



**A L I C A N T O**  
MINERALS LIMITED

# Half-year Report 2018

ABN 81 149 126 858

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### Non-Executive Chairman

Didier Murcia AM

### Chief Executive Officer

Peter George

### Non-Executive Director

Hamish Halliday

Travis Schwertfeger

### Company Secretary

Jamie Byrde

### Principal & Registered Office

Level 3, 24 Outram Street

WEST PERTH WA 6005

Telephone: (08) 6279 9425

Facsimile: (08) 6500 9989

### Share Registry

Security Transfer Australia Pty Ltd

770 Canning Highway

APPLECROSS WA 6153

### Auditors

Stantons International

Level 2, 1 Walker Avenue

WEST PERTH WA 6005

### Bankers

National Australia Bank

50 St Georges Terrace

PERTH WA 6000

### Stock Exchange Listing

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

Code: AQI

### Website Address

[www.alicantominerals.com.au](http://www.alicantominerals.com.au)

Your directors present their report on the consolidated entity consisting of Alicanto Minerals Limited (“Alicanto” or “the Company”) and the entities it controlled at the end of, or during, the half-year ended 31 December 2018.

### 1. Directors

The following persons were directors of Alicanto Minerals Limited during the half-year and up to the date of this report:

Didier Murcia  
Travis Schwertfeger  
Hamish Halliday

### 2. Review of Operations

#### Corporate

##### Financial Performance and Position

The net operating loss after tax for the half year ended 31 December 2018 was \$1,959,653 (2017: \$1,526,146). The loss for the period includes \$876,306 (2017: \$1,123,011) in exploration and evaluation expenditure and share based payment expenses of \$9,160 (2017: \$101,525) were also recognised during the half year.

As at 31 December 2018 the Company had cash of \$886,107.

##### Capital Raising and cost reduction initiatives

As announced to the ASX on 5 November 2018, a placement to Sophisticated Investors was completed raising \$450,000 through the issue of 15,000,000 shares at an offer price of \$0.03 pursuant to ASX Listing Rule 7.1. In addition to this, the Board of Directors have agreed to a 50% reduction on Board Fees commencing 1 October 2018 in its ongoing efforts to reduce cash burn.

## 2. Review of Operations (continued)

Alicanto is an emerging mineral exploration company focused on the exploration and development of two highly prospective gold projects in Guyana, South America. The Arakaka gold project and the Ianna gold project are both located in the underexplored northern Guiana Shield geological terrane in Guyana's Northwest Mining District. The projects cover volcano-sedimentary Paleoproterozoic greenstone rocks which are highly prospective for high tonnage, orogenic style gold deposits.

