cash balance as at 31 December 2020 was $1.179 million (2019: $0.418 million).

On 25 February 2021, the Group successfully placed 457,438,748 new common shares of par value US$0.01 each in the Company at a price of 2.2p per share raising gross proceeds of approximately $14.0 million. Transaction costs of $0.735 million was payable on the placement.

The Consolidated Financial Statements have been prepared on a going concern basis which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business in the foreseeable future.

The Board has considered the funding and operational status of the business in arriving at their assessment of going concern, including that:

- Following the February 2021 placement, the Group forecast, which has been prepared for a period of 12 months to May 2022, anticipates that the Group will continue to hold cash and cash equivalents to fund its operations and exploration commitments.

- Management will actively manage discretionary and exploration expenditures in line with the funds available.

2.2 Going concern (continued)

- Should additional funding be required, the Group has the ability to raise funds from the equity market to meet ongoing development, exploration and working capital requirements.

Based on the above, the Directors are satisfied that adequate resources are in place and that the Group will have sufficient sources of funding to meet its obligations and anticipated expenditure through to May 2022 (12 months from the date of the Consolidated Financial Statements).

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

2.3 Basis of consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiaries as at 31 December 2020. Control is achieved when the Group 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 Group controls an investee if, and only if, the Group 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.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.4 Summary of significant accounting policies

(a) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with a maturity of three months or less. The carrying amounts of cash and cash equivalents represents fair value.

(c) Plant and equipment

Plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the items and restoring the site on which it is located.

Depreciation is provided at rates calculated to amortise the costs of plant and equipment over the estimated economic useful life of the assets, using the straight-line method commencing from the year the assets are put into service.

An item of equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss.

2.4 Summary of significant accounting policies (continued)

Where an item of equipment is composed of major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalised.

(d) Provisions

General

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Restructuring

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when: (i) there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

(e) Goods and Services Tax ("GST") / Value Added Tax ("VAT")

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

- where the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT 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/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of other 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/VAT components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(f) Pension and other post-employment benefits

The Group provides post-employment benefits for its employees in Indonesia in accordance with Indonesian Labor Law No. 13/2003. This benefit program is deemed a defined benefit plan and is unfunded by the Group. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value. The group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method.

2.4 Summary of significant accounting policies (continued)

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss immediately. Remeasurements of the defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income.

(g) Exploration and evaluation expenditures

The Group expenses all exploration and evaluation costs incurred on mineral properties to which it has secured exploration rights prior to the establishment of proven and probable reserves. Exploration and evaluation costs include costs relating to the acquisition and exploration of the mineral property, less recoveries, and do not necessarily reflect present or future values. When proven and probable reserves are determined for a property, a feasibility study has been prepared with respect to the property and a decision to proceed with development has been approved, then subsequent exploration and development costs of the property will be capitalised and amortised over the useful life of those reserves.

(h) Foreign currency translation

Transactions in foreign currencies are initially translated to United States dollars, the functional currency of the Group, at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are re-translated to the functional currency at the exchange rate at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on re-translation is recognised in profit or loss.

(i) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purpose. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable operations, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.4 Summary of significant accounting policies (continued)

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(j) Restoration, rehabilitation and environmental obligations

The Group recognises liabilities for statutory, contractual, constructive or legal obligations, including those associated with the decommissioning of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a decommissioning liability is recognised at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Group records the present value of estimated future cash flows associated with decommissioning as a liability when the liability is incurred and increases the carrying value of the related assets for that amount.

Subsequently, these capitalised decommissioning liabilities are amortised over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time and changes in the estimated future cash flows underlying any initial estimates.

The Group recognises its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to the profit or loss statements. The Group had no decommissioning liabilities for the years presented.

(k) Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

(l) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

For leases that contain both a lease and non-lease component, the Group does not separate these and instead account for each lease component and any associated non-lease component as a single lease component.

2.4 Summary of significant accounting policies (continued)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, cost of dismantling and restoration and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are depreciated on a straight-line basis over the lease terms between 2 to 4.5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

See note 15 for more details on the Group's lease liabilities.

Short term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets (under $5,000) recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.4 Summary of significant accounting policies (continued)

(m) Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in note 8. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

(n) Financial instruments – classification and fair value

The Group recognises financial assets and liabilities on the balance sheet when the Group becomes party to the contractual provisions of the instrument.

- Cash and cash equivalents – Cash and cash equivalents include cash on hand, deposits held with banks, and other short term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are classified and measured at amortised cost.
- Accounts receivable and accounts payable – Accounts receivable and accounts payable are non-interest bearing and are initially measured at fair value, subsequently recorded at amortised cost which approximates fair value due to the short term to maturity. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Derecognition

A financial asset is primarily derecognised when the right to receive cash flows from the asset has expired and the Group has transferred the rights to receive cash flows.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

2.4 Summary of significant accounting policies (continued)

Impairment of financial assets

At each reporting date, the Group measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. Impairment losses on financial assets carried at amortised cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised. Generally, receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Statement of Financial Position and there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the amounts and settle the liabilities simultaneously.

(o) Loss per share

The Group presents basic and diluted earnings (loss) per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the parent by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by dividing the earnings (loss) by the weighted average number of common shares outstanding assuming that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

In the Company’s case, the diluted earnings per share is the same as basic loss per share because the diluted earnings per share is increased when taking into account the effect of the outstanding share options and share purchase warrants. As these are anti-dilutive, they are excluded from the calculation of diluted earnings per share.

(p) Share capital

Common shares are classified as share capital. Incremental costs directly attributable to the issue of common shares are recognised as a deduction from equity.

(q) Equity reserves

Equity reserves comprises of amounts subscribed for share capital in excess of nominal value (“share premium”), net share issue costs and the cumulative cost of share-based payments and warrants.

(r) Accumulated deficit

Accumulated deficit comprises the losses in respect of the parent and the equity contribution made by the parent on behalf of a non-controlling interest.

(s) Other reserves

Other reserves comprise the difference between the consideration to acquire non-controlling interest and the initial value of non-controlling interests.

