

GOAS PEGMATITE EXPLORATION (PTY) LTD

(Registration Number 2018/0732)

**Annual Financial Statements
for the year ended 31 March 2020**

Audited Financial Statements

in compliance with Companies Act

Prepared by: Daniël J Ellis

Professional designation: Professional Accountant (SA)

Reviewed by: SGA Registered Accountants and Auditors

Professional designation: Chartered Accountants (Namibia)

GOAS PEGMATITE EXPLORATION (PTY) LTD

(Registration Number 2018/0732)

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GOAS PEGMATITE EXPLORATION (PTY) LTD

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Annual Financial Statements for the year ended 31 March 2020

General Information

Country of Incorporation and Domicile	Namibia
Nature of Business and Principal Activities	Exploration and mining surveys, mapping, sampling, drilling, bulk sampling, mining extraction, processing, transport and all related to the objects of the company
Director	Lisias Pius
Registered Office	Erf 30 Corner of Eugene Marais And Keller Street Eros, Windhoek Namibia
Business Address	12 De Monte Street Auasblick Windhoek
Income Tax Registration Number	8216331-01-1
Independent Auditors	SGA Chartered Accountants and Auditors Chartered Accountants (Namibia)
Company Secretary	Daniël J Ellis 3 Marmer Street Stellenridge Bellville South Africa



CHARTERED
ACCOUNTANTS
& AUDITORS

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PRACTICE NUMBER 9417

Independent Auditor's Report

To the Shareholder of Goas Pegmatite Exploration (Pty) Ltd

Opinion

We have audited the annual financial statements of Goas Pegmatite Exploration (Pty) Ltd set out on pages 6 to 14, which comprise the statement of financial position as at 31 March 2020, director's report and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Goas Pegmatite Exploration (Pty) Ltd as at 31 March 2020 for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of the Companies Act of Namibia.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with section 290 and 291 of the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants (Revised July 2016)*, parts 1 and 3 of the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards) (Revised July 2018)* and other independence requirements applicable to performing audits of annual financial statements in Namibia. 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. in this regard.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 the International Standards on Auditing 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 annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the annual financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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



SGA

**Registered Accountants and Auditors
Chartered Accountants (Namibia)**

**Per: A.J. Esterhuizen
Partner**

**2 December 2020
Windhoek ... Namibia**

7 December 2020

To the Directors of GOAS Pegmatite Exploration (Pty) Ltd

PRACTITIONER'S COMPILATION REPORT

I have compiled the accompanying annual financial statements of GOAS Pegmatite Exploration (Pty) Ltd based on the information you have provided. These annual financial statements comprise the statement of financial position of GOAS Pegmatite Exploration (Pty) Ltd as at 31 March 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information.

I performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to compile these annual financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.



DJ Ellis
Professional Accountant (SA)
SAIPA number: 21354



GOAS PEGMATITE EXPLORATION (PTY) LTD

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Annual Financial Statements for the year ended 31 March 2020

Director's Responsibilities and Approval

The director is required by the Companies Act of Namibia to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his responsibility to ensure that the annual financial statements satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

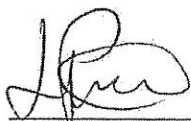
The director acknowledges that he is ultimately responsible for the system of internal control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, he sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is beyond reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The director is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going concern basis has been adopted in preparing the annual financial statements. Based on forecasts and available cash resources the director has no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The annual financial statements have been audited by the independent auditing firm, SGA Chartered Accountants and Auditors, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders and the director. The director believes that all representations made to the independent auditors during the audit were valid and appropriate. The external auditors' audit report is presented on page 3 - 4.

The annual financial statements as set out on pages 6 to 14 were approved by the director on 1 December 2020 and were signed by him.



Lisias Pius

GOAS PEGMATITE EXPLORATION (PTY) LTD

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Director's Report

The director presents his report for the year ended 31 March 2020.

1. Review of activities

Main business and operations

The principal activities of the company is exploration and mining surveys, mapping, sampling, drilling, bulk sampling, mining extraction, processing, transport and all related to the objects of the company and there were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in my opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The director has satisfied himself that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The director is not aware of any new material changes that may adversely impact the company. The director is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Since 31 March 2020, the consequences of the COVID-19 outbreak have not affected the supply and demand for the Company's primary products and therefore, its operating results were not impacted.

The annual financial statements have been prepared on the going concern basis, since the director has every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

3. Events after reporting date

Since 31 March 2020, the spread of COVID-19 has severely impacted many local economies around the globe. Businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services, have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and the central bank have responded with monetary and fiscal interventions to stabilise economic conditions. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

The director is not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

4. Director's interest in contracts

To my knowledge I had no interest in any contracts entered into during the year under review.

