



**ANNUAL REPORT**  
For the year ended 30 June 2020

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## Corporate Directory

|  |   |
|--|---|
| <b>Directors</b>                         | Brett Lawrence – Managing Director<br>Logan Robertson – Non-Executive Director<br>Timothy Wise – Non Executive Director (appointed 4 Nov 19)<br>Joseph Graham – Executive Director (appointed 4 Nov 19)<br>Alexander Parks – Non-Executive Director (resigned 4 Nov 19) |
| <b>Company Secretary</b>                 | Sylvia Moss   |
| <b>Registered &amp; Principal Office</b> | 102 Forrest Street<br>Cottesloe WA 6011<br>Telephone: + 61 8 9320 4700<br>Facsimile: + 61 8 9320 4750   |
| <b>Postal Address</b>                    | PO Box 453<br>West Perth WA 6872  |
| <b>Auditors</b>                          | BDO Audit (WA) Pty Ltd<br>38 Station Street<br>Subiaco WA 6008  |
| <b>Solicitors</b>                        | GTP Legal<br>Level 1, 28 Ord St<br>West Perth WA 6005   |
| <b>Website Address</b>                   | <a href="http://www.tamaska.com.au">www.tamaska.com.au</a>  |
| <b>Stock Exchange Listings</b>           | Tamaska Oil & Gas Ltd securities are listed on the Australian Stock Exchange under the code TMK   |
| <b>Share Registry</b>                    | Automic Registry Services<br>Level 2, 267 St Georges Terrace<br>Perth WA 6000<br>Telephone: +61 8 9324 2099<br>Facsimile: + 61 8 9321 2337  |

## Managing Director's Letter to Shareholders

Dear Shareholders,

I am pleased to report that TMK is in a strong position to seek new projects that can generate significant value for the Company, with an experienced team of directors, and cash on hand of approximately A\$2.7m as at end-September 2020.

During the financial year, TMK acquired the right to earn a 50% working interest in the Parta exploration licence, onshore Romania, however the planned 3D seismic program was held up by approval issues. The earn-in period under the farm-in agreement expired, requiring mutual agreement of the parties to extend, and the Board of TMK elected to not extend the earn-in period on 8 September 2020.

TMK is presently reviewing alternate projects.

### Consolidation and Capital Raising

TMK completed a share consolidation on a 4:1 basis in September 2019, to reduce the relatively large number of shares on issue to 490 million shares. The purpose of the consolidation is to result in a more appropriate, effective capital structure for the Company and a share price more appealing to a wider range of investors.

During October and November 2019, TMK completed a pro-rata rights issue capital raise, on a 1:2 basis (1 new share for each 2 existing shares) at 0.6 cents per share to raise approximately \$1.47 million before costs.

During January 2020, TMK completed a placement of 85 million shares in the Company at 0.6 cents per share to raise \$510,000 before costs. The placement was made under the Company's 15% capacity, to sophisticated investors through Sydney based Peloton Capital Pty Ltd (AFSL 406040). Under the terms of the placement, Peloton received 20 million options exercisable at 0.8 cents by 30 June 2021.

The TMK capital structure is:

|   |             |
|---|-------------|
| - Ordinary shares   | 890,000,000 |
| - Performance shares  | 70,000,000  |
| - Unlisted options (exercisable at 0.8 cents by 30 June 2021) | 20,000,000  |

### Board Changes

Effective 4 November 2019, Mr Joseph Graham, and Mr Tim Wise were appointed as Directors and Mr Alexander Parks resigned as a Director.

I would like to thank Shareholders for their support of the Company over the past year, and look forward to an exciting future as the Company seeks new projects.

Yours sincerely,



Brett Lawrence

## Review of Operations

### Corporate Activities

There were no significant changes in the state of affairs during the year.

Tamaska's capital structure as of 25 September 2020 is summarised as:

| Security                           | Price & Date                           | Number on Issue |
|------------------------------------|--|-----------------|
| Ordinary Shares on Issue (ASX:TMK) | \$0.007 (Last trade 24 September 2020) | 890,000,000     |

At \$0.007 cents per share the Company's market capitalisation is \$6.23 million.

### Financial Position and Performance

The Company had a closing cash balance of \$2.9 million at 30 June 2020 (30 June 2019: \$1.6 million)

The net operating loss for the Group for the year ended 30 June 2020 after income tax amounted to \$1,095,863 (2019: \$209,387).

### Company Projects

#### West Klondike Project, Wilbert Sons LLC #1 well, Iberville Parish, Louisiana (11.36% Working Interest)

Tamaska participated in the drilling of the West Klondike discovery well in late 2012. The well commenced producing gas from the lower Nod Blan on 4 September 2014. Once the lower gas zones were produced, the Operator commenced production of the remaining Lario oil zone.

In 2017, the Operator performed a small hydraulic frac in the Lario, with encouraging results of over 100 bopd in short term testing. The well was put on jet pump to assist with oil lift, and placed back on production. In July 2018, the Operator ran a pressure survey on the well and the reservoir appeared to be close to initial pressure, indicating constrained flow into the well, potentially due to frac sand over the completion. Plans to treat the well in an endeavour to improve production are subject to economic conditions. At the present, the field is producing intermittently and sales occur once the tanks fill.

The field is potentially large enough for another production well, but the decision to drill is contingent on improved production performance from the Lario, and improved economic conditions.

## Review of Operations

Tamaska currently estimates the reserves and contingent resources as follows:

|   | Estimated<br>Ultimate<br>Recovery | 100% Cumulative<br>production as at<br>30/06/2020 | 100% Reserves<br>estimated as at<br>30/06/2020 | Net TMK Reserves at<br>8.125% NRI estimated<br>as at 30/06/2020 |
|---|-----------------------------------|---|--|---|
| Proven Developed Producing<br>(1P) Lower Nod Plan<br>Produced and shut in | 297MMscf<br>3,073 bbl             | 297MMscf<br>3,073 bbl                             | -  | -   |
| <b>Remaining Lario Zones *</b>  |                                   |   |  |   |
| 1C Contingent Resources   | -                                 | -   | 2,270 bbl                                      | 184 bbl   |
| 2C Contingent Resources   | 9,348 bbl                         | 1,817 bbl   | 7,531 bbl                                      | 611 bbl   |
| 3C Contingent Resources   | 150,000bbl                        | -   | 150,000bbl                                     | 12,187bbl   |

\* TMK has recognised the estimated recoverable resources as 1C and 2C Contingent Resources (formerly 1P and 2P Reserves) as at 30 June 2020 pending an improvement in the oil price and/or reduction in OPEX. The Operator is producing the field intermittently when economic, and when required to maintain production status under the terms of the lease. The Lario zone is estimated to contain a further 150,000 bbl if an additional well is drilled, and due to the current economic environment this has been reclassified from 2C to 3C Contingent Resources as at 30 June 2020.

<sup>(1)</sup>All of the technical information, including information in relation to reserves and resources that is contained in this document has been reviewed internally by the Company's Director, Mr Brett Lawrence. Mr Lawrence is a Petroleum Engineer who is a suitably qualified person with over 15 years' experience and has reviewed the release and consents to the inclusion of the technical information.

## Directors' Report

Your Directors present their report on the consolidated entity (Group) for the year ended 30 June 2020.

### Directors

The names and details of the Company's Directors in office at any time during the financial year and until the date of this report (unless otherwise stated) are detailed below.

Brett Lawrence – Managing Director  
Logan Robertson – Non-Executive Director  
Timothy Wise – Non Executive Director (appointed 4 Nov 19)  
Joseph Graham – Executive Director (appointed 4 Nov 19)  
Alexander Parks – Non-Executive Director (resigned 4 Nov 19)

### Principal Activities

The principal continuing activities of the Group during the financial year was the acquisition, exploration and production of petroleum and gas properties.

There were no changes in the nature of the activities of the group during the year.

### Operating Results

The net operating loss of the Group for the year ended 30 June 2020 after income tax amounted to \$1,095,863 (2019: \$209,387).

### Dividends Paid or Recommended

No dividend was paid or declared during the year and the Directors do not recommend the payment of a dividend.

### Review of Operations

Information on the operations and corporate activities of the group and its business strategies and prospects is set out in the review of operations and activities on page 4 of this financial report.

### Significant Changes in the State of Affairs

There were no significant changes in the state of affairs during the year.

### Events since the end of the financial year

Subsequent to year-end the board of the company has elected to not proceed with the Parta Project Farm-in, in Romania. Under the Farm-in Agreement, TMK through its wholly owned subsidiary Parta Energy Pty Ltd, had the right to earn a 50% working interest in Parta by spending US\$1.5 million upon a 3D seismic program. The planned 3D seismic program has been held up by approvals issues. The earn-in period under the Farm-in Agreement expired and required mutual agreement of the parties to extend, the possibility of which had been under consideration. The board elected on 8 September 2020 to not extend the earn-in period.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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

## Directors' Report

### Environmental Regulations

The consolidated entity's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes there are adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply.

### NGER ACT

The Directors consider the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Company for the current nor subsequent financial year. The Directors will reassess this position as and when the need arises.

### CORPORATE GOVERNANCE

The Company's Corporate Governance Statement and ASX Appendix 4G are released to ASX on the same day the Annual Report is released. Tamaska Oil and Gas Limited's Corporate Governance Statement, and the Company's Policies, Charters and Procedures, can be all found on the Company's website at <http://tamaska.com.au/display/index/corporate-governance>

### Information on Directors and Secretary

Names, qualifications, experience and special responsibilities of current directors and company secretary:

#### **Brett Lawrence – Managing Director** **(Appointed 1 February 2015)**

Mr Brett Lawrence has 15 years of diverse experience in the oil and gas industry. Mr Lawrence worked with Apache Energy for over eight years, performing roles in drilling engineering, reservoir engineering, project development and commercial management before seeking new venture opportunities with ASX listed companies. Brett holds a Master of Petroleum Engineering, a Bachelor of Engineering (Mining) and Bachelor of Commerce (Finance) from Curtin University in Western Australia.

Current Directorships and date of appointments:

Acacia Coal Ltd (ASX: AJC) (appointed August 2016).

Calima Energy Ltd (ASX: CE1) (appointed October 19).

Other Directorships within the last three years: None

#### **Logan Robertson – Non-Executive Director** **(Appointed 11 July 2016)**

Mr Robertson holds a Masters of Finance from the University of New South Wales and Bachelor of Commerce from the University of Western Australia and has over 10 years finance and investment experience gaining initially with Argonaut and more recently with Hoperidge Capital, the family investment office of Rod Jones. Hoperidge is one of Tamaska's largest shareholders. Mr Robertson joined Hoperidge in January 2014, and is an analyst focused on investments in the resources, technology & industrial sectors and has expertise investing in, financing and overseeing the management of growth businesses.