2.4 Summary of significant accounting policies (continued)

(t) Share-based compensation

The Group has used shares, share options and warrants as payments as consideration for goods and services received from suppliers and employees.

Share-based payments to employees and others providing similar services are measured at fair value at the date of grant. The fair value determined at the grant date of an equity-settled share-based instrument is expensed recognised as a share-based compensation expense with a corresponding increase in equity over the vesting period. Consideration paid on the exercise of share options and warrants are credited to share capital and the fair value reclassified from reserves to share capital.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably or excess fair value of the identifiable goods or services received, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair value determined at the grant date of such an equity-settled share-based instrument is expensed since the shares vest immediately. Where the services are related to the issue of shares, the fair values of these services are recognised in equity.

Fair value of share options and warrants are measured using the Black-Scholes model. The expected life used in the model has been adjusted based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

2.5 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the consolidated financial statements of the Group.

Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the consolidated financial statements of the Group.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements:

Determination of functional currency

In accordance with IAS 21, management determined that the functional currency of the Company and its subsidiaries is the United States dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21. Significant changes to those underlying factors could cause a change to the functional currency.

Exploration and evaluation expenditure

The Group expenses all exploration and evaluation costs incurred on mineral properties to which it has secured exploration rights prior to the establishment of proven and probable reserves. Whilst the BKM Copper Project has proven and probable reserves and a completed feasibility study, a decision to proceed with development is dependent upon satisfying certain legal and commercial criteria for the Project.

Impairment of Indonesian VAT Receivables

The Group has VAT receivables relating to its wholly owned subsidiaries in Indonesia which are anticipated to be recovered through the offset of future VAT payable. Management has assessed the recoverability of the asset based on the expected production date and the expected expiry dates of the VAT receivables in accordance with Indonesian regulation. As at 31 December 2020, a provision for the full balances of the VAT receivables has been recognised.

The Group will continue to perform recoverability assessment testing on its VAT receivables at each future reporting date and will consider further adjustments should conditions allow for the reversal of earlier provisions.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Provision for employee service entitlements

The provision for employee service entitlements estimation is based upon several actuarial inputs, assumptions, calculations, and estimates using the projected unit credit actuarial valuation method. Because the actuarial model requires the input of highly subjective assumptions, including interest rates, retirement dates, and mortality rates, changes in subjective input assumptions can materially affect the provision estimate.

4 Financial assets and financial liabilities

The following tables disclose the carrying amounts of each class of financial assets and financial liabilities at year end. The financial assets and financial liabilities are recognised at amortised cost in the Financial Statements. The carrying approximate their fair value due to their short-term maturities or the impact of discounting is not considered significant.

	2020 $'000	2019 $'000
Financial assets		
Cash	**1,179**	418
Security deposits	**5**	86
Other receivables	**4**	25
	1,188	529
Financial liabilities		
Trade and other payables	**391**	396

The Group's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy. As at 31 December 2020, the Group did not have any financial assets and liabilities classified within the three levels of the hierarchy.

The three levels of the fair value hierarchy are:

Level 1 – Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Valuation based on directly or indirectly observable inputs (other than Level 1 inputs) such as quoted interest or currency exchange rates; and

Level 3 – Valuation based on significant inputs that are not based on observable market data such as discounted cash flow methodologies based on internal cash flow forecasts.

5 Financial risk management

The Group's risk exposures and the impact on the Group's financial instruments are summarised as follows:

(a) Liquidity Risk

Liquidity risk is the risk that the Group will not have the resources to meet its obligations as they fall due. The Group manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations.

(b) Maturities of financial liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on based on the remaining period at the reporting date to the contractual maturity date.

	Weighted average rate	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual flows	Carrying amount of liabilities
	%	$'000	$'000	$'000	$'000	$'000	$'000
As at 31 December 2020							
Payables [(1)]		**391**	**-**	**-**	**-**	**391**	**391**
Lease liabilities [(2)]	**8**	**278**	**-**	**-**	**-**	**278**	**278**
Total		**669**	**-**	**-**	**-**	**669**	**669**
As at 31 December 2019							
Payables [(1)]		398	-	-	-	398	398
Lease liabilities [(3)]		100	212	50	-	362	315
Total		498	212	50	-	760	713

(1) Balance of payables due within 90 days.

(2) Balance represents the expected payout of the remaining lease term upon termination of the Melbourne lease.

(3) $0.035 million of lease liabilities due within 90 days.

(c) Credit Risk

Credit risk is the risk of potential loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. The Group's credit risk is primarily attributable to its liquid financial assets, including cash, receivables, and balances receivable from the government. The Group limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions in business and savings accounts which are available on demand by the Group for its programs. The Group does not invest in money market funds.

5. Financial risk management (continued)

(d) Political Uncertainty

In conducting operations in Indonesia, the Group is subject to considerations and risks related to the political, economic and legal environments in which the Company operates. Among other things, the Group's results may be impacted by changes in the political and social conditions in Indonesia, and by changes in governmental policies with respect to mining laws and regulations, anti-inflationary measures, currency conversion and remittance abroad and rates and methods of taxation.

(e) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

- *Interest Rate Risk*

  The Group is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and short-term investments and on the Group's obligations are not considered significant.

- *Commodity price risk*

  While the value of the Group's core mineral resource properties, the KSK CoW and the Beutong IUP-OP are related to the price of copper and gold and the outlook for these minerals, the Group currently does not have any operating mines and hence does not have any hedging or other commodity-based risks in respect of its operational activities.

  Historically, gold and copper prices have fluctuated and are affected by numerous factors outside of the Group's control, including but not limited to: industrial and retail demand; central bank lending; forward sales by producers and speculators; levels of worldwide production; short-term changes in supply and demand because of speculative hedging activities; and other factors related specifically to gold.