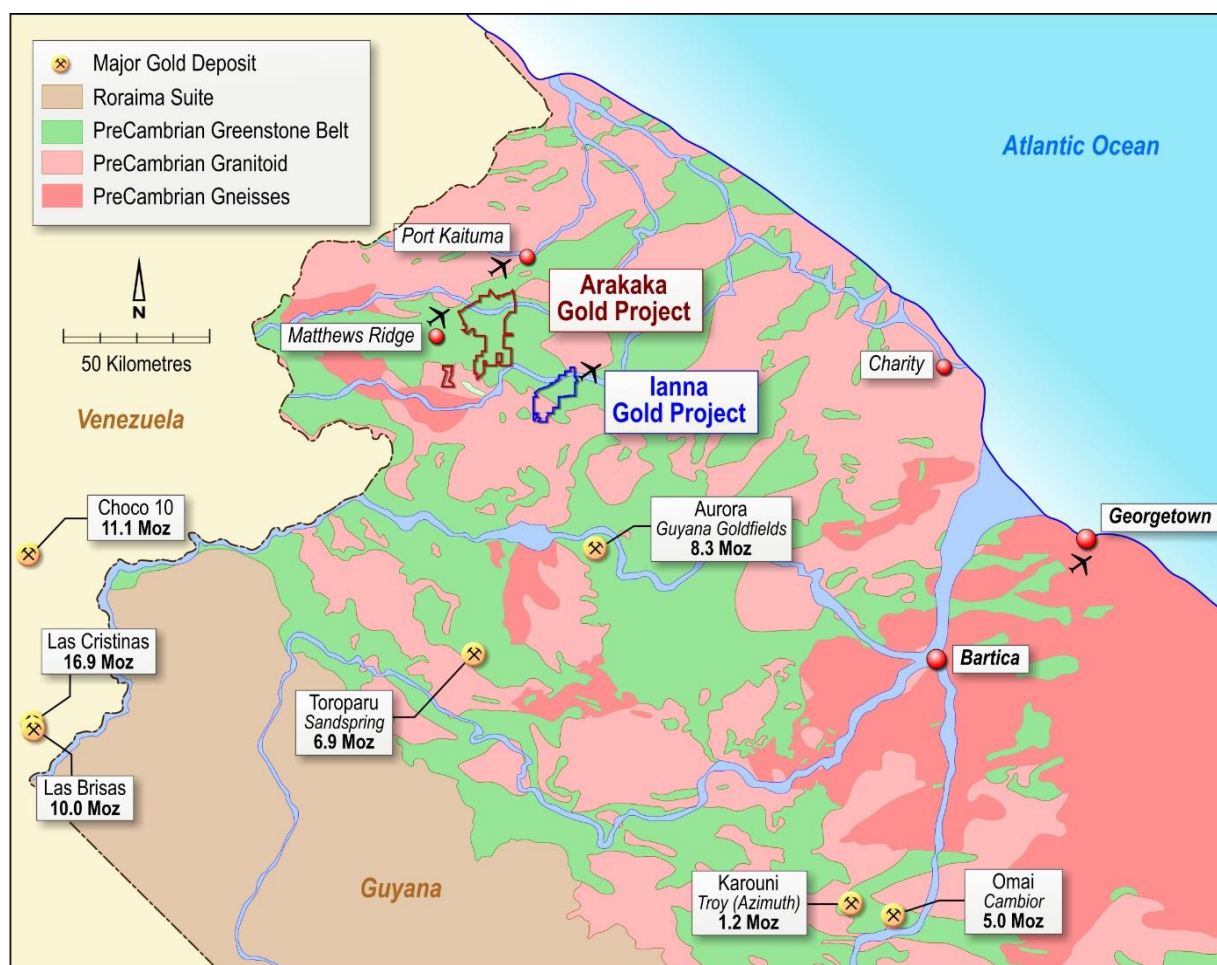


Figure 1 | Summary and location of the Arakaka Gold Project and location of the Ianna Gold Project.

The company is continuing with its low-cost exploration programs undertaken at the Arakaka and Ianna projects during the period with work focusing on the relogging of diamond drill core and the 3D integration of geological datasets. This model will form the basis of a targeting review which will prioritise further drill programs. Field work has included ongoing geochemical surface sampling and trenching with results anticipated in early 2019.

## Overview of the Arakaka Gold Project

The Arakaka Gold Project comprising over 300km<sup>2</sup> of permits that are 100% held either directly by Alicanto's wholly owned Guyanese subsidiary, or subject to various underlying option agreements with Guyanese operators.

## 2. Review of Operations (continued)

Alicanto's Arakaka gold project is located in Guyana's under-explored Northwest Mining District, host to the Barama-Mazaruni supergroup, within one of the last and among the least explored greenstone belts across the Guiana and West African Shields that is not yet host to substantial gold resources.