Current Directorship and date of appointment:

Acacia Coal Ltd (ASX: AJC) (appointed December 2015).

Other Directorships within the last three years: None.

## Directors' Report

### **Timothy Wise – Non-Executive Director** **(Appointed 4 November 2019)**

Mr Wise is a corporate executive, experienced in the growth of early stage businesses, and providing strategic advice to a broad range of companies. Mr Wise is the founder and former CEO of The Tap Doctor, and Kalina Power(ASX:KPO)

Current Directorship and date of appointment:  
Phos Energy Ltd (appointed May 2019).

Other Directorships within the last three years: None.

### **Joseph Graham - Executive Director** **(Appointed 4 November 2019)**

Mr Graham has 21 years' experience as a Petroleum engineer, and most recently he has lead multi-disciplined teams focused on production enhancement of marginal oil and gas development opportunities. He is a joint founder of private equity firm Skye Energy Ventures, which makes energy investments globally. He holds a Bachelor of Science, and a post graduate degree in Petroleum Engineering from Curtin University.

Other Directorships within the last three years: None.

### **Sylvia Moss – Company Secretary** **(Appointed 24 March 2014)**

Ms Sylvia Moss has been appointed as Company Secretary effective 24 March 2014, Ms Moss is a qualified Accountant with over 14 years' experience in the resources sector in Australia and overseas and holds a Bachelor of Accounting degree from University of South Africa.

### **Meetings of Directors**

The numbers of meetings attended by each director to the report date were:

| Director        | Board Meetings Held When in Office | Board Meetings Attended |
|-----------------|------------------------------------|-------------------------|
| Brett Lawrence  | 3                                  | 3                       |
| Alexander Parks | 1                                  | 1                       |
| Logan Robertson | 3                                  | 3                       |
| Timothy Wise    | 2                                  | 2                       |
| Joseph Graham   | 2                                  | 2                       |

## Directors' Report

### Securities held and controlled by Directors

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

#### Ordinary Shares

| Holder                       | Balance at beginning of year | Other purchases/ (Sales) | Other changes during the year | Balance at the date of report |
|------------------------------|------------------------------|--------------------------|-------------------------------|-------------------------------|
| Brett Lawrence               | -                            | -                        | -                             | -                             |
| Logan Robertson              | -                            | -                        | -                             | -                             |
| Timothy Wise <sup>(i)</sup>  | -                            | -                        | 20,000,000                    | 20,000,000                    |
| Joseph Graham <sup>(i)</sup> | -                            | -                        | 30,000,000                    | 30,000,000                    |
|                              | -                            | -                        | <b>50,000,000</b>             | <b>50,000,000</b>             |

- (i) On 16 August 2019 Tamaska Oil and Gas Limited (ASX:TMK) executed an agreement to acquire a 100% shareholding in Parta Energy Pty Ltd, which is a special purpose vehicle that has acquired rights to a 50% participating interest in the Parta exploration licence onshore in Romania (Parta Licence). The acquisition was completed on 31 October 2019.

The consideration payable was 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares with each Parta Energy shareholder receiving the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd.

#### Performance Rights

| Holder                       | Balance at beginning of year | Cancelled    | Other Changes | Balance at the date of report |
|------------------------------|------------------------------|--------------|---------------|-------------------------------|
| Brett Lawrence               | -                            | -            | -             | -                             |
| Logan Roberston              | -                            | -            | -             | -                             |
| Timothy Wise <sup>(i)</sup>  | -                            | (20,000,000) | 20,000,000    | -                             |
| Joseph Graham <sup>(i)</sup> | -                            | (30,000,000) | 30,000,000    | -                             |
|                              | -                            | (50,000,000) | 50,000,000    | -                             |

- (i) On 16 August 2019 Tamaska Oil and Gas Limited (ASX:TMK) executed an agreement to acquire a 100% shareholding in Parta Energy Pty Ltd, which is a special purpose vehicle that has acquired rights to a 50% participating interest in the Parta exploration licence onshore in Romania (Parta Licence). The acquisition was completed on 31 October 2019.

The consideration payable was 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares with each Parta Energy shareholder receiving the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd.

The company has elected to not proceed with the Parta Project Farm-in, in Romania and the performance shares have been cancelled.

## Directors' Report

### **REMUNERATION REPORT (AUDITED)**

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporation Act 2001.

This report outlines the remuneration arrangements in place for directors and executives of Tamaska Oil & Gas Limited. This report has been set out under the following main headings:

- A. Principles Used to Determine the Nature and Amount of Remuneration
- B. Service Agreements
- C. Details of Remuneration
- D. Share-based Compensation
- E. Group Performance
- F. Equity instruments held by key management personnel
- G. Loans to key management personnel
- H. Other transactions with key management personnel
- I. Additional Information

As noted in the corporate governance, section of this Financial Report, under council principle 8, the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board manages the remuneration policy, setting the terms and conditions for Executive Directors and other senior executives. The Board of Directors did not use any remuneration consultants during the year.

#### **A. Principles Used to Determine the Nature and Amount of Remuneration**

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and Executive Officers. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms with market best practice for delivery of reward.

The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Board policy is to remunerate Non-Executive Directors at fair market rates for comparable companies for the relevant time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually based on market practice, duties and accountability. The maximum amount of fees that can be paid to directors is subject to approval by shareholders at the Annual General Meeting. The maximum amount approved is \$300,000. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align director's interests with shareholder interests the Directors are encouraged to hold shares in the Company and may be issued with additional securities as deemed appropriate.

The Board believes that the remuneration policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate for aligning director and executive objectives with shareholder and business objectives. The Board will continually develop new practices which are appropriate to the Company's size and stage of development.

## Directors' Report

Executive Officers are those directly accountable for the operational management and strategic direction of the Company and the consolidated entity.

All contracts with directors and executives may be terminated by either party with three months' notice.

### Fixed Remuneration

Fixed remuneration consists of a base remuneration package, which includes directors' fees (in the case of Directors), salaries, consulting fees and employer contributions to superannuation funds.

Fixed remuneration levels for directors and executive officers will be reviewed annually by the Board through a process that considers the employee's personal development, achievement of key performance objectives for the year, industry benchmarks wherever possible and CPI data.

### Performance-linked Remuneration

All employees may receive bonuses and/or share options based on achievement of specific goals related to performance against individual KPIs and to the performance of the Company as a whole as determined by the Directors, based on a range of factors. These factors include traditional financial considerations such as operating performance, cash consumption and deals concluded. They also include industry-specific factors relating to the advancement of the Company's activities and relationships with third parties and internal employees. There were no bonus or performance linked options granted during the year.

The Company did not engage with remuneration consultants during the year.

### B. Service Agreements

Remuneration, consulting and other terms of employment for the key management personnel are determined by the Board.

Other current provisions are set out below.

The Directors and key management personnel during the year included:

#### Directors

Mr Brett Lawrence, Managing Director

- Appointed as Managing Director commenced 29 November 2018;
- Agreement commenced 1 February 2015 with no termination date, benefits or notice period noted;
- Directors' fees \$60,000 per annum.

Mr Logan Robertson, Non-Executive Director

- Agreement commenced 11 July 2016 with no termination date, benefits or notice period noted;
- Directors' fees \$12,000 per annum.

Mr Timothy Wise, Non Executive Director

- Agreement commenced 4 November 2019 with no termination date, benefits or notice period noted;
- Directors' fees \$48,000 per annum.

Mr Joseph Graham, Non Executive Director

- Agreement commenced 4 November 2019 with no termination date, benefits or notice period noted;
- No Directors' fees payable.

Mr Alexander Parks, Non-Executive Director (resigned 4 November 2019)

- Agreement commenced 17 February 2014 with no termination date, no benefits and a 3 month notice period noted;
- Directors' fees \$6,000 per annum.

## Directors' Report

Ms Sylvia Moss, Company Secretary

- Agreement commenced 1 June 2017 with no termination date, benefits and a 3 month notice period noted;
- Company Secretary fees \$32,400 per annum.

No termination payments were made during the financial year.

### C. Details of Remuneration

The key management personnel of Tamaska Oil & Gas Limited during the year ended 30 June 2020 includes all directors and executives mentioned above. There are no other executives of the company which are required to be disclosed.

Remuneration packages contain the following key elements:

- Primary benefits – salary/fees and bonuses;
- Post-employment benefits – including superannuation;
- Equity – share options and other equity securities; and
- Other benefits.

Nature and amount of remuneration for the year ended 30 June 2020:

|                                       | Short-term employee benefits |            | Post-Employment Benefits | Share-based payment |                |                       |
|---------------------------------------|------------------------------|------------|--------------------------|---------------------|----------------|-----------------------|
|                                       | Salary, consulting fees AU\$ | Bonus AU\$ | Super-annuation AU\$     | Options AU\$        | Total AU\$     | Performance related % |
| <b>Executive Directors</b>            |                              |            |                          |                     |                |                       |
| Brett Lawrence                        | 60,000                       | -          | -                        | -                   | 60,000         | -                     |
| <b>Non-executive Directors</b>        |                              |            |                          |                     |                |                       |
| Alexander Parks                       | 2,000                        | -          | -                        | -                   | 2,000          | -                     |
| Logan Robertson                       | 9,498                        | -          | -                        | -                   | 9,498          | -                     |
| Timothy Wise                          | 41,571                       | -          | 2,429                    | -                   | 44,000         | -                     |
| Joseph Graham                         | -                            | -          | -                        | -                   | -              | -                     |
| <b>Total Director's Compensation</b>  | <b>113,069</b>               | <b>-</b>   | <b>2,429</b>             | <b>-</b>            | <b>115,498</b> | <b>-</b>              |
| <b>Key Management Personnel</b>       |                              |            |                          |                     |                |                       |
| Sylvia Moss                           | 38,438                       | -          | -                        | -                   | 38,438         | -                     |
| <b>Total Key Management Personnel</b> | <b>38,438</b>                | <b>-</b>   | <b>-</b>                 | <b>-</b>            | <b>38,438</b>  | <b>-</b>              |
| <b>Total Compensation</b>             | <b>151,506</b>               | <b>-</b>   | <b>2,429</b>             | <b>-</b>            | <b>153,936</b> | <b>-</b>              |