- *Foreign Currency Risk:*

  The Group is exposed to the financial risk related to the fluctuation of foreign exchange rates against the Group's functional currency, which is the United States dollar ("USD"). The Group generally undertakes equity raises in the United Kingdom in Great British Pounds ("GBP"). The Group conducts its business in Indonesia in Indonesian Rupiah ("IDR") with a significant portion of expenditures being denominated in USD. A portion of the Group's business is conducted in GBP and Australian dollars ("AUD"). As such, it is subject to risks due to fluctuations in the exchange rates between the USD and each of the IDR, GBP and AUD. A significant change in the currency exchange rates between the USD relative to foreign currencies could have an effect on the Group's results of operations, financial position and/or cash flows. The Group has not hedged its exposure to currency fluctuations.

5. Financial risk management (continued)

The Group's exposure to the foreign currency amount in USD on financial instruments is as follows:

	Currency	2020 Foreign currency amount '000	2020 Amount in US dollars $'000	2019 Foreign currency amount '000	2019 Amount in US dollars $'000
Cash	GBP	**188**	**256**	198	260
	AUD	**234**	**180**	195	137
	IDR	**647,659**	**46**	154,969	11
Trade and other payables	GBP	**(209)**	**(271)**	(17)	(23)
	AUD	**(98)**	**(76)**	(399)	(280)
	IDR	**(619,760)**	**(44)**	(926,743)	(66)
Net exposure			**91**		39

Based upon the above net exposures and assuming that all other variables remain constant, a 10% depreciation of the USD against the IDR, GBP and AUD currencies would result in an increase in the loss of approximately $0.091 million (2019: increase in loss of $0.039 million). This sensitivity analysis includes only the outstanding foreign currency denominated financial instruments.

6. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain an adequate capital base sufficient to maintain future exploration and progress of its projects.

In order to maintain or adjust the capital structure, the Group may issue new shares. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities, and currently has no external borrowings.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

7. Segment disclosures

The Group operates in the mineral exploration and development industry within Indonesia. With the exception of cash, all of the Group's significant assets are held in Indonesia.

The Chief Operating Decision Maker ("CODM") who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the Chief Executive Officer ("CEO"). Following the departure of Peter Bird in January 2020, the Executive Chairman has temporarily been defined as the CODM whilst the Group seeks a replacement CEO.

7. Segment disclosures (continued)

The CODM receives regular consolidated cash flow information as well as Consolidated Statement of Financial Position and Statement of Comprehensive Income information that is prepared in accordance with IFRS. The CODM does not currently receive segmented Statement of Financial Position and Statement of Comprehensive Income information. The Board manages exploration activities of each permit area through review and approval of budgets, cash calls and other operational information. Information regarding exploration expenditure for each area is contained in note 8 and note 9.

8. Discontinued operations

On 24 December 2020, the Company announced it had entered into a conditional binding Sale and Purchase Agreement ("SPA") with PT Wasesa Indo Nusa ("PT WIN") to acquire its wholly-owned subsidiary, Indokal Limited. Indokal is the 100% owner of the KSK CoW, including the BKM Copper Project ("Indokal Group"). Total consideration of the sale was $163.4 million comprising of:

- $10 million cash upon the execution of a binding SPA payable in two instalments, a non-refundable $2.5 million to be paid in cash within 10 days from the date of execution of the SPA, with a further $7.5 million to be paid by 31 January 2021;
- $40 million cash upon the successful Initial PO of PT WIN on the IDX; and
- a 22.5% shareholding[6] in an Indonesian Stock Exchange ("IDX") listed PT WIN payable to Asiamet in two tranches; the first upon listing, the second upon PT WIN releasing its 2020 Mineral Resources and Exploration Target statements to the IDX.

The transaction was subject to receipt of shareholder and regulatory approvals and equity consideration valuation of IDX listed PT WIN was subject to final underwriter valuations.

In accordance with the International Financial Reporting Standards, as at 31 December 2020, Indokal Group was classified as a held for sale group and a discontinued operation.

The results of the Indokal Group for the year are presented below:

	2020 $'000	2019 $'000
Expenses		
Administration support	**(1,472)**	(1,758)
External relations	**(42)**	(2)
Drilling & Field support	**(71)**	(295)
Technical services	**(166)**	(1,553)
Tenements	**(291)**	(148)
Impairment	**(30)**	(678)
Net loss for the year	**(2,072)**	(4,434)

[6] PT WIN planned to undertake an Initial Public Offering on the IDX in early 2021 with the KSK CoW and Aeternum Energy Limited's commodities trading business. Aeternum's independent valuers had estimated PT WIN to have an equity value of circa $504 million on a 100% basis on IPO.

8. Discontinued operations (continued)

The major classes of assets and liabilities of Indokal Group classified as held for sale as at 31 December are, as follows:

	2020 $'000
Assets	
Cash	**7**
Receivables and other assets [(1)]	**13**
Plant and equipment	**36**
Right-of-use assets	**3**
Receivables and other assets	**66**
Assets classified as held for sale	**125**
Liabilities	
Trade and other payables	**(263)**
Provisions	**(490)**
Liabilities directly associated with assets classified as held for sale	**(753)**
Net liabilities directly associated with disposal group	**(628)**

(1) Indokal Group holds Indonesian VAT receivables of $0.761 million (2019: $0.678 million). The Group provided an allowance for impairment against the Indonesian VAT receivables following an audit by the Indonesian government in 2019/2020. There was a $0.029 million impairment loss for 2020 (2019: $0.678 million). The Group is pursuing VAT receivables of $0.148 million. $0.613 million will be recoverable once production commences in accordance with Indonesian regulation.

The net cash flows incurred by Indokal Group are as follows:

	2020 $'000	2019 $'000
Operating	**(1,764)**	(3,324)
Investing	**(2)**	(21)
Financing	**1,767**	3,336
Net cash inflow (outflow)	**1**	(9)

Subsequent to the year end, on 25 January 2021, the Company announced that it had terminated the SPA with PT WIN following material breach of the performance obligations as part of the SPA. See note 19(b) for more details.

9. Exploration and evaluation

The Group's continuing exploration and evaluation assets comprise of the Beutong IUP-OP in Aceh, Sumatra, Indonesia (held by PT EMM). See note 8, discontinued operations, for details on the KSK CoW porphyry copper prospect in Central Kalimantan (held by PT KSK).