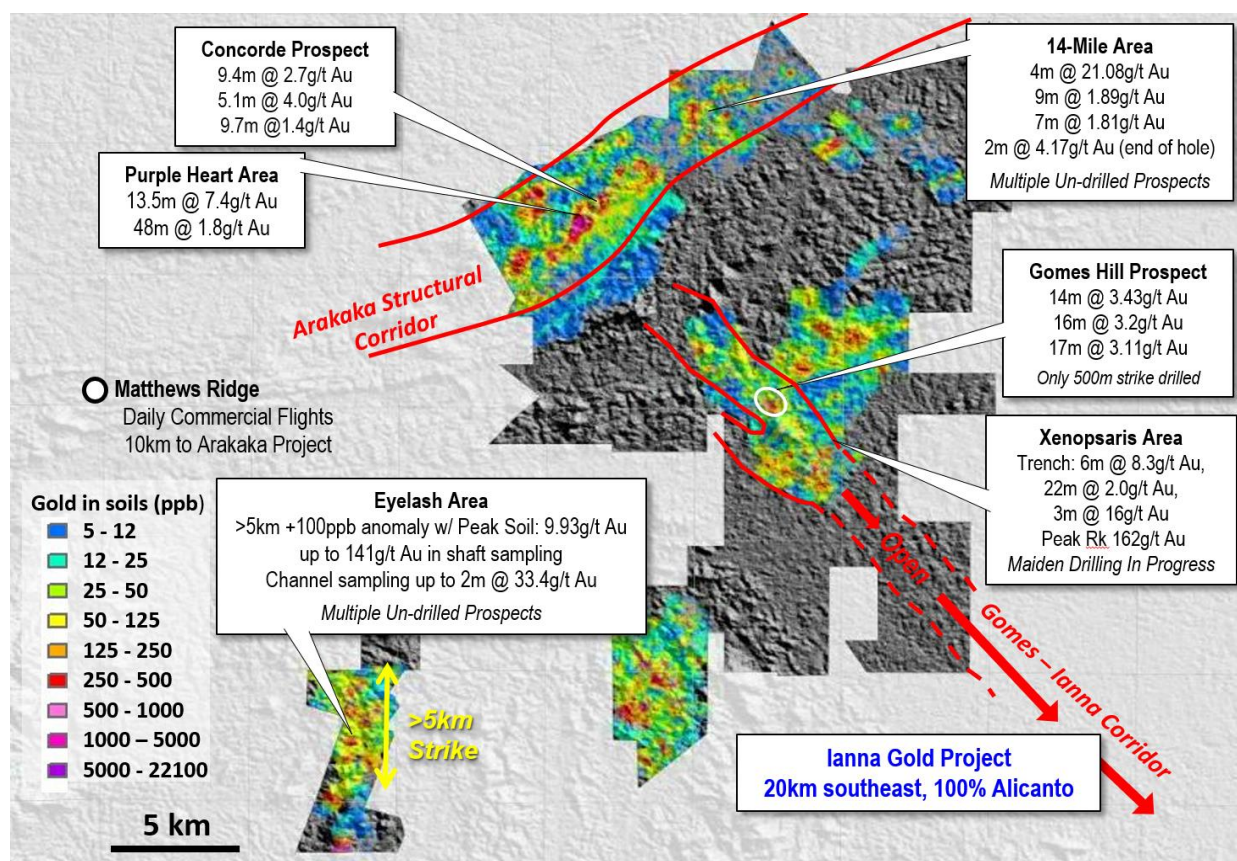


Figure 2 | Location of anomalous gold target areas and select Prospects within the >300km<sup>2</sup> Arakaka gold Project land position

The Arakaka Gold Project itself has been the source of more the 1Moz of alluvial and near surface gold production within Guyana, with a mining history that extends more than 100 years. The Project boasts good infrastructure, with an all-season road network, daily flights to within 10km of the property boundary, and deep-water port facilities to within 15km of the property boundary.

### Xenopsaris Target Area

1,802 metres of reconnaissance diamond drilling has been completed in 13 holes at the Xenopsaris project area as per the results released in ASX release 19 June 2018.

The area targeted by recent drilling comprises 1.2km strike length within a >17.5km long gold anomaly defined by >100ppb Au in soils. The targeted mineralised corridor is associated with the northwest trending Gomes-Ianna structural corridor, aligning with mineralisation drilled approximately 25km to the southeast of the Arakaka Gold Project in the Company's 100% held Ianna Gold Project. Better assay results include:

**6m @ 1.53g/t gold** from 30m - XDD013

**8.3m @ 1.15g/t gold** from 9.7m - XDD023



## 2. Review of Operations (continued)

The drilling targeted the fold closure of a high-strain, regional scale antiformal fold hinge (Refer to Figure 3). This structural setting is similar to those observed at other regionally significant gold deposits within the Guiana Shield, including the 13.7 Moz Au Gros Rosebel deposit (IAMGOLD) and 6 Moz Au Meriam deposit (Newmont) in neighbouring Suriname.