Nature and amount of remuneration for the year ended 30 June 2019:

|                                      | Short-term employee benefits |            | Post-Employment Benefits | Share-based payment |               |                       |
|--------------------------------------|------------------------------|------------|--------------------------|---------------------|---------------|-----------------------|
|                                      | Salary, consulting fees AU\$ | Bonus AU\$ | Super-annuation AU\$     | Options AU\$        | Total AU\$    | Performance related % |
| <b>Executive Directors</b>           |                              |            |                          |                     |               |                       |
| Brett Lawrence                       | 37,500                       | -          | -                        | -                   | 37,500        | -                     |
| <b>Non-executive Directors</b>       |                              |            |                          |                     |               |                       |
| Alexander Parks                      | 28,500                       | -          | -                        | -                   | 28,500        | -                     |
| Logan Robertson                      | 3,000                        | -          | -                        | -                   | 3,000         | -                     |
| <b>Total Director's Compensation</b> | <b>69,000</b>                | <b>-</b>   | <b>-</b>                 | <b>-</b>            | <b>69,000</b> | <b>-</b>              |

## Directors' Report

### Key Management Personnel

|                                       |                |          |          |          |                |          |
|---------------------------------------|----------------|----------|----------|----------|----------------|----------|
| Sylvia Moss                           | 56,550         | -        | -        | -        | 56,550         | -        |
| <b>Total Key Management Personnel</b> | <b>56,550</b>  | <b>-</b> | <b>-</b> | <b>-</b> | <b>56,550</b>  | <b>-</b> |
| <b>Total Compensation</b>             | <b>125,550</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>125,550</b> |          |

### D. Share based compensation

#### Options

No new options were issued to key management personnel or to any of their associates during the year.

### E. Group Performance

At present, no remuneration for key management personnel is directly linked to common financial measures of the Group's performance.

The table below shows various commonly used measures of performance for the 2016 to 2020 financial years:

|                              | 2016<br>\$           | 2017<br>\$ | 2018<br>\$ | 2019<br>\$ | 2020<br>\$  |
|------------------------------|----------------------|------------|------------|------------|-------------|
| Revenues and finance income  | 90,555               | 55,562     | 72,951     | 39,915     | 24,945      |
| (Loss) after tax             | (1,060,057)          | (427,879)  | (190,787)  | (209,387)  | (1,095,863) |
| Share price at start of year | 0.004                | 0.003      | 0.003      | 0.003      | 0.003       |
| Share price at end of year   | 0.003 <sup>(i)</sup> | 0.003      | 0.003      | 0.001      | 0.005       |
| Loss per share (ii)          | (0.07)               | (0.03)     | (0.01)     | (0.04)     | (0.16)      |

(i) Return of Capital to Shareholders of 0.25c per share.

(ii) Prior years' Loss per share has been adjusted for the share consolidation (refer note 13)

### F. Equity instruments held by key management personnel

#### Performance Rights:

The number of performance rights over ordinary shares held by Key Management Personnel during the financial year is as follows:

| Holder                       | Balance at beginning of year | Other changes during the year | Cancelled           | Balance at end of year | Vested and exercisable |
|------------------------------|------------------------------|-------------------------------|---------------------|------------------------|------------------------|
| Brett Lawrence               | -                            | -                             | -                   | -                      | -                      |
| Alexander Parks              | -                            | -                             | -                   | -                      | -                      |
| Logan Robertson              | -                            | -                             | -                   | -                      | -                      |
| Timothy Wise <sup>(i)</sup>  | -                            | 20,000,000                    | (20,000,000)        | -                      | -                      |
| Joseph Graham <sup>(i)</sup> | -                            | 30,000,000                    | (30,000,000)        | -                      | -                      |
| Sylvia Moss                  | -                            | -                             | -                   | -                      | -                      |
|                              | <b>-</b>                     | <b>50,000,000</b>             | <b>(50,000,000)</b> | <b>-</b>               | <b>-</b>               |

(i) On 16 August 2019 Tamaska Oil and Gas Limited (ASX:TMK) executed an agreement to acquire a 100% shareholding in Parta Energy Pty Ltd, which is a special purpose vehicle that has acquired rights to a 50% participating interest in the Parta exploration licence onshore in Romania (Parta Licence). The acquisition was completed on 31 October 2019.

## Directors' Report

The consideration payable was 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares with each Parta Energy shareholder receiving the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd.

The company has elected to not proceed with the Parta Project Farm-in, in Romania and the performance shares have been cancelled.

### Shareholdings:

The number of ordinary shares in the company held by each KMP of the Group during the financial year is as follows:

| Holder                              | Balance at beginning of year | Granted as remuneration during the year | Issued on exercise of options during the year | Other changes during the year | Balance at end of year |
|-------------------------------------|------------------------------|---|---|-------------------------------|------------------------|
| Brett Lawrence                      | -                            | -                                       | -   | -                             | -                      |
| Logan Robertson                     | -                            | -                                       | -   | -                             | -                      |
| Timothy Wise <sup>(i)</sup>         | -                            | -                                       | -   | 20,000,000                    | 20,000,000             |
| Joseph Graham <sup>(i)</sup>        | -                            | -                                       | -   | 30,000,000                    | 30,000,000             |
| Alexander Parks (resigned 4 Nov 19) | 5,308,000                    | -                                       | -   | (5,308,000)                   | -                      |
| Sylvia Moss                         | -                            | -                                       | -   | -                             | -                      |
|                                     | <b>5,308,000</b>             | <b>-</b>                                | <b>-</b>                                      | <b>44,692,000</b>             | <b>50,000,000</b>      |

- (i) On 16 August 2019 Tamaska Oil and Gas Limited (ASX:TMK) executed an agreement to acquire a 100% shareholding in Parta Energy Pty Ltd, which is a special purpose vehicle that has acquired rights to a 50% participating interest in the Parta exploration licence onshore in Romania (Parta Licence). The acquisition was completed on 31 October 2019.

The consideration payable was 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares with each Parta Energy shareholder receiving the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd.

### G. Loans to key management personnel

No loans were provided to the key management personnel or to any of their associates.

### H. Other transactions with key management personnel

On 16 August 2019 Tamaska Oil and Gas Limited (ASX:TMK) executed an agreement to acquire a 100% shareholding in Parta Energy Pty Ltd, which is a special purpose vehicle that has acquired rights to a 50% participating interest in the Parta exploration licence onshore in Romania (Parta Licence). The acquisition was completed on 31 October 2019.

The consideration payable was 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares with each Parta Energy shareholder receiving the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd. Timothy Wise and Joseph Graham are also directors of TMK.

The consideration is deemed to be a share based payment under AASB 2 Share Based Payments. Total consideration was deemed to be \$420,000 which represents the fair value of the shares on the date of issue.

There were no other transactions with key management personnel during the financial year.

## Directors' Report

### I. Additional Information

Principles used to determine the nature and amount of remuneration: relationship between remuneration and company performance.

In considering the Company's performance and its effect on shareholder wealth, the Board have regard to a broad range of factors, some of which are financial and others of which relate to the progress on the Company's projects, results and progress of exploration and development activities, joint venture agreements etc.

The Board also gives consideration to the Company's result and cash consumption for the year. It does not utilise earnings per share as a performance measure or contemplate payment of any dividends in the short to medium term given that all efforts are currently being expended to build the business and establish self-sustaining revenue streams.

There were no remuneration consultants engaged by the Company during the financial year.

### Voting and comments made at the Company's 2019 Annual General Meeting

TMK received 100% of "yes" votes (excluding Director's votes) on its remuneration report for the 2019 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

### **END OF AUDITED REMUNERATION REPORT**

## Directors' Report

### Shares under option

At the date of this report there were 20,000,000 unlisted options over unissued ordinary shares.

As at the date of this report no listed options are on issue.

### Indemnification and Insurance of Directors and Officers

During the financial year, the Company maintained an insurance policy which indemnifies the Directors and Officers of Tamaska Oil & Gas Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Company. The Company's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty or the improper use of position or information to gain advantage for themselves or someone else or to cause detriment to the company.

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporation Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the court under section 237 of the Corporation Act 2001.

### Non-audit Services

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

During the year, no fees were paid or payable for non-audit services by BDO (WA) Pty Ltd and its related practices.

## Directors' Report

### Auditor's Independence Declaration

The Auditor's Independence Declaration, as required under Section 307c of the Corporations Act 2001, for the financial year ended 30 June 2020 has been received and can be found on page 16.

This report is made in accordance with a resolution of directors.



Brett Lawrence  
Managing Director  
Perth, Western Australia  
25 September 2020

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF TAMASKA OIL AND GAS LIMITED

As lead auditor of Tamaska Oil and Gas Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Tamaska Oil and Gas Limited and the entities it controlled during the period.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 25 September 2020

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2020

|  |       | Consolidated       |                  |
|--|-------|--------------------|------------------|
|  |       | 30-Jun-20          | 30-Jun-19        |
| Revenue  | Notes | \$                 | \$               |
| Oil revenue  |       | 1,066              | 2,671            |
| Government Grant   |       | 10,000             | -                |
| Interest income  |       | 13,879             | 37,244           |
| <b>Total revenue</b>   |       | <b>24,945</b>      | <b>39,915</b>    |
| Cost of sales  |       | (9,136)            | (21,729)         |
| Accounting and audit fees  |       | (31,243)           | (38,472)         |
| Directors' fees  |       | (115,498)          | (69,000)         |
| Professional and consultancy fees  |       | (79,348)           | (56,550)         |
| Regulatory expenses  |       | (54,558)           | (35,691)         |
| Amortisation of oil and gas properties   | 10    | (825)              | (1,666)          |
| Depreciation   |       | -                  | (703)            |
| Impairment of capitalised oil and gas expenditure  | 11    | (747,746)          | -                |
| Office and administrative expenses   | 6     | (114,847)          | (25,610)         |
| <b>Loss of operating activities</b>  |       | <b>(1,128,256)</b> | <b>(209,506)</b> |
| Foreign exchange gains/(losses)  |       | 32,393             | 119              |
| <b>Loss before tax</b>   |       | <b>(1,095,863)</b> | <b>(209,387)</b> |
| Income tax (expense)/benefit   | 7     | -                  | -                |
| <b>Loss for the year after income tax</b>  |       | <b>(1,095,863)</b> | <b>(209,387)</b> |
| <b>Other comprehensive income for the year</b>   |       |                    |                  |
| <b>Items that may be reclassified to profit or loss</b>  |       |                    |                  |
| Exchange differences on the translation of foreign operations  |       | 41                 | (1,785)          |
| <b>Other comprehensive (loss) for the year, net of tax</b>   |       | <b>41</b>          | <b>(1,785)</b>   |
| <b>Total comprehensive loss for the year</b>   |       | <b>(1,095,822)</b> | <b>(211,172)</b> |
| <b>Loss attributed to:</b>   |       |                    |                  |
| Owners of Tamaska Oil and Gas Limited  |       | (1,095,822)        | (211,172)        |
| <b>Total comprehensive loss for the year attributable to:</b>  |       |                    |                  |
| Owners of Tamaska Oil and Gas Limited  |       | (1,095,822)        | (211,172)        |
| Loss per share for loss from continuing operations attributed to the ordinary equity holders of the company: |       |                    |                  |
| Basic loss per share/diluted loss per share (cents per share)  | 17    | (0.16)             | (0.04)           |