(a) Exploration and evaluation expenditures

The details of exploration and evaluation expenditures expensed for the Group's continuing exploration and evaluation assets during the period ended 31 December 2020 and 31 December 2019 are as follows:

	2020 $'000	2019 $'000
Administration support	**28**	441
External relations	**3**	85
Drilling & Field support	**13**	59
Technical services	**7**	15
Tenements	**139**	40
Total exploration and evaluation expenditures	**190**	640

(b) Security deposits

The details of the Group's refundable security deposits for exploration rights are as follows:

	2020 $'000	2019 $'000
Beutong IUP-OP	**5**	73
KSK CoW	**66**	13
	71	86
Transfer to assets classified as held for sale	**(66)**	-
Total security deposits	**5**	86

10. Income tax

The Company is a tax-exempt Bermuda corporation, and its shares are listed for trading on AIM. Profits generated by the Group's exploration and evaluation assets are taxed in Indonesia at the maximum corporate rate of 25%.

In Indonesia, tax losses for CoW's may be carried forward for a period of eight years and for IUP holders five years. The Group defers its mineral exploration costs in Indonesia for tax purposes. The Group has total unrecognised tax losses and temporary differences of $53.489 million (2019: $49.968 million), for both the KSK CoW and Beutong IUP-OP, which may be carried forward and offset against future taxable income.

The gross amount of estimated tax losses and temporary differences carried forward that have not been tax effected expire as follows:

	Indonesia $'000	Australia $'000	Singapore $'000	Total $'000
Income tax losses				
No later than 5 years	-	-	-	-
Unlimited	343	3,300	304	3,947
	343	3,300	304	3,947
Temporary differences				
Unlimited	49,178	372	-	49,550
Gross amount of tax losses / temporary differences not recognised	49,521	3,672	304	53,497
Gross amount of tax losses / temporary differences not recognised for:				
Continuing operations	482	3,672	304	4,458
Discontinued operations	49,039	-	-	49,039
Total	49,521	3,672	304	53,497

The following table reconciles the amount of income tax recoverable on application of the statutory income tax rates:

	2020 $'000	2019 $'000
Accounting loss before tax – continuing operations	**(2,061)**	(2,749)
Accounting loss before tax – discontinued operations	**(2,072)**	(4,434)
Accounting loss before tax	**(4,133)**	(7,183)
Tax benefit at Bermudan statutory income tax rate of 0% (2019: 0%)	**-**	-
Non-deductible expenses	**183**	100
Effect of difference in the rate between parent and foreign subsidiaries	**(646)**	(1,552)
Temporary difference & tax losses not recognised	**463**	1,452
Income tax expense	**-**	**-**

As at the end of the report period, the Company and its subsidiaries did not have any corporate income tax payable in any of the jurisdictions it operates.

11. Receivables and other assets

	2020 $'000	2019 $'000
Current		
Receivables – employee advances	**-**	4
Receivables – other	**4**	21
Prepayments	**-**	25
Total current receivables and other assets	**4**	50
Non-current		
VAT receivable – Indonesia [(1)]	**44**	714
Provision for impairment	**(44)**	(714)
	-	-
Security deposits	**5**	86
Total non current receivables and other assets	**5**	86

(1) The Group has provided an allowance for impairment against the Indonesian VAT receivables which will be recoverable once production commences in accordance with Indonesian regulation. There was a $0.010 million impairment loss for 2020 (2019: $0.714 million). The 2019 balance included the VAT receivable for the KSK CoW which has been transferred to assets classified as held for sale in 2020. See note 8 for more details.

12. Plant and equipment

	2020 $'000	2019 $'000
Opening net book amount	**197**	234
Additions	**-**	38
Impairments & writeoffs	**(81)**	(10)
Depreciation charge for the year	**(41)**	(65)
Transfer to assets classified as held for sale	**(36)**	-
Closing balance	**39**	197
Net carrying amount:		
Cost	**84**	684
Accumulated depreciation	**(45)**	(487)
Closing balance	**39**	197

13. Related party transactions

(a) Loans from Directors and Officers

On 13 January 2020, Tony Manini loaned the Group $0.280 million (A$0.410 million). The loan was denominated in Australian dollars, was interest bearing at the rate of 10% per annum, unsecured and due on demand.

On 20 March 2020, $0.123 million (A$0.200 million) of the loan was converted into equity for 11.784 million common shares as part of the Private Placement completed in March 2020. On 26 March 2020, the balance of the loan was repaid in full together with $4,271 (A$7,002) interest expense.

On 16 March 2020, Dominic Heaton loaned the Group $0.100 million. The loan was denominated in United States dollars, was interest bearing at the rate of 10% per annum, unsecured and due on demand. On 26 March 2020, the loan was repaid in full together with $260 interest expense.

Set out below are the movements in related party loans during the year:

	2020 $'000	2019 $'000
As at 1 Jan	**-**	-
Loans	**380**	-
Interest	**5**	-
Repayments [1]	**(262)**	-
Conversion to equity	**(123)**	-
As at 31 Dec	**-**	-

(1) Repayment of interest expense is presented in the operating cash flows in the statement of cash flows.

(b) Remuneration of Directors and Officers

The remuneration of Directors and Officers, including amounts disclosed above, during the year ended 31 December 2020 and 2019 were as follows:

	2020 $'000	2019 $'000
Consulting fees	**76**	62
Salaries, wages and related costs	**210**	411
Share-based compensation [1]	**175**	205
Termination benefits	**128**	-
Total remuneration	**589**	678

(1) The Directors will receive $0.175 million (2019: $0.156 million) as payment for director fees in the form of performance rights. The performance rights will be issued after the Audited Annual Accounts have been released and will vest immediately. The number of ordinary shares received will be determined by the share price at the time of issue.

13. Related party transactions (continued)

(c) Other related party transactions

The Group's other related party transactions consist of transactions made with companies that are controlled by its Directors and/or Officers.

Until 1 June 2020, consulting services for Executive Chairman (Tony Manini), executive assistant and associated cost recharges were independently provided by EMR Capital, a company controlled by the Executive Chairman. The contract terms are based on normal market rates for this type of service and amounts are payable under normal market terms. The contract was terminated on 1 June 2020. Following the termination of contract with EMR Capital, consulting fees for Tony Manini was paid directly to him as disclosed in the Directors and Officers table.