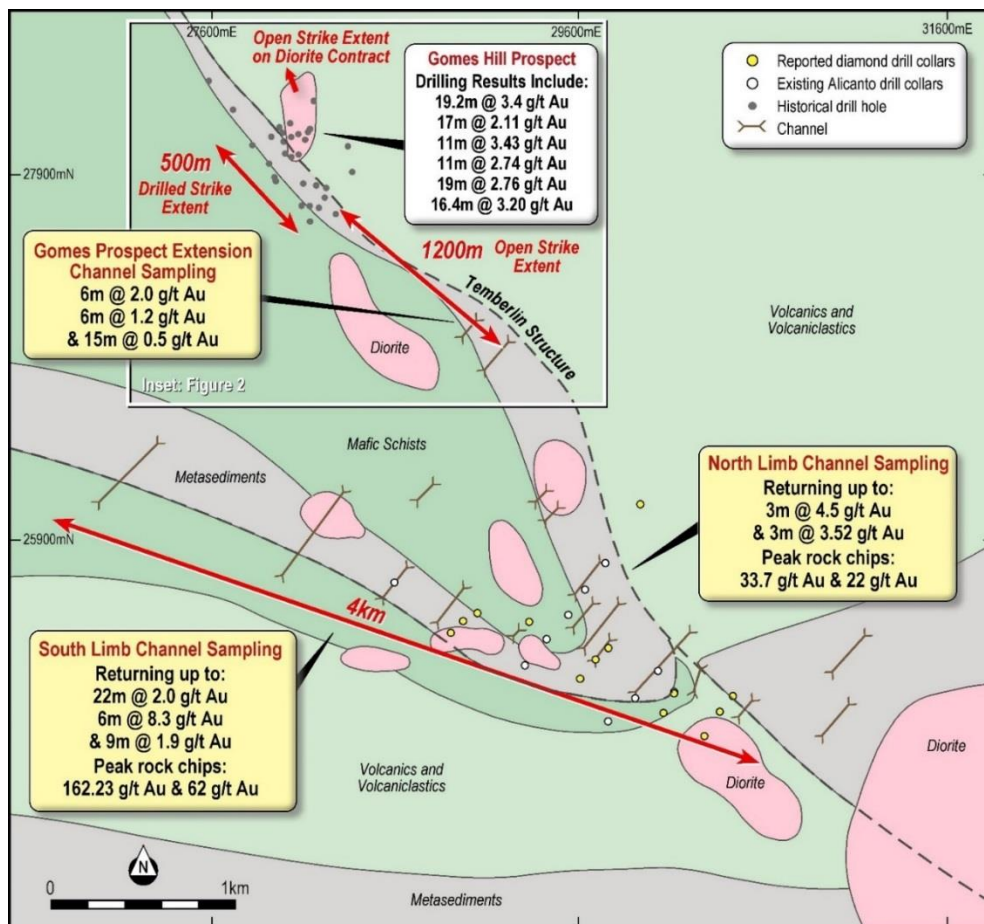


Figure 3 | Xenopsaris Target area and Gomes Prospect located on the Gomes-Ianna structural corridor with drill collar and trench locations on interpretive regional scale geology interpretation.

The results are located 200m away to the SE of significant surface trench results including 22m @ 2.02g/t gold. Significant results from a 9 hole 1,218m reconnaissance drilling included (refer to ASX release dated 4 August 2017):

- 1.4m @ 9.14g/t gold from 23m - XDD005
- 1m @ 4.25g/t gold from 30m and 2.25m @ 3.73g/t gold from 124m
- 3m @ 2.19g/t gold from 40m

The previous reconnaissance drilling also successfully identified a regional scale alteration system around mineralisation with a wide zone of sericite-ankerite-pyrite alteration proximal to mineralised intercepts. Mineralisation is related to quartz-pyrite-gold veins observed across all lithologic units, but particularly well developed in preferential stratigraphic horizons such as laterally continuous dolerite bodies and polymict conglomerates. The mineralisation remains open in all directions with potential for substantial volume and tenor increases with improved definition and refined targeting of structural controls where intersecting preferential lithologic horizons in the fold complex at Xenopsaris.