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## Consolidated Statement of Financial Position

As at 30 June 2020

| Consolidated                         |       |                  |                  |
|--------------------------------------|-------|------------------|------------------|
|                                      | Notes | 30-Jun-20<br>\$  | 30-Jun-19<br>\$  |
| <b>Current assets</b>                |       |                  |                  |
| Cash and cash equivalents            | 8     | 2,912,406        | 1,626,391        |
| Trade and other receivables          | 9     | 12,087           | 23,162           |
| <b>Total current assets</b>          |       | <b>2,924,493</b> | <b>1,649,553</b> |
| <b>Non-current assets</b>            |       |                  |                  |
| Oil and gas properties               | 10    | 44,133           | 43,971           |
| <b>Total non-current assets</b>      |       | <b>44,133</b>    | <b>43,971</b>    |
| <b>Total assets</b>                  |       | <b>2,968,626</b> | <b>1,693,524</b> |
| <b>Current liabilities</b>           |       |                  |                  |
| Trade and other payables             | 12    | 56,088           | 52,319           |
| <b>Total Current liabilities</b>     |       | <b>56,088</b>    | <b>52,319</b>    |
| <b>Non-current Liabilities</b>       |       |                  |                  |
| Restoration Provision                |       | 37,960           | 37,145           |
| <b>Total non-current liabilities</b> |       | <b>37,960</b>    | <b>37,145</b>    |
| <b>Total liabilities</b>             |       | <b>94,048</b>    | <b>89,464</b>    |
| <b>Net assets</b>                    |       | <b>2,874,578</b> | <b>1,604,060</b> |
| <b>Equity</b>                        |       |                  |                  |
| Issued share capital                 | 13    | 31,029,783       | 28,705,778       |
| Issued share options                 | 13b   | 408,890          | 408,890          |
| Share based payment reserve          | 14    | 581,483          | 539,148          |
| Other reserves                       | 14    | 853,286          | 853,245          |
| Accumulated losses                   | 16    | (29,998,864)     | (28,903,001)     |
| <b>Total equity</b>                  |       | <b>2,874,578</b> | <b>1,604,060</b> |

*The above consolidated statement of financial position should be read in conjunction with the notes to the financial statements.*

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2020

| 30 June 2020  | Issued Share capital | Issued Options | Share Based Payment Reserve | Other Reserves | Accumulated losses  | Total Equity     |
|---|----------------------|----------------|-----------------------------|----------------|---------------------|------------------|
|   | \$                   | \$             | \$                          | \$             | \$                  | \$               |
| <b>Balance at 1 July 2019</b>   | <b>28,705,778</b>    | <b>408,890</b> | <b>539,148</b>              | <b>853,245</b> | <b>(28,903,001)</b> | <b>1,604,060</b> |
| Currency translation of foreign operations                                  | -                    | -              | -                           | 41             | -                   | 41               |
| Loss after tax  | -                    | -              | -                           | -              | (1,095,863)         | (1,095,863)      |
| Total comprehensive income/(loss) for the year                              | -                    | -              | -                           | 41             | (1,095,863)         | (1,095,822)      |
| <b>Transactions with equity holders in their capacity as equity holders</b> |                      |                |                             |                |                     |                  |
| Issue of share capital  | 2,400,000            | -              | -                           | -              | -                   | 2,400,000        |
| Capital Raising Costs   | (75,995)             | -              | -                           | -              | -                   | (75,995)         |
| Options Issued  | -                    | -              | 42,335                      | -              | -                   | 42,335           |
| <b>Balance at 30 June 2020</b>  | <b>31,029,783</b>    | <b>408,890</b> | <b>581,483</b>              | <b>853,286</b> | <b>(29,998,864)</b> | <b>2,874,578</b> |

| 30 June 2019  | Issued Share capital | Issued Options | Share Based Payment Reserve | Other Reserves | Accumulated losses  | Total Equity     |
|---|----------------------|----------------|-----------------------------|----------------|---------------------|------------------|
|   | \$                   | \$             | \$                          | \$             | \$                  | \$               |
| <b>Balance at 1 July 2018</b>   | <b>28,705,778</b>    | <b>408,890</b> | <b>539,148</b>              | <b>855,030</b> | <b>(28,693,614)</b> | <b>1,815,232</b> |
| Currency translation of foreign operations                                  | -                    | -              | -                           | (1,785)        | -                   | (1,785)          |
| Loss after tax  | -                    | -              | -                           | -              | (209,387)           | (209,387)        |
| Total comprehensive income/(loss) for the year                              | -                    | -              | -                           | (1,785)        | (209,387)           | (211,172)        |
| <b>Transactions with equity holders in their capacity as equity holders</b> |                      |                |                             |                |                     |                  |
| Issue of share capital  | -                    | -              | -                           | -              | -                   | -                |
| Capital Raising Costs   | -                    | -              | -                           | -              | -                   | -                |
| Options Issued  | -                    | -              | -                           | -              | -                   | -                |
| Amortised Share based payment expense                                       | -                    | -              | -                           | -              | -                   | -                |
| <b>Balance at 30 June 2019</b>  | <b>28,705,778</b>    | <b>408,890</b> | <b>539,148</b>              | <b>853,245</b> | <b>(28,903,001)</b> | <b>1,604,060</b> |

The consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements.

## Consolidated Statement of Cash Flows

For the year ended 30 June 2020

|  |       | Consolidated     |                  |
|--|-------|------------------|------------------|
|  | Notes | 30-Jun-20<br>\$  | 30-Jun-19<br>\$  |
| <b>Cash flows from operating activities</b>                            |       |                  |                  |
| Receipts from product sales and related                                |       | 1,066            | 2,671            |
| Interest received  |       | 13,879           | 37,244           |
| Payments to suppliers and employees (inclusive of GST)                 |       | (372,047)        | (219,388)        |
| Payment of production costs  |       | (1,066)          | (13,834)         |
| Government Grant   |       | 10,000           | -                |
| <b>Net cash and cash equivalents outflow from operating activities</b> | 19    | <b>(348,168)</b> | <b>(193,307)</b> |
| <b>Cash flows from investing activities</b>                            |       |                  |                  |
| Exploration costs on oil and gas activities                            |       | (334,480)        | -                |
| <b>Net cash and cash equivalents outflow from investing activities</b> |       | <b>(334,480)</b> | <b>-</b>         |
| <b>Cash flows from financing activities</b>                            |       |                  |                  |
| Proceeds from issue of ordinary shares and options                     |       | 1,980,000        | -                |
| Capital raising cost   |       | (33,660)         | -                |
| <b>Net cash and cash equivalents inflow from financing activities</b>  |       | <b>1,946,340</b> | <b>-</b>         |
| <b>Net increase/(decrease) in cash held</b>                            |       | <b>1,263,691</b> | <b>(193,307)</b> |
| Cash and cash equivalents at beginning of financial year               |       | 1,626,391        | 1,822,244        |
| Foreign exchange movement on cash                                      |       | 22,324           | (2,546)          |
| <b>Cash and cash equivalents at end of financial year</b>              | 8     | <b>2,912,406</b> | <b>1,626,391</b> |

*The above consolidated statement of cash flows should be read in conjunction with the notes to the financial statements.*

## Notes to the Consolidated Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements and notes represent those of Tamaska Oil and Gas Limited ("Tamaska" or the "Company") and its controlled entities (the "Group").

The principal accounting policies adopted in the presentation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. Tamaska Oil and Gas Limited is a for-profit entity for the purposes of preparing these financial statements.

##### i) Compliance with IFRSs

The consolidated entity financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

##### ii) Historical Cost Convention

These consolidated financial statements have been prepared under the historical cost convention.

##### iii) Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

##### iv) Early Adoption on Standards

The Group has not elected to apply any pronouncements before their operative date for the annual reporting period beginning 1 July 2019.

#### (b) Principles of Consolidation

##### i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tamaska Oil & Gas Limited (the "parent entity") as at 30 June 2020 and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### ii) Jointly Controlled Assets and Operations

The majority of operations are carried out subject to joint venture arrangements. The proportionate interests in the assets, liabilities, income and expenditure of a joint venture activity have been incorporated in the financial statements under the appropriate headings.

### (c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

### (d) Foreign Currency Translation

#### i) Functional and Presentation Currency

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

#### ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss and Other comprehensive income on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Transaction difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

#### iii) Group Companies

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

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- Income and expenses for each Statement of profit or loss and other comprehensive income are translated at average exchange rate (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Exchange differences arising within the foreign currency translation reserve from the translation of foreign operations of entities which were discontinued by way of in-specie distribution during the year have been recognised against retained earnings as the transfer of entities was to members in whom there was common control.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

### **(e) Revenue Recognition**

#### **i) Interest Income**

Interest income is recognised on a time proportion basis using the effective interest method.

#### **ii) Oil and Gas Revenue**

Revenue is recognised when the control of the goods has been transferred to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and short-term deposits.

### **(g) Trade and Other Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less Expected Credit Loss. Trade receivables are generally due for settlement between thirty (30) and ninety (90) days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after reporting date.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The movement in the provision is recognised in profit or loss.

#### *Expected credit losses of financial asset at amortised cost*

Loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### **(h) Non-current Assets (or Disposal Groups) Held for Sale and Discontinued Operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expense attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position as current assets. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position as current liabilities.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss and other comprehensive income.

### (i) In-specie distribution

The share capital of the Company is reduced by the fair value of the investment that was returned to shareholders.

### (j) Other Financial Assets

#### i) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial report date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position (note 9).

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Loans and receivables are carried at amortised cost using the effective interest method.

### (k) *Exploration, Evaluation and Development Expenditure*

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method which is closely aligned to the US GAAP based successful efforts method of accounting for oil and gas exploration and evaluation expenditure.