The aggregate value of transactions related to related companies were as follows:

	2020 $'000	2019 $'000
EMR Capital		
Consulting fees – Executive Chairman	**26**	62
Consulting fees – Executive Assistant	**4**	10
Cost recharges	**9**	9
Total fees and costs	**39**	81

There was no outstanding balance due to EMR Capital as at 31 December 2020 (2019: $0.153 million).

14. Provisions

	2020 $'000	2019 $'000
Current		
Annual leave	**89**	89
Restructuring	**164**	-
Total Current Provisions	**253**	89
Non-Current		
Long service leave	**-**	5
Indonesian Employee Benefits liability	**81**	468
Total Non-current Provisions	**81**	473

14. Provisions (continued)

Annual and long service leave

The provision for annual and long service leave represents the amount which the Group has a present obligation to pay resulting from employees' services provided up to the end of each reporting period. Leave entitlements that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Leave entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash outflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

Restructuring

On 22 January 2020, the Group announced its intention to relocate its Melbourne head office and corporate function to Jakarta, Indonesia. The Board considered that a significant increase in corporate and project activities relating to ongoing funding and development of the Group's asset portfolio, in particular the nearer term BKM Copper Project, would be best served by moving the Corporate head office to Jakarta.

The provision primarily reflects the expected cost of redundancies and makegood costs for the Melbourne office lease. These costs have been included in the operating expenses in the statement of profit and loss and are in addition to the lease liabilities that will be required to be paid out in the event that the Melbourne office lease is unable to be re-assigned. Refer to note 15 for more details.

Indonesian Employee Benefits liability

The Indonesian employee termination benefits arrangement is regulated under Indonesian labour laws enacted in 2003, which require companies to provide a minimum level of benefits to employees upon employment termination, based on the reason for termination and the employee's years of service. The benefits are not funded, and the provision is recognised based on independent actuarial valuation reports. The following assumptions are used in the calculation:

	2020	**2019**
Discount rate (% per annum)	**6.7%**	7.2%
Future salary increases (% per annum)	**10%**	10%
Normal retirement age	**57**	56
Mortality	**Indonesia Mortality Table 2019 (TMI 4)**	Indonesia Mortality Table 2011 (TMI 3)
Disability rate (per annum)	**10% x TMI 4**	10% x TMI 3

14. Provisions (continued)

The following tables summarise the amount recognised in the statement of financial position, movements in the liability and the components of employee benefit expense recognised in the income statement:

	2020 $'000	2019 $'000
Indonesian Employee Benefits liability [1]		
Opening balance	**468**	376
Employee benefits expense	**143**	154
Foreign exchange adjustment	**(7)**	14
Benefits paid	**(24)**	(12)
Charged directly to OCI - remeasurement adjustments	**(9)**	(64)
Transfer to liabilities directly associated with the assets held for sale	**(490)**	-
Closing balance	**81**	468
Employee benefits expense		
Current service cost	**118**	130
Interest cost	**23**	24
	143	154

(1) Represents the present value of defined benefit obligation – unfunded.

A sensitivity analysis for significant assumptions at 31 December 2020 is shown below:

	Discount rate		Future salary increases	
	1% increase $'000	1% decrease $'000	1% increase $'000	1% decrease $'000
Increase/(decrease) in Indonesian Employee Benefits liability	**(6)**	**7**	**7**	**(6)**

14. Provisions (continued)

The expected payments to be made in future years in relation to the defined benefit obligation are set out below:

	2020 $'000	2019 $'000
Within 1 year	**43**	272
2-5 years	**2**	34
6-10 years	**61**	288
After 10 years	**103**	399
	209	993

The expected payments represent future undiscounted amount of benefits payable assuming all employees who reach the age of 56 years remain in continuous employment with the Group until retirement.

The average duration of the defined benefit obligation at the end of the reporting period is 8.5 years (2019: 8.5 years).

15. Leases

The Group has lease contracts for various items of offices, warehouses, vehicles and other equipment used in its operations. Leases of offices, warehouses and vehicles generally has lease terms of 1 to 6 months but may have extension options. Leases of office equipment are of low value. All leases are reassessed prior to the end of the lease period to determine whether the Group will renew the existing lease or renegotiate a new lease on terms and/or conditions more favourable to the Group. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The lease contracts for land and office buildings for its operations are of two-year terms. These leases have been fully paid in advance.

The lease for the Melbourne office is a non-cancellable lease with a five-year term, with rent payable monthly in advance. Rental provisions within the Australian property lease agreement require the minimum lease payments be increased by 4% per annum. An option exists to renew the lease at the end of the five-year term for an additional five years. In January 2020, the Board made a decision to relocate the Australian head office to Jakarta, accordingly, the extension option was not included in the calculation of the lease term.

15. Leases (continued)

Set out below are the carrying amounts of right-of-use assets recognised and movements during the period:

	2020 $'000	2019 $'000
As at 1 January	**236**	304
Additions	**12**	-
Reassessment	**9**	-
Impairment	**(214)**	-
Depreciation charge for the year	**(37)**	(68)
Transfer to assets classified as held for sale	**(3)**	-
As at 31 December	**3**	236
Net carrying amount:		
Cost	**6**	304
Accumulated depreciation	**(3)**	(68)
Closing balance	**3**	236

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2020 $'000	2019 $'000
As at 1 January	**315**	366
Accretion of interest	**22**	26
Reassessment	**17**	-
Payments	**(98)**	(74)
Foreign exchange	**22**	(3)
As at 31 December	**278**	315
Current (1)	**278**	78
Non-current	**-**	237
As at 31 December	**278**	315

(1) The lease liability for the Melbourne office has been classified to current liabilities in 2020 in line with the decision to relocate the Melbourne head office and corporate function to Jakarta. The Group expects to re-assign the Melbourne office lease for the remaining term, however, in the event that it is unable to be re-assigned, the remaining term of the lease liability will be required to be paid out.

The maturity analysis of lease liabilities is disclosed in note 5(b).