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Director's Report

5. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the year under review.

6. Borrowing limitations

In terms of the Articles of Association of the company, the director may exercise all the powers of the company to borrow money, as he considers appropriate.

7. Dividends

No dividends were declared nor paid to shareholders during the year.

8. Director

The director of the company during the year and to the date of this report is as follows:

Lisias Pius

9. Secretary

No secretary has been formally appointed.

10. Independent Auditors

SGA Chartered Accountants and Auditors were the independent auditors for the year under review.

GOAS PEGMATITE EXPLORATION (PTY) LTD

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Annual Financial Statements for the year ended 31 March 2020

Statement of Financial Position

Figures in N\$	Notes	2020	2019
Assets			
Non-Current Assets			
Intangible assets	3	-	-
Current Assets			
Cash and cash equivalents	4	1,000	1,000
Total Assets		1,000	1,000
Equity and Liabilities			
Equity			
Share capital	5	1,000	1,000
Total Equity and Liabilities		1,000	1,000

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Statement of Changes in Equity

Figures in N\$	Share capital	Total
Balance at 1 May 2018	-	-
Issue of share capital	1,000	1,000
Balance at 31 March 2019	1,000	1,000
Balance at 1 April 2019	1,000	1,000
Balance at 31 March 2020	1,000	1,000

Note

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Statement of Cash Flows

10 months

Figures in N\$	Note(s)	2020	2019
Cash flows from financing activities			
Capital issued		-	1,000
Net cash flows from financing activities		-	1,000
Net increase in cash and cash equivalents		-	1,000
Cash and cash equivalents at beginning of the year		1,000	-
Cash and cash equivalents at end of the year	4	1,000	1,000

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Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1. General information

GOAS PEGMATITE EXPLORATION (PTY) LTD is a private company incorporated in Namibia.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board and the requirements of the Companies Act of Namibia. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in Namibian Dollars.

2.1 Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.2 Intangible assets

2.2.1 Exploration and evaluation costs

Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

2.3 Impairment of non-current assets

At each balance sheet date, the carrying amounts of tangible and intangible assets and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If the fair value less costs to sell of an asset (or group of assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or group of assets) is reduced to its fair value less costs to sell. An impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of assets) is increased to the revised estimate of its fair value less costs to sell, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.4 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown under current liabilities on the statement of financial position.

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Accounting Policies

Summary of significant accounting policies continued...

2.5 Share capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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Notes to the Annual Financial Statements

Figures in N\$	2020	2019
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3. Intangible assets

Exclusive Prospecting Licence held under EPL4663 (The Karibib Project) which provides exclusive exploration rights allowing systematic prospecting for a period of 3 years.

4. Cash and cash equivalents

Favourable cash balances

Cash on hand	1,000	1,000
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5. Share capital

Authorised

4,000 Ordinary par value shares of N\$1 each	4,000	4,000
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Issued

1,000 Ordinary pas value shares of N\$1 each	1,000	1,000
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The director is authorised, until the forthcoming annual general meeting, to dispose of the unissued shares for any purpose and upon such terms and conditions as he deems fit.

6. Income tax expense

No provision has been made for tax as the company has no taxable income.

7. Director's emoluments

No emoluments have been awarded to the director for the year under review.

8. Contingent liabilities

No known contingent liabilities existed at 31 March 2020 that would have a material effect on the results of the financial statements as set out on pages 6 to 14 or the continued existence of the company as a going concern.

9. Event after the balance sheet date

No events occurred between 31 March 2020 and the date the director approved the financial statements that would have a material impact on the results as disclosed in the financial statements as set out on pages 6 to 14 or the continued existence of the company as a going concern.

10. Comparative figures

The comparative figures have presented for the company are for a period of 9 months.

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Notes to the Annual Financial Statements

Figures in N\$	2020	2019
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11. Statement of Comprehensive Income and Statement of Cash Flows

No Statement of Comprehensive Income and Statement of Cash Flows have been presented as the company did not trade during the year.

12. Going Concern

The directors believe that the company will be a going concern in the year ahead. For this reason we continue to adopt the going concern basis in preparing the annual financial statements.

Since 31 March 2020, the consequences of the COVID-19 outbreak have not affected the supply and demand for the Company's primary products and therefore, its operating results were not impacted.

13. Approval of annual financial statements

These financial statements were approved by the director and authorised for issue on 1 December 2020.