This approach is strongly linked to the Group's oil and gas reserves determination and reporting process and is considered to most fairly reflect the results of the Group's exploration and evaluation activity because only assets with demonstrable value are carried on the statement of financial position.

Once a well commences producing commercial quantities of oil and gas, capitalised exploration and evaluation costs are transferred to Oil and Gas Properties – Producing Projects and amortisation commences.

This method allows the costs associated with the acquisition, exploration and evaluation of a prospect to be aggregated on the Consolidated Statement of Financial Position and matched against the benefits derived from commercial production once this commences.

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are treated as exploration and evaluation expenditure.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (l) *Impairment of Exploration and Evaluation Assets*

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the assets carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts. The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements; and
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

### (m) *Oil and Gas Properties*

Following commencement of production activities all acquisition, exploration, evaluation and development expenditure in relation to an area of interest is accumulated into an oil and gas property.

When further development expenditure is incurred in respect of a property after the commencement of production, such expenditure is carried forward as part of the cost of that property only when substantial economic benefits are established, otherwise such expenditure is classified as part of the cost of production.

The present value of the West Klondike Field is calculated using the 2P reserves only.

Amortisation of the cost of oil and gas properties is provided on the unit-of-production basis over the proved developed reserves of the field concerned with separate calculations being made for each resource. The unit-of-production basis results in an amortisation charge proportional to the depletion of the economically recoverable reserves. Amortisation is charged from the commencement of production.

Oil and Gas properties are tested for impairment as described in note 4(i).

In the absence of readily available market prices, the recoverable amounts of assets are determined using estimates of the present value of future cash flows using asset-specific discount rates. For oil & gas properties, these estimates are based on assumptions concerning reserves, future production profiles and costs.

### (n) *Trade and Other Payables*

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year, which remain unpaid at year end. The amounts are unsecured and are usually paid within 30 days of recognition. They are recognised at fair value on initial recognition and subsequently at amortised cost, using the effective interest rate method.

### (o) *Employee Benefits*

#### i) *Short Term Obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Profit sharing and bonus plans are recognised as expenses in profit or loss. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### ii) Share Based Payments

Share based compensation benefits are provided to employees. Information relating to these granted options is set out in note 15.

The fair value of the options is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

### (p) *Borrowing Costs*

Borrowing costs are recognised as an expense when incurred except if costs were incurred for the construction of any qualifying asset, in which case, the costs are capitalised over the year that is required to complete and prepare the asset for its intended use or sale.

### (q) *Income Tax*

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in the deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income.

Deferred income tax is provided on all temporary differences at the statement of financial position date, arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses to the extent it is probable that future taxable amounts will be available to utilise those temporary differences and losses:

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

### (r) *Goods and Services Tax (GST)*

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

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authorities, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

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

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

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

### (s) *Contributed Equity*

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Other components of equity include the following:

- Share based payment reserve, as described in note 14.
- Foreign currency translation reserve which comprises foreign currency translation differences arising on the translation of financial statements of the Group's foreign entities into Australian Dollars.

### (t) *Earnings per Share*

#### i) *Basic Earnings per Share*

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

#### ii) *Diluted Earnings per Share*

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (u) *New Accounting Standards and Interpretations*

A number of new or amended standards became applicable for the current reporting period and the Company had to change its accounting policies as a result of the adoption of the following standards:

- **AASB 16 Leases**

The consolidated entity has adopted all of the new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

#### AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117.

However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

#### Impact of adoption

The impact of this standard has not had any impact on the amounts presented in the Company's financial statements.

## 2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group monitors this risk and implements measures to minimise the impact of this risk. The Group uses different methods to measure different types of risk to which it is exposed, including sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk.

Risk management is carried out by the Board of Directors.

The Group holds the following financial instruments:

|                              | 2020<br>\$       | 2019<br>\$       |
|------------------------------|------------------|------------------|
| <b>Financial Assets</b>      |                  |                  |
| Cash and cash equivalents    | 2,912,406        | 1,626,391        |
| Trade receivables            | 12,087           | 23,162           |
|                              | <u>2,924,493</u> | <u>1,649,553</u> |
| <b>Financial Liabilities</b> |                  |                  |
| Trade and other payables     | 56,088           | 52,319           |
|                              | <u>56,088</u>    | <u>52,319</u>    |

## 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (a) Market Risk

#### (i) Foreign Exchange Risk

The Group operates internationally through foreign subsidiaries and is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency or from net investments in foreign operations. The risk is monitored using cash flow forecasting and regular management reporting. The Group keeps bank accounts in foreign currency to reduce the exposure to foreign exchange fluctuations.

The group's exposure for foreign currency risk at the reporting date was as follows:

| 30 June 2020     |         |         |
|------------------|---------|---------|
| Foreign Currency | EURO    | USD \$  |
| Cash             | 919,265 | 768,116 |

#### (ii) Price Risk

Due to the nature of the Group's principal operation being oil & gas exploration and production the Group is exposed to the fluctuations in the price of oil & gas. Although the Group is economically exposed to commodity price risk of the above mentioned inputs, this is not a recognised market risk under the accounting standard as the risk is embedded within normal purchase and sales and are therefore not financial instruments.

#### (iii) Cash Flow and Fair Value Interest Rate Risk

At reporting date, the Group has no long term borrowings and its exposure to interest rate risk is assessed as minimal.

The Group's exposure to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets of the group are summarised in the following tables:

| 2020                      | Floating interest rate<br>\$ | Non-interest bearing<br>\$ | 1 Year or less<br>\$ | Over 1 to 5 years<br>\$ | Total<br>\$ |
|---------------------------|------------------------------|----------------------------|----------------------|-------------------------|-------------|
| <b>Financial assets</b>   |                              |                            |                      |                         |             |
| Cash and cash equivalents | -                            | 2,912,406                  | -                    | -                       | -           |
|                           | -                            | 2,912,406                  | -                    | -                       | -           |

  

| 2019                      | Floating interest rate<br>\$ | Non-interest bearing<br>\$ | 1 Year or less<br>\$ | Over 1 to 5 years<br>\$ | Total<br>\$ |
|---------------------------|------------------------------|----------------------------|----------------------|-------------------------|-------------|
| <b>Financial assets</b>   |                              |                            |                      |                         |             |
| Cash and cash equivalents | 1,626,320                    | 71                         | 1,626,391            | -                       | 1,626,391   |
|                           | 1,626,320                    | 71                         | 1,626,391            | -                       | 1,626,391   |

## 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group has minimal exposure to interest rate risk other than reduction/increases in interest earned should the rates decrease/increase respectively. As an indication of possible sensitivity to changes in interest rates a 1% movement in interest rate, would increase/decrease the annual amount of interest received by \$Nil (2019: \$16,263)

### (b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is not significantly exposed to credit risk from its operating activities, however the Board constantly monitors customer receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset. The Group does not hold collateral as security. No material exposure is considered to exist by virtue of the possible non-performance of the counterparties to financial instruments and cash deposits. The Group ensure the use of leading investment institutions in terms of managing cash. The cash of \$2,912,406 is held in an institution with an AA-credit rating. The maximum exposure to credit risk are the financial assets as disclosed at note 2(a)(iii).

### (c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions should they arise. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties. No unused lines of credit currently exist.

| Contractual maturities of financial liabilities | Less than 6 months | 6-12 months | Between 1-5 years | Total  | Carrying Value |
|---|--------------------|-------------|-------------------|--------|----------------|
| 30 June 2020                                    | \$                 | \$          | \$                | \$     | \$             |
| <b>Financial Liabilities</b>                    |                    |             |                   |        |                |
| Trade and other payables                        | 56,088             | -           | -                 | 56,088 | 56,088         |
|   | 56,088             | -           | -                 | 56,088 | 56,088         |

| Contractual maturities of financial liabilities | Less than 6 months | 6-12 months | Between 1-5 years | Total  | Carrying Value |
|---|--------------------|-------------|-------------------|--------|----------------|
| 30 June 2019                                    | \$                 | \$          | \$                | \$     | \$             |
| <b>Financial Liabilities</b>                    |                    |             |                   |        |                |
| Trade and other payables                        | 52,319             | -           | -                 | 52,319 | 52,319         |
|   | 52,319             | -           | -                 | 52,319 | 52,319         |

### (d) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement, and for disclosure purposes.

#### (i) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly; and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At year end 30 June 2020 the Group did not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

## 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

### *(ii) Fair values of other financial instruments*

Due to their short-term nature, the carrying amounts of the current receivables and current trade and other payables is assumed to equal their fair value.

The following methods and assumptions are used to determine the net fair value of financial assets and liabilities:

- Cash assets, borrowings and financial assets are carried at amounts approximating fair value because of their short term nature to maturity.
- Receivables and payables are carried at amounts approximating fair value.

### *(e) Capital Risk Management*

The Group's objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistently with others in the industry, the Group manages its capital by assessing the Group's financial risk and adjusts its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year. The Group is not subject to any externally imposed capital requirements.

## 3. ASSET ACQUISITION

On 16 August 2019 Tamaska Oil and Gas Limited acquired 100% of the issued shares of Parta Energy Pty Ltd by way of a Share Sale Deed. Parta Energy Pty Ltd shareholders received a combined 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares in Tamaska Oil and Gas Limited. Each of the Parta Energy shareholders received the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd.

Tamaska Oil and Gas Limited acquired Parta Energy Pty Ltd with the only key assets being the rights to the 'Parta Energy Contract Area' by a farm in agreement with ADX Energy and Danube Petroleum Ltd ("Farm in Agreement"), a Joint Operating Agreement with ADX Energy ("JOA"), and Royalty Agreement by which Parta Energy Pty Ltd has an obligation to pay a royalty of 2% of the gross value of Parta Energy's share of production from any area within the Parta Licence. The Farm in Agreement and JOA gives Parta Energy Pty Ltd the right to earn up to 50% interest in the Parta Contract Area and a 50% participating interest in the JOA.

As the acquisition of Parta Energy Pty Ltd is not deemed a business acquisition, the transaction must be accounted for as a share based payment for the net assets acquired.

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

#### 4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*(i) Estimated Impairment*

The Group tests annually whether exploration and evaluation expenditure and Oil and Gas properties have suffered any impairment, in accordance with the accounting policy stated in note 1(n). During the year the group recognised \$747,746 (2019: Nil) of impairment on exploration and evaluation expenditure. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions like commodity price and production quantity. Refer to note 11.

*(ii) Income Taxes*

The Group expects to have carried forward tax losses which have not been recognised as deferred tax assets as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions.