The following are amounts recognised in profit or loss:

	2020 $'000	2019 $'000
Depreciation for right-of-use assets	**34**	68
Interest on lease liabilities	**22**	26
Rent expense - short-term leases	**25**	268
Rent expense - leases of low-value assets	**-**	10
Impairment of right-of-use assets	**214**	-
Total amounts recognised in profit or loss	**295**	372

16. Share capital and reserves

(a) Authorised share capital

	2020	2019
Authorised share capital ($'000)	**25,000**	15,000
No. of common shares ('000)	**2,500,000**	1,500,000
Par value per share	**$0.01**	$0.01
Fully paid share capital ('000)	**1,479,114**	1,100,868

The Shareholders of the Company approved the increase of the authorised share capital at the Annual General Meeting held on 30 June 2020.

16. Share capital and reserves (continued)

(b) Fully paid share capital

	Shares thousands	Share capital $'000	Contributed surplus $'000
At 1 January 2019	998,773	9,983	52,804
Share issue - 14 June 2019	37,348	373	1,627
Share issue - 20 August 2019	50,000	500	1,633
Shares issued on exercise of options	2,550	26	70
Shares issued on exercise of warrants (1)	5,358	19	122
Reclassify par value of shares issued to directors (2)	2,332	23	(23)
Shares issued to consultant (3)	4,507	45	155
Share-based compensation	-	-	298
Equity raising costs	-	-	(251)
At 31 December 2019	1,100,868	10,969	56,435
Shares issued on exercise of options	**361,615**	**3,617**	**158**
Related party loan converted to equity	**11,784**	**117**	**6**
Reclassify par value of shares issued to directors (2)	**4,847**	**49**	**(49)**
Share-based compensation	**-**	**-**	**175**
Equity raising costs	**-**	**-**	**(64)**
At 31 December 2020	**1,479,114**	**14,752**	**56,661**

(1) On 24 December 2018, the Company received $0.129 million from warrant holders for the exercise of 3.476 million warrants. New shares in the Company were issued on 3 January 2019.

(2) Shares issued to Directors in respect of performance rights.

(3) Shares were issued to Whittle Consulting Pty Ltd, a consultant engaged to perform work on the BKM Feasibility Study, as consideration for half of its invoiced fees of $0.2 million. The share price used for the calculation approximately GBP 0.03612 per share. This was calculated from the 5-day VWAP over the 5 trading days immediately following the end of the last close period, being the completion of the equity raise announced on 20 August 2019.

16. Share capital and reserves (continued)

(c) Common share purchase warrants

The continuity of common share purchase warrants for the year ended 31 December 2020 is as follows:

Expiry date	Exercise price	Balance 31-Dec-19	Granted	Exercised	Expired	Balance 31-Dec-20 (1)
	GBP	'000	'000	'000	'000	'000
10 May 22	*0.04*	**2,240**	-	-	-	**2,240**
20 Aug 22	*0.04*	**2,500**	-	-	-	**2,500**
		4,740	-	-	-	**4,740**
Weighted average exercise price (2)		**0.04**	-	-	-	**0.04**
Weighted average exercise price (3)		**0.05**	-	-	-	**0.05**

(1) All of the outstanding balance of warrants are exercisable.
(2) Calculated in GBP.
(3) USD equivalent.

The weighted average remaining contractual life of the common share purchase warrants outstanding as at 31 December 2020 was 1.5 years (2019: 2.5 years).

The continuity of common share purchase warrants for the year ended 31 December 2019 is as follows:

Expiry date	Exercise price		Balance 31-Dec-18	Granted	Exercised	Expired	Balance 31-Dec-19 (1)
	CAD (2)	GBP	'000	'000	'000	'000	'000
13 Apr 19	*0.10*		2,922	-	(1,881)	(1,041)	-
10 May 22		*0.04*	-	2,240	-	-	2,240
20 Aug 22		*0.04*	-	2,500	-	-	2,500
			2,922	4,740	(1,881)	(1,041)	4,740
Weighted average exercise price (3)			0.06	0.04	0.06	0.06	0.04
Weighted average exercise price (4)			0.07	0.05	0.08	0.08	0.04

(1) All of the outstanding balance of warrants are exercisable.
(2) Exercise price of CAD warrants will be converted to GBP equivalent at the date the warrants are exercised.
(3) Calculated in GBP.
(4) USD equivalent.

16. Share capital and reserves (continued)

(d) Stock Options

The Company has a shareholder approved "rolling" stock option plan (the "Plan"). Under the Plan the maximum number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding common shares at the time of granting. The exercise price of each stock option shall not be less than the market price of the Company's stock at the date of grant. Options can have a maximum term of ten years and typically terminate 90-days following the termination of the optionee's employment or engagement, except in the case of retirement or death. Vesting of options is at the discretion of the Board of Directors at the time the options are granted. The Company continues to operate under the Plan.

The continuity of stock options for the year ended 31 December 2020 is as follows:

Expiry date	Exercise price		Balance 31-Dec-19	Granted	Exercised	Cancelled/ Expired	Balance 31-Dec-20	Exer-cisable
	CAD (1)	GBP	'000	'000	'000	'000	'000	'000
31 Aug 20	*0.05*		**4,450**			**(4,450)**	**-**	**-**
1 Nov 21	*0.07*		**6,650**	**-**	**-**	**-**	**6,650**	**6,650**
20 Feb 22 (2)		*0.09*	**8,000**	**-**	**-**	**(8,000)**	**-**	**-**
5 Oct 22		*0.07*	**11,700**	**-**	**-**	**(2,650)**	**9,050**	**9,050**
1 Jan 23 (3)		*0.15*	**4,500**	**-**	**-**	**(4,500)**	**-**	**-**
11 Jan 21 (4)		*0.12*	**800**	**-**	**-**	**-**	**800**	**800**
			36,100	**-**	**-**	**(19,600)**	**16,500**	**16,500**
Weighted average exercise price (5)			**0.07**	**-**	**-**	**0.09**	**0.06**	**0.06**
Weighted average exercise price (6)			**0.09**	**-**	**-**	**0.12**	**0.08**	**0.08**

(1) Exercise price of CAD options will be converted to GBP equivalent at the date the options are exercised.
(2) 4 million options vested on 20 February 2018, 4 million vested on 20 February 2019 and all expired on 31 January 2020.
(3) 1.5 million options vested on 1 January 2018, 1.5 million options vested on 1 January 2019, 1.5 million vested on 1 January 2020 and all were cancelled on 25 March 2020.
(4) 0.550 million options vested on completion of a base model for BKM Project, 0.150 million options vested on completion of the BFS of the BKM project and 0.100 million options was to vest on completion of project/development financing for the BKM project. All expired on 11 January 2021.
(5) Calculated in GBP.
(6) USD equivalent.

The weighted average remaining contractual life of the stock options outstanding as at 31 December 2020 was 1.55 years (2019: 2.73 years).

16. Share capital and reserves (continued)

(d) Stock Options (continued)

The continuity of stock options for the year ended 31 December 2019 is as follows:

Expiry date	Exercise price		Balance 31-Dec-18	Granted	Exercised	Expired	Balance 31-Dec-19	Exer-cisable
	CAD [1]	GBP	'000	'000	'000	'000	'000	'000
6 Oct 19	*0.05*		1,500	-	(800)	(700)	-	-
31 Aug 20	*0.05*		6,200	-	(1,750)	-	4,450	4,450
1 Nov 21	*0.07*		6,650	-	-	-	6,650	6,650
20 Feb 22 [2],[3]		*0.09*	8,000	-	-	-	8,000	8,000
5 Oct 22		*0.07*	11,700	-	-	-	11,700	11,700
1 Jan 23 [4],[5]		*0.15*	4,500	-	-	-	4,500	3,000
11 Jan 21 [6]		*0.12*	800	-	-	-	800	700
			39,350	-	(2,550)	(700)	36,100	34,500
Weighted average exercise price [7]			0.07	-	0.03	-	0.07	
Weighted average exercise price [8]			0.09	-	0.03	-	0.10	-

(1) Exercise price of CAD options will be converted to GBP equivalent at the date the options are exercised.
(2) 4 million options vested on 20 February 2018, 4 million vested on 20 February 2019 and all expires on 20 February 2022.
(3) 2 million options exercisable at GBP0.06, 2 million at GBP0.08, 2 million at GBP0.10 and 2 million at GBP0.12.
(4) 1.5 million options vested on 1 January 2018, 1.5 million options vested on 1 January 2019, 1.5 million vests on 1 January 2020 and all expires on 1 January 2023.
(5) 1.5 million options exercisable at GBP 0.13, 1.5 million at GBP 0.15 and 1.5 million at GBP 0.17.
(6) 0.550 million options vests on completion of a base model for BKM Project, 0.150 million options vests on completion of the BFS of the BKM project and 0.100 million options was to vest on completion of project/development financing for the BKM project. All expires on 11 January 2021.
(7) Calculated in GBP.
(8) USD equivalent.

16. Share capital and reserves (continued)

(e) Share-based compensation

The table below provides the breakdown of share-based payments recorded:

		2020 $'000	2019 $'000
Options vested	*(i)*	-	50
Warrants granted	*(i)*	-	92
Performance rights granted	*(ii)*	**175**	156
		175	298

(i) Options vested and warrants granted

During the year ended 31 December 2020, the Group recorded $nil (2019: $0.050 million) in non-cash share-based compensation expense for options that have vested in the year and $nil (2019: $0.092 million) for warrants that were granted during the year.

The fair value of each option and warrant granted was estimated on the date of grant using the Black-Scholes option pricing model.

The table below lists the assumptions used in the Black-Scholes pricing model to determine the fair value of the options and warrants:

Grant date	20-Feb-17	01-Jan-18	11-Jan-18	23-May-19	20-Aug-19
Warrant/option	Option	Option	Option	Warrant	Warrant
Risk free interest rate	1.02%	0.86%	0.86%	0.54%	0.54%
Expected volatility	110%	60%	60%	62%	61%
Expected life	5	5	3	3	3
Expected dividend	0	0	0	0	0
Foreign exchange	GBP/USD	GBP/USD	GBP/USD	GBP/USD	GBP/USD
Foreign exchange rate	1.26	1.27	1.27	1.27	1.21
Fair value granted ($'000)	360	235	40	46	45
Number granted ('000)	8,000	4,500	800	2,241	2,500
Fair value per option/warrant ($)	0.05	0.05	0,05	0.02	0.02

(ii) Performance rights granted

During the year ended 31 December 2020, the Company recorded $0.175 million (2019: $0.156 million) in performance rights granted to non-executive Directors in respect of director fees. The performance rights will be issued after the Audited Annual Accounts have been released and will vest immediately. The number of ordinary shares received will be determined by the share price at the time of issue.

17. Cash flow information

(a) Non-cash investing and financing activities

Non-cash financing activities relating to the conversion of a related party loan to equity is disclosed in note 13.

(b) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2020 $'000	2019 $'000
Cash and cash equivalents	**1,179**	418
Loans & borrowings	**-**	-
Lease liabilities	**(278)**	(315)
Net debt	**901**	103

See note 13 for the reconciliation of the net movement in loans and borrowings.

See note 15 for the reconciliation of the net movement in lease liabilities.

18. Group information

(a) Information about subsidiaries

The Consolidated Financial Statements of the Group include:

Name of subsidiaries	Place of incorporation	Proportion of ownership interest	Principal activity
Indokal Limited	Hong Kong	100%	Holding company
PT Pancaran Cahaya Kahayan ("PCK")	Indonesia	100%	Holding company
PT Kalimantan Surya Kencana ("KSK")	Indonesia	100%	Owner of KSK CoW
Tigers Copper Singapore No. 1 Pte Ltd. ("TC Sing")	Singapore	100%	Holding company
Beutong Resources Pte Ltd. ("BRPL")	Singapore	100%	Holding company
PT Emas Mineral Murni ("EMM")	Indonesia	80%	Owner of Beutong IUP-OP
PT Tigers Realm Gold Indonesia ("PT TRG") (1)	Indonesia	95%	Holding company

(1) PT TRG was liquidated on 29 May 2020.