*(iii) Amortisation*

Upon commencement of production, the Group amortises the accumulated costs for the relevant area of interest over the life of the area according to the rate of depletion of the economically recoverable quantities of 2P reserves. Estimates of recoverable reserve quantities include judgemental assumptions regarding commodity prices, exchange rates, discount rates, and production and transportation costs for future cash flows. It also requires interpretation of the quality of reservoirs, and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period.

*(iv) Coronavirus (Covid-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*(v) Exploration and evaluation costs*

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

*(vi) Share Based Payments*

The fair value of options in the shares of the Company issued to Directors and other parties is recognised as an expense in the financial statements in relation to the granting of these options. The fair value is determined by using either the Binomial or Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(vii) *Acquisition of Assets*

In determining whether an acquisition is a business combination or an asset acquisition, management apply significant judgement to assess whether the net assets acquired constitute a 'business' in accordance with AASB 3. Under that standard, a business is an integrated set of activities and assets that is capable of being conducted or managed for the purpose of providing a return, and necessarily consists of inputs, processes, which when applied to those inputs, have the ability to create outputs. Judgement is also exercised in determining the value of the net assets acquired and consideration paid.

## 5. SEGMENT REPORTING

Management has determined the operating segments based on reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors considers the business from a geographic perspective and have identified the below reportable segments:

| Geographical Segment     | 30-Jun-20 |           |                           |              |              |
|--------------------------|-----------|-----------|---------------------------|--------------|--------------|
|                          | \$        | \$        | \$                        | \$           | \$           |
|                          | Romania   | USA       | Corporate/<br>Unallocated | Eliminations | Consolidated |
| <b>Results</b>           |           |           |                           |              |              |
| Revenue                  | -         | 1,066     | 23,879                    | -            | 24,945       |
| Impairment               | (747,746) | -         | -                         | -            | (747,746)    |
| Amortisation             | -         | (825)     | -                         | -            | (825)        |
| Loss for the period      | (747,746) | (29,994)  | (317,856)                 | -            | (347,849)    |
| <b>Assets</b>            |           |           |                           |              |              |
| Segment assets           | -         | 725,760   | 4,356,774                 | (2,113,908)  | 2,968,626    |
| <b>Total assets</b>      | -         | 725,760   | 4,356,774                 | (2,113,908)  | 2,968,626    |
| <b>Liabilities</b>       |           |           |                           |              |              |
| Segment liabilities      | 327,453   | 5,634,692 | 3,377,185                 | 2,679,009    | 94,048       |
| <b>Total liabilities</b> | 327,453   | 5,634,692 | 3,377,185                 | 2,679,009    | 94,048       |

| Geographical Segment     | 30-Jun-19 |                           |              |              |
|--------------------------|-----------|---------------------------|--------------|--------------|
|                          | \$        | \$                        | \$           | \$           |
|                          | USA       | Corporate/<br>Unallocated | Eliminations | Consolidated |
| <b>Results</b>           |           |                           |              |              |
| Revenue                  | 2,671     | 37,244                    | -            | 39,915       |
| Impairment               | -         | -                         | -            | -            |
| Amortisation             | (1,666)   | -                         | -            | (1,666)      |
| Loss for the period      | (27,955)  | (181,432)                 | -            | (209,387)    |
| <b>Assets</b>            |           |                           |              |              |
| Segment assets           | 710,957   | 5,001,176                 | (4,018,609)  | 1,693,524    |
| <b>Total assets</b>      | 710,957   | 5,001,176                 | (4,018,609)  | 1,693,524    |
| <b>Liabilities</b>       |           |                           |              |              |
| Segment liabilities      | 5,480,408 | 2,290,518                 | (7,860,390)  | (89,464)     |
| <b>Total liabilities</b> | 5,480,408 | 2,290,518                 | (7,860,390)  | (89,464)     |

## 6. OFFICE AND ADMINISTRATIVE COST

| Consolidated   |                  |                 |
|--|------------------|-----------------|
|  | 2020             | 2019            |
|  | \$               | \$              |
| <b>The loss from continuing operations includes the following specific expenses:</b> |                  |                 |
| Office and administrative expenses   |                  |                 |
| Wages and Salaries   | (25,571)         | -               |
| Employee Benefits  | (2,429)          | -               |
| IT costs   | (3,982)          | (1,083)         |
| Other administrative expenses  | (82,865)         | (24,527)        |
| <b>Total office and administration expenses</b>                                      | <b>(114,847)</b> | <b>(25,610)</b> |

## 7. INCOME TAX

| Income tax recognised in Statement of Profit or Loss and Other Comprehensive Income | Consolidated |          |
|---|--------------|----------|
|   | 2020         | 2019     |
|   | \$           | \$       |
| Tax expense/(income) comprises:   |              |          |
| Current tax expense/(income) in respect of the current year                         | -            | -        |
| <b>Total tax expense/(income) from continuing operations</b>                        | <b>-</b>     | <b>-</b> |
| <b>Total tax expense/(income) from discontinued operations</b>                      | <b>-</b>     | <b>-</b> |

The prima facie income tax expense/(income) on pre-tax accounting loss from operations reconciles to the income tax expense/(income) in the financial statements as follows:

| Consolidated  |                    |                  |
|---|--------------------|------------------|
|   | 2020               | 2019             |
|   | \$                 | \$               |
| Loss from continuing operations   | (1,095,863)        | (209,387)        |
| Loss before tax from discontinued operations                                      | -                  | -                |
| <b>Total loss from operations</b>   | <b>(1,095,863)</b> | <b>(209,387)</b> |
| Income tax expense/(income) calculated at 30%                                     | (328,759)          | (62,816)         |
| Effect of expenses that are not deductible in determining taxable profit          | 239,614            | 3,046            |
| Effect of unused tax losses and tax offsets not recognised as deferred tax assets | 94,904             | 67,812           |
| Other   | (5,759)            | (8,042)          |
|   | -                  | -                |

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

## Unrecognised deferred tax balances

|  | Consolidated     |                  |
|--|------------------|------------------|
|  | 2020             | 2019             |
|  | \$               | \$               |
| Deferred tax assets/(liabilities) un-recognised: |                  |                  |
| Tax losses:                                      |                  |                  |
| Australian tax losses – revenue                  | 2,111,121        | 2,024,724        |
| US tax losses                                    | 622,360          | 616,406          |
| Canadian tax losses                              | 411              | 411              |
| Unrealised FX gains/(losses)                     | (578,509)        | (512,798)        |
| Capital raising costs                            | 5,759            | 8,044            |
| Deferred tax liability:                          |                  |                  |
| Australian – Other                               | 15,738           | (16,094)         |
| Oil and gas properties                           | (13,240)         | (13,191)         |
| Unrecognised deferred tax assets                 | <b>2,163,640</b> | <b>2,107,502</b> |

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

## 8. CASH AND CASH EQUIVALENTS

|              | Consolidated |           |
|--------------|--------------|-----------|
|              | 2020         | 2019      |
|              | \$           | \$        |
| Cash at bank | 2,912,406    | 1,626,391 |

The Group's exposure to interest rate risk and foreign exchange risk is discussed in note 2.

## 9. TRADE AND OTHER RECEIVABLES

|                   | Consolidated  |               |
|-------------------|---------------|---------------|
|                   | 2020          | 2019          |
|                   | \$            | \$            |
| <b>Current</b>    |               |               |
| Other receivables | 7,252         | 17,905        |
| GST Receivable    | 4,835         | 5,257         |
|                   | <b>12,087</b> | <b>23,162</b> |

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

## 10. OIL AND GAS PROPERTIES

The ultimate recoupment of these costs is dependent on successful development and commercial exploitation, or alternatively, the sale of the respective areas.

|                               | Consolidated  |               |
|-------------------------------|---------------|---------------|
| Oil and gas properties – cost | 2020          | 2019          |
|                               | \$            | \$            |
| Producing oil & gas asset     | 463,639       | 462,652       |
| Accumulated Amortisation      | (419,506)     | (418,681)     |
|                               | <b>44,133</b> | <b>43,971</b> |

Movements in carrying amounts are reconciled as follows:

|                           |               |               |
|---------------------------|---------------|---------------|
| Opening balance           | 43,971        | 43,310        |
| Additions during the year | -             | -             |
| Amortisation expense      | (825)         | (1,666)       |
| Impairment of assets      | -             | -             |
| Foreign currency movement | 987           | 2,327         |
|                           | <b>44,133</b> | <b>43,971</b> |

## 11. CAPITALISED OIL AND GAS EXPENDITURE

|                                     | Consolidated |          |
|-------------------------------------|--------------|----------|
|                                     | 2020         | 2019     |
|                                     | \$           | \$       |
| Opening balance                     | -            | -        |
| Additions during the year           | 747,746      | -        |
| Impairment of assets <sup>(i)</sup> | (747,746)    | -        |
|                                     | <b>-</b>     | <b>-</b> |

On 16 August 2019 Tamaska Oil and Gas Limited (ASX:TMK) executed an agreement to acquire a 100% shareholding in Parta Energy Pty Ltd, which is a special purpose vehicle that has acquired rights to a 50% participating interest in the Parta exploration licence onshore in Romania (Parta Licence). The acquisition was completed on 31 October 2019.

The consideration payable was 70,000,000 ordinary fully paid shares and 70,000,000 Class A Performance Shares with each Parta Energy shareholder receiving the Parta Energy consideration pro-rata to their pre-existing shareholding in Parta Energy Pty Ltd.

The consideration is deemed to be a share based payment under AASB 2 Share Based Payments. Total consideration was deemed to be \$420,000 which represents the fair value of the shares on the date of issue. Details of the fair value of the assets and liabilities acquired as at 30 June 2020 are as follows:

| Purchase Consideration                | (\$)    |
|---------------------------------------|---------|
| 70,000,000 Ordinary Shares at \$0.006 | 420,000 |
| 70,000,000 Performance Shares*        | -       |
| Total Consideration                   | 420,000 |

\* Performance Shares represent contingent consideration and will be accounted for when they are issued.

\* The company has elected to not proceed with the Parta Project Farm-in, in Romania and the performance shares have been cancelled.

| Net Assets Acquired      | (\$)      |
|--------------------------|-----------|
| Exploration Assets       | 747,746   |
| Trade and other payables | (327,746) |
| Total Consideration      | 420,000   |

\* Trade and other payables represent a loan payable of US\$200,000 (AU\$294,906) plus AU\$32,840 comprising incorporation and consulting fees payable by Parta Energy Pty Ltd prior to its acquisition. The company has no other assets or liabilities.