(b) Non-controlling interests – PT Media Mining Resources ("Media"), 20% owner of Beutong IUP-OP

The Group is responsible for funding 100% of all costs related to each of BRPL and EMM until a decision to mine. At decision to mine, the Group and Media shall contribute to expenditure and other contributions in accordance to their respective interest. The Group controls each of the entities and makes all decisions regarding work programs.

19. Subsequent events

(a) Private Placement

On 25 February 2021, the Group announced that it had placed 457,438,748 new common shares of par value US$0.01 each in the Company at a price of 2.2p per share raising gross proceeds of approximately $14 million. Transaction costs of $0.735 million was payable on the placement.

Directors Participation

Tony Manini, Dominic Heaton and Peter Pollard were issued shares in the Company as per the table below:

Director	Shares subscribed	Balance of shareholding post placement
T Manini	1,363,636	48,122,271
D Heaton	4,029,658	7,007,309
P Pollard	227,273	2,981,131

(b) Termination of Sale & Purchase Agreement for acquisition of Indokal Limited

On 24 December 2020, the Company signed a conditional binding Sale and Purchase Agreement ("SPA") with PT Wasesa Indo Nusa ("PT WIN"), an Indonesian private company, to acquire its wholly-owned subsidiary, Indokal Limited (Indokal). Indokal is the 100% owner of the KSK CoW, including the BKM copper project. The transaction was subject to receipt of regulatory and shareholder approval.

Under the SPA, the performance obligations of PT WIN included a first tranche payment of US$2.5 million due 10 business days following the execution of the SPA. This condition was not satisfied following a subsequent extension period provided by the Company. Further, PT WIN had requested for changes to the payment terms which were considered to be unacceptable and detrimental to the best interests of the Company and its shareholders. As a result of this default and material breach, the Company terminated the SPA with PT WIN, as announced to the market on 25 January 2021.

Following the termination of the SPA on 25 January 2021, the Indokal Group has been reclassified from a held for sale group and discontinued operations as the sale process has not identified another buyer. Despite this change in classification, the sale and development process for the Indokal Group is ongoing.

20. COVID-19 outbreak

The Covid-19 outbreak was first reported near the end of 2019. At that time, a cluster of cases displaying the symptoms of a 'pneumonia of unknown cause' was identified in China. On 31 December 2019, China alerted the World Health Organization (WHO) of this new virus. On 30 January 2020, the International Health Regulations Emergency Committee of the WHO declared the outbreak a 'Public Health Emergency of International Concern'. The virus spread worldwide, and on 11 March 2020, the WHO declared the Covid-19 outbreak to be a pandemic. This Covid-19 outbreak has caused global and domestic economic slowdown.

While disruption is expected to be temporary, there is considerable uncertainty around the extent of the impact of Covid-19 on Group's operations and financial performance. The extent of such impact will depend on certain future development which cannot be predicted at this moment, including the duration of the spread of the outbreak, economic and social measures that are being taken by the government authorities to eradicate Covid-19 threat, and the impact of such factors to the Group's employees, customers and vendors. The management is closely monitoring the Group's operations, liquidity and resources, and is actively working to minimize the current and future impact of this unprecedented situation. These consolidated financial statements do not include any adjustment that might result from the outcome of the aforementioned uncertainty.

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Independent Auditor's Report

Independent Auditor's Report to the Members of Asiamet Resources Limited

Opinion

We have audited the financial statements of Asiamet Resources Limited (the "parent company") and its subsidiaries (the "group") for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Loss, the Consolidated Statement of Cash Flows and the Consolidated Statements of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board ("IASB").

In our opinion financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2020 and of the group's loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Reviewing management's financial projections for the Group for a period of more than 12 months from the date of approval of the financial statements.
- Checking the numerical accuracy of management's financial projections.

- Challenging management on the assumptions underlying those projections and sensitised them to reduce anticipated net cash inflows from future trading activities.

- Obtained the latest financial results post year end 31 December 2020 to review how the company is trending toward achieving the forecast.

- Performed sensitivity analysis on key inputs of the forecast by calculating the impact of various scenarios and considering the impact on the Company's ability to continue as a going concern in the event of not meeting the forecast.

- Assessing the completeness and accuracy of the matters described in the going concern disclosure within the significant accounting policies as set out in Note 2.2.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

- $170,000 is the group level of materiality determined for the financial statements as a whole, which represents approximately 4% of the total consolidated loss before tax for the period including loss before tax from discontinued operations. As the Group is a trading group, we determined that a trading based metric was the most appropriate to use for determining materiality.
- $20,000 to $100,000 is the range of performance materiality allocated to the significant components of the group. Performance materiality is used to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.
- $8,500 is the group level of triviality agreed with the Audit Committee. Errors above this threshold are reported to the Audit Committee, errors below this threshold would also be reported to the Audit Committee if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

There are four significant components in the group; the parent company, Asiamet Australia Pty Limited, PT Kalimantan Surya Kencana and PT Emas Mineral Murni. The parent company and Asiamet Australia Pty Limited were subject to full scope audit by ourselves, PT Kalimantan Surya Kencana and PT Emas Mineral Murni were audited by a component auditor. We directed the component auditor regarding the audit approach at the planning stage, issued instructions that detailed the significant risks to be addressed through the audit procedures and indicated the information we required to be reported on. The audit team, including the audit engagement partner, interacted with the component auditor to review the component auditors' working papers, discuss key findings directly with the component audit team and component auditor reporting partner and conclude on significant issues.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The only key audit matter identified was going concern which is commented upon in the section Conclusions relating to going concern above.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The Directors are responsible for the other information contained within the annual report. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 directors

As explained more fully in the directors' responsibilities statement set out on page 31, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The most significant identified were laws and regulations over mining licenses in Indonesia which is tightly controlled by the Central Government of Indonesia. Our work included enquiry with the board of directors, reviewing board and relevant committee minutes, a review of legal expense and inspection of correspondence.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals by agreeing to supporting documentation and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members as a body. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

24 May 2021