(i) Under the Farm-in Agreement, TMK through its wholly owned subsidiary Parta Energy Pty Ltd, had the right to earn a 50% working interest in Parta by spending US\$1.5 million upon a 3D seismic program. By 30 June 2020 the planned 3D seismic program has been held up by approvals issues. The earn-in period under the Farm-in Agreement expired and requires mutual agreement of the parties to extend, the possibility of which has been under consideration. At 30 June 2020 the asset was therefore impaired to \$nil. The board elected on 8 September 2020 not to extend the earn-in period.

## 12. TRADE AND OTHER PAYABLES

|                                 | Consolidated  |               |
|---------------------------------|---------------|---------------|
|                                 | 2020          | 2019          |
|                                 | \$            | \$            |
| <b>TRADE AND OTHER PAYABLES</b> |               |               |
| Trade creditors                 | 41,588        | 35,819        |
| Trade accruals                  | 14,500        | 16,500        |
|                                 | <b>56,088</b> | <b>52,319</b> |

These amounts are expected to be settled within 12 months.

Due to the short term nature of these payables, their carrying amount is assumed to approximate their fair value.

## 13. ISSUED CAPITAL

| Ordinary shares                   | Consolidated      |                   |
|-----------------------------------|-------------------|-------------------|
|                                   | 2020              | 2019              |
|                                   | \$                | \$                |
| <b>Issued capital</b>             |                   |                   |
| Opening Balance                   | 28,705,778        | 28,705,778        |
| Shares Issued                     | 2,400,000         | -                 |
| Cost of share issue               | (75,995)          | -                 |
| <b>Fully paid ordinary shares</b> | <b>31,029,783</b> | <b>28,705,778</b> |

| Movements in share on issue                               | 30-Jun-20<br>Shares | 30-Jun-19<br>Shares  | 30-Jun-20<br>AUD  | 30-Jun-19<br>AUD  |
|---|---------------------|----------------------|-------------------|-------------------|
| Beginning of the period                                   | 1,960,000,000       | 1,960,000,000        | 28,705,778        | 28,705,778        |
| Consolidation 4:1 <sup>(6)</sup>                          | 490,000,026         |                      |                   |                   |
| Share Issued  |                     |                      |                   |                   |
| Fully Paid Ordinary Shares <sup>(1)</sup> (refer note 11) | 70,000,000          | -                    | 420,000           | -                 |
| Fully Paid Ordinary Shares <sup>(2)</sup>                 | 221,904,609         | -                    | 1,331,428         | -                 |
| Fully Paid Ordinary Shares <sup>(3)</sup>                 | 14,401,499          | -                    | 86,409            | -                 |
| Fully Paid Ordinary Shares <sup>(4)</sup>                 | 8,693,866           | -                    | 52,163            | -                 |
| Fully Paid Ordinary Shares <sup>(5)</sup>                 | 85,000,000          |                      | 510,000           | -                 |
| Less: Capital raising cost                                |                     |                      | (75,995)          | -                 |
| <b>Total shares issued</b>                                | <b>890,000,000</b>  | <b>1,960,000,000</b> | <b>31,029,783</b> | <b>28,705,778</b> |

(1) Parta Energy Consideration issued 31 October 2019 @ \$0.006

(2) Rights Issue Entitlement issued 31 October 2019 @ \$0.006

(3) Rights Issue Entitlement issued 04 November 2019 @ \$0.006

(4) Rights Issue Entitlement issued 21 November 2019 @ \$0.006

(5) Rights Issue Entitlement issued 28 January 2020 @ \$0.006

(6) On 26 September 2019, the Company's securities were consolidated on the basis that:

a) Every four (4) fully paid ordinary shares be consolidated into 1 fully paid ordinary share; and

b) Every four (4) share options be consolidated into 1 share option.

Fractional entitlements were rounded down to the nearest whole number. Following consolidation, there were 890,000,000 fully paid ordinary shares on issue at 30 June 2020 (30 June 2019: 1,960,000,000)

### 13b. Issued share options

| Share options                                  | Consolidated   |                |
|--|----------------|----------------|
|  | 2020           | 2019           |
|  | \$             | \$             |
| Listed options issued in 2020: nil (2019: Nil) | 408,890        | 408,890        |
| <b>Movements in options issued</b>             |                |                |
| At 1 July                                      | 408,890        | 408,890        |
| <b>Options issued during the year</b>          | -              | -              |
| <b>Total options issued</b>                    | <b>408,890</b> | <b>408,890</b> |
| Less: options issued costs                     | -              | -              |
| <b>At 30 June</b>                              | <b>408,890</b> | <b>408,890</b> |

## 14. RESERVES

|  | Consolidated     |                  |
|--|------------------|------------------|
|  | 2020             | 2019             |
|  | \$               | \$               |
| Foreign currency translation reserve <sup>(1)</sup>      | 853,206          | 853,165          |
| Equity reserve <sup>(2)</sup>                            | 80               | 80               |
| <b>Other reserves</b>                                    | <b>853,286</b>   | <b>853,245</b>   |
| Share based payment reserve <sup>(3)</sup>               | 581,483          | 539,148          |
| <b>Total reserve</b>                                     | <b>1,434,769</b> | <b>1,392,393</b> |
| <br>   |                  |                  |
| <b><sup>(1)</sup> Foreign currency translation</b>       |                  |                  |
| Balance at 1 July  | 853,245          | 855,030          |
| Currency translation differences arising during the year | 41               | (1,785)          |
| Foreign exchange reserve recycled                        | -                | -                |
|  | <b>853,286</b>   | <b>853,245</b>   |
| <br>   |                  |                  |
| <b><sup>(2)</sup> Equity reserve</b>                     |                  |                  |
| Balance at 1 July  | 80               | 80               |
| Movement during the year                                 | -                | -                |
|  | <b>80</b>        | <b>80</b>        |
| <br>   |                  |                  |
| <b><sup>(3)</sup> Share based payment reserve</b>        |                  |                  |
| Balance at 1 July  | 539,148          | 539,148          |
| Share based payment movement during the year             | 42,335           | -                |
|  | <b>581,483</b>   | <b>539,148</b>   |

### Nature and purpose of reserves

#### <sup>(1)</sup> Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve as described in note 1(d). The reserve is recognised in profit and loss when the net investment is disposed of.

#### <sup>(2)</sup> Equity reserve

The equity reserve is used to recognise the amortised portion of the fair value of converting performances share is issued.

#### <sup>(3)</sup> Share based payment reserve

This comprises the amortised portion of the share based payment expense (refer Note 15).

## 15. SHARE BASED PAYMENT EXPENSE

The total share based payment expense recognised for the year ended 30 June 2020 was \$42,335 (2019: Nil).

The 20 million unlisted options were issued for services rendered by the corporate advisor as lead manager for the placement of 85 million shares at a price of 0.6 cents per share to raise A\$510k before costs, as announced 15 January 2020. The options are exercisable at 0.8 cents per option, and expire on 30 June 2021.

The fair value at grant rate is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying shares.

The Options were valued using Black Scholes with the below assumptions:

|                             | Unlisted Options |
|-----------------------------|------------------|
| Number of options in series | 20,000,000       |
| Grant date share price      | \$0.0050         |
| Exercise price              | \$0.0080         |
| Expected volatility         | 120.00%          |
| Option life                 | 1 year           |
| Dividend yield              | 0.00%            |
| Interest rate               | 0.25%            |
| Value per option            | \$0.005          |

## 16. ACCUMULATED LOSSES

|   | Consolidated        |                     |
|---|---------------------|---------------------|
|   | 2020                | 2019                |
|   | \$                  | \$                  |
| Accumulated losses at 1 July                              | (28,903,001)        | (28,693,614)        |
| Net loss attributable to the members of the parent entity | (1,095,863)         | (209,387)           |
| <b>Accumulated losses at 30 June</b>                      | <b>(29,998,864)</b> | <b>(28,903,001)</b> |

## 17. LOSS PER SHARE

|   | Consolidated       |                    |
|---|--------------------|--------------------|
|   | 2020               | 2019               |
|   | \$                 | \$                 |
| <b>Reconciliation of earnings to net loss</b>   |                    |                    |
| Loss from continued operations  | (1,095,863)        | (209,387)          |
| <b>Loss for the period</b>  | <b>(1,095,863)</b> | <b>(209,387)</b>   |
| Basic and dilutive EPS (cents per share)  | (0.16)             | (0.04)             |
| <b>Weighted average number of ordinary shares outstanding during the year used in calculation of basic and dilutive EPS</b> | <b>Number</b>      | <b>Number</b>      |
|   | <b>700,035,700</b> | <b>490,000,000</b> |

Share options are considered to be potential ordinary shares and have been included in the calculation of diluted EPS; the result of the conversion of these share options was anti-dilutive.

## 18. PARENT ENTITY INFORMATION

The ultimate holding company of the Group, Tamaska Oil and Gas Ltd (the "Parent") has not been reported on in these financial statements other than the following, pursuant to changes to the Corporation Act 2001:

|                                       | PARENT ENTITY      |                    |
|---------------------------------------|--------------------|--------------------|
|                                       | 2020               | 2019               |
|                                       | \$                 | \$                 |
| Current assets                        | 2,892,155          | 1,642,458          |
| Non-current assets                    | -                  | -                  |
| Total assets                          | 2,892,155          | 1,642,458          |
| Current liabilities                   | 17,578             | 22,334             |
| Non-current liability                 | -                  | -                  |
| Total liabilities                     | 17,578             | 22,334             |
| Net assets                            | <b>2,874,578</b>   | <b>1,620,124</b>   |
| Issued capital                        | 30,972,349         | 28,705,778         |
| Options issued                        | 408,890            | 408,890            |
| Equity reserves                       | 638,998            | 539,229            |
| Accumulated losses                    | (29,145,659)       | (28,033,773)       |
| Total equity                          | <b>2,874,578</b>   | <b>1,620,124</b>   |
| Loss for the year                     | (1,111,886)        | (1,271,959)        |
| Total comprehensive loss for the year | <b>(1,111,886)</b> | <b>(1,271,959)</b> |

The Parent entity has not entered into any guarantees, and has no contingent liabilities or contractual commitments.

## 19. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with loss from continuing operations after income tax.

|   | Group            |                  |
|---|------------------|------------------|
|   | 2020             | 2019             |
|   | \$               | \$               |
| <b>Loss after income tax</b>                        | (1,095,863)      | (209,387)        |
| <b>Non cash flows in loss</b>                       |                  |                  |
| Amortisation  | 825              | 1,666            |
| Depreciation  | -                | 703              |
| Impairment  | 747,746          | -                |
| Foreign currency movements                          | 5,615            | (1,566)          |
| Increase (decrease) in trade creditors and accruals | 3,769            | 13,997           |
| (Increase)/decrease in trade and other receivables  | (11,075)         | (636)            |
| Increase in other provision                         | 815              | 1,916            |
| <b>Cash outflows from operations</b>                | <b>(348,168)</b> | <b>(193,307)</b> |

## 20. SUBSIDIARIES

The Company has the following subsidiaries:

| Name of Subsidiary                  | Place of Incorporation | Percentage owned |      |
|-------------------------------------|------------------------|------------------|------|
|                                     |                        | 2020             | 2019 |
| Tamaska Energy LLC                  | Louisiana USA          | 100%             | 100% |
| Tamaska Oil and Gas Inc             | Delaware USA           | 100%             | 100% |
| Tamaska Oil and Gas Texas LLC       | Texas USA              | 100%             | 100% |
| Parta Energy Pty Ltd <sup>(i)</sup> | Australia              | 100%             | -    |

<sup>(i)</sup> Details of asset acquisition set out in Note 3.

## 21. RELATED PARTY TRANSACTIONS

### (a) Parent Entity

The ultimate parent entity that exercises control over the Group is Tamaska Oil and Gas Limited, which is incorporated in Australia.

### (b) Subsidiaries

Details of interests in wholly owned controlled entities are set out in Note 20.

### (c) Transactions with other related parties

On 31 October 2019, following shareholder approval on 19 September 2019, 70,000,000 Fully Paid Ordinary Shares at \$0.006 were issued to Timothy Wise, Joseph Graham and Thomas Schmedje as Consideration provided by the Company to acquire 100% of the shares in Parta Energy. Timothy Wise and Joseph Graham have subsequently become directors of Tamaska Oil and Gas Limited.

There were no other changes to transactions with key management personnel during the period.

### (d) Transactions with key management personnel

Refer to the Remuneration Report contained in the Directors' Report for detailed remunerations disclosures of payments to each member of the Group's key management personnel (KMP) for the year ended 30 June 2020.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

|                              | Consolidated   |                |
|------------------------------|----------------|----------------|
|                              | 2020           | 2019           |
|                              | \$             | \$             |
| Short-term employee benefits | 151,506        | 125,550        |
| Superannuation               | 2,429          | -              |
| Share-based payments         | -              | -              |
| Total KMP compensation       | <b>153,936</b> | <b>125,550</b> |

Detailed remuneration disclosures are provided in the remuneration report on pages 8 to 14.

**(e) Loan to / from related parties:**

There were no loans to or from related parties during the year (30 June 2019: Nil)

**22. REMUNERATION OF AUDITORS**

|  | Consolidated  |               |
|--|---------------|---------------|
|  | 2020          | 2019          |
|  | \$            | \$            |
| <b>Amounts received or due and receivable by BDO Audit (WA) Pty Ltd for:</b> |               |               |
| Audit and audit review services of periodic financial reports                | 28,142        | 27,872        |
|  | <b>28,142</b> | <b>27,872</b> |

**23. DIVIDENDS**

No dividend was paid or declared during the year and the Directors do not recommend the payment of a dividend.

**24. COMMITMENTS**

The company had no commitments at 30 June 2020 (2019: Nil).

**25. CONTINGENCIES**

There were no known contingent liabilities or contingent assets at 30 June 2020 (2019: Nil).

**26. EVENTS SUBSEQUENT TO REPORTING DATE**

Subsequent to year-end the board of the company has elected to not proceed with the Parta Project Farm-in, in Romania. Under the Farm-in Agreement, TMK through its wholly owned subsidiary Parta Energy Pty Ltd, had the right to earn a 50% working interest in Parta by spending US\$1.5 million upon a 3D seismic program. The planned 3D seismic program has been held up by approvals issues. The earn-in period under the Farm-in Agreement expired and required mutual agreement of the parties to extend, the possibility of which had been under consideration. The board elected on 8 September 2020 to not extend the earn-in period.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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

## Directors' Declaration

The Directors of the Company declare that:

- 1) The financial statements and notes, as set out on pages 18 to 44, are in accordance with the Corporations Act 2001 and:
  - a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b) give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the company and Group;
- 2) In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- 3) The financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board
- 4) The Directors have been given the declaration by the Executive Director and Chief Financial Officer required by section 295A of the Corporation Act 2001.
- 5) The remuneration disclosures contained on the Remuneration Report comply with section 300A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.



Brett Lawrence  
Managing Director  
Perth, Western Australia  
25 September 2020

## INDEPENDENT AUDITOR'S REPORT

To the members of Tamaska Oil and Gas Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Tamaska Oil and Gas Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

#### Basis for opinion

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

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

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

#### Key audit matters

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

## Acquisition of Parta Energy Pty Ltd

| Key audit matter  | How the matter was addressed in our audit   |
|---|---|
| <p>On 16 August 2019 the Group completed the acquisition of Parta Energy Pty Ltd ("Parta"). As disclosed in Note 10 of the financial report, the Group acquired 100% of Parta for purchase consideration of 70,000,000 shares and 70,000,000 Class A Performance Shares.</p> <p>The Group treated the transaction as an asset acquisition, rather than a business acquisition.</p> <p>The acquisition is significant and complex and requires management to exercise judgement to determine the appropriate accounting treatment including whether the acquisition should be classed as an asset or business acquisition, estimating the fair value of net assets acquired and estimating the fair value of the purchase consideration.</p> | <p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the transaction, including an assessment of whether the transaction constituted an asset or business acquisition;</li> <li>• Reviewing the sale and purchase agreement to understand key terms and conditions;</li> <li>• Assessing management's determination of the fair value of consideration paid and agreeing the consideration to supporting documentation;</li> <li>• Evaluating management's assessment of the fair value of net assets and liabilities acquired;</li> <li>• Agreeing that no goodwill was recognised and that costs associated with the acquisition were capitalised in order to be in line with the correct accounting policy for asset acquisitions; and</li> <li>• We have also assessed the adequacy of the related disclosures in Note 1, Note 3 and Note 10 to the financial report.</li> </ul> |

## Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon.

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

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

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

## Responsibilities of the directors for the Financial Report

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



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

#### Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

#### Report on the Remuneration Report

##### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 16 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Tamaska Oil and Gas Limited, for the year ended 30 June 2020, complies with section 300A of the Corporations Act 2001.

##### Responsibilities

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

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Dean Just', is written over a faint, light blue BDO logo.

Dean Just

Director

Perth, 25 September 2020

## Shareholder Information

### LISTING OF 20 LARGEST SHAREHOLDERS AS AT 14 September 2020

| Position | Investor  | Holding     | % IC   |
|----------|---|-------------|--------|
| 1        | HOPERIDGE ENTERPRISES PTY LTD   | 133,125,000 | 14.96% |
| 2        | AVIEMORE CAPITAL PTY LTD  | 92,250,000  | 10.37% |
| 3        | CRAIG IAN BURTON <CI BURTON FAMILY A/C>                                   | 57,156,499  | 6.42%  |
| 4        | ALBA CAPITAL PTY LTD  | 50,593,501  | 5.68%  |
| 5        | CHARLES WAITE MORGAN  | 38,375,000  | 4.31%  |
| 6        | MR RAYMOND JEPP   | 32,000,000  | 3.60%  |
| 7        | JAFRAG PTY LTD<br><GRAHAM INVESTMENT A/C>                                 | 30,000,000  | 3.37%  |
| 8        | MR THOMAS MILTON SCHMEDJE   | 20,000,000  | 2.25%  |
| 8        | FININD PTY LTD<THANC A/C>   | 20,000,000  | 2.25%  |
| 9        | TIRUMI PTY LTD<TIRUMI SUPER FUND A/C>                                     | 18,800,000  | 2.11%  |
| 10       | HESTON 88 HOLDINGS PTY LTD  | 18,750,000  | 2.11%  |
| 10       | ASIA PRINCIPAL CAPITAL HOLDINGS PTE LTD                                   | 18,750,000  | 2.11%  |
| 11       | SCOTT PAUL JONES<SCOPA FAMILY A/C>  | 16,166,667  | 1.82%  |
| 12       | DISTINCT RACING AND BREEDING PTY LTD                                      | 16,023,609  | 1.80%  |
| 13       | GEBA PTY LTD<GEBA FAMILY A/C>   | 15,000,000  | 1.69%  |
| 14       | LITTLE BREAKAWAY PTY LTD  | 13,175,833  | 1.48%  |
| 15       | MR ROGER BLAKE & MRS ERICA LYNETTE BLAKE<THE<br>MANDY SUPER FUND A/C>     | 12,500,000  | 1.40%  |
| 16       | SAYERS INVESTMENTS (ACT) PTY LTD  | 12,000,000  | 1.35%  |
| 17       | DISTINCT RACING AND BREEDING PTY LTD                                      | 11,562,500  | 1.30%  |
| 18       | HELMET NOMINEES PTY LTD<TIM WEIR FAMILY FUND A/C>                         | 11,250,000  | 1.26%  |
| 19       | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2                         | 9,500,000   | 1.07%  |
| 19       | MR STEPHEN KAM LO TONG & MRS PATSY LIN HAP<br>TONG<BIALLA SUPER FUND A/C> | 9,500,000   | 1.07%  |
| 20       | SHANE ROBERT JONES<ROSH FAMILY A/C>                                       | 9,375,000   | 1.05%  |
|          | Total   | 665,853,609 | 74.82% |

### DISTRIBUTION OF SHAREHOLDERS

| Spread of Holdings | Number of Ordinary Shareholder |
|--------------------|--------------------------------|
| 1 - 1000           | 29                             |
| 1001 - 5000        | 33                             |
| 5001 - 10,000      | 4                              |
| 10,001 - 100,000   | 44                             |
| 100,001 and above  | 150                            |
| <b>Total</b>       | <b>260</b>                     |

## Tenement Schedule

### West Klondike Prospect

As at 30 June 2020, Tamaska has a 11.36% working interest in the following tenements in the West Klondike Prospect, located in Iberville Parish, Louisiana.

| Lease Number |
|--------------|
| WK#1A        |
| WK#1B        |
| WK#1C        |
| WK#2         |
| WK#3A        |
| WK#3B        |

### Fusselman Tenements

As at 30 June 2020, Tamaska has a 12.5% working interest in the following tenements in the Clayton Johnson #3F well, located in Borden County, Texas.

| Tenement Location   |
|---|
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |
| Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co. |