## 2. Review of Operations (continued)

### Gomes Prospect

Trenching at Xenopsaris extended up towards the Gomes Prospect includes trenching up to 1.1km to the southeast of the Gomes prospect (refer to Figure 4). Two trenches have intersected significant gold mineralisation along strike from the Gomes Prospect, where extensions to mineralisation south of Gomes have been constrained by the lack of surface geochemical anomalism Results of trenching (refer to ASX release 19 June 2018) include:

6m @ 2g/t gold within 33m @ 0.5g/t gold and;  
 6m @ 1.2g/t gold at the end of the trench – XETRO31  
 15m @ 0.5g/t gold – XETRO30

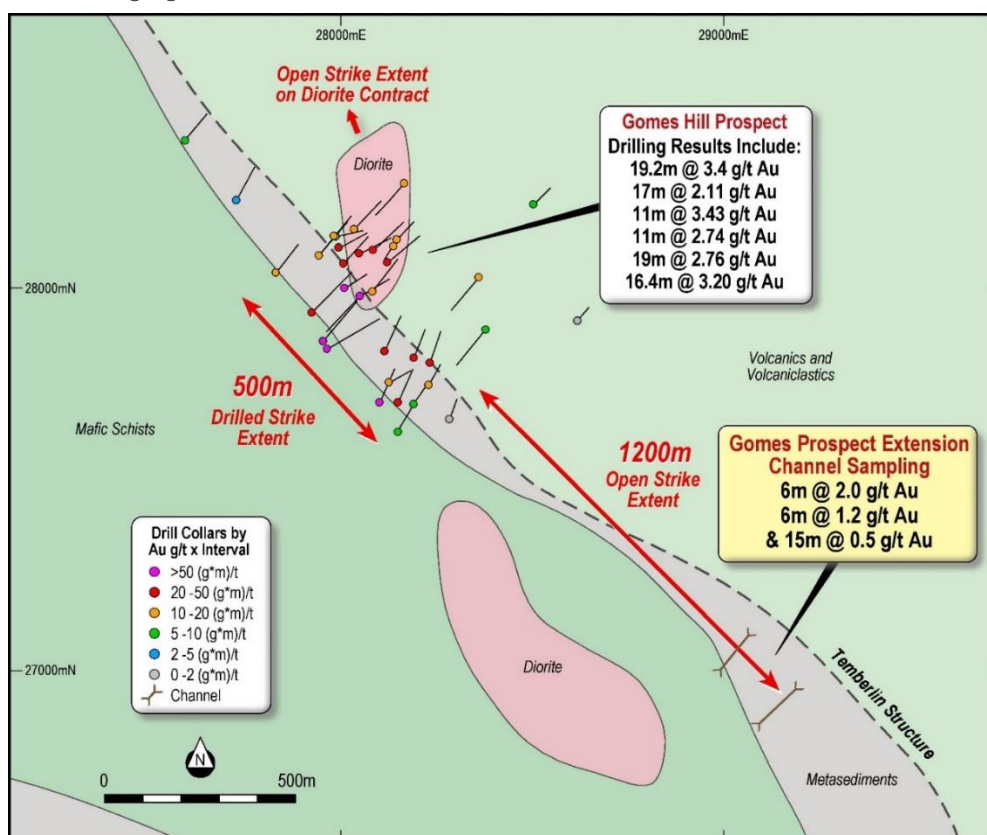


Figure 4 | Location of reported trenching in the Gomes prospect area of the Xenopsaris trend with locations of existing drill collars.

Importantly, the results of both trenches are limited by a layer of colluvium shedding off the hill to the SW that obscures surface geochemical responses. Therefore, any further bodes of significant mineralisation are likely to be obscured in the area. Mineralisation at Gomes and along the Xenopsaris area is associated with rheological contrasts in the vicinity of the Timberlin Structure, so mapping of the structure and lithology through trenching and drilling will be important factors in the growth of the Gomes prospect resource potential.

There has been limited work between the trench area and the Gomes drilling area where results from previous drilling located approximately 1km along strike from the reported trench results includes better intercepts of (Refer to ASX release dated 9 February 2015):

19.19m @ 3.4g/t gold from 65m, including, 6m @ 6.25g/t gold  
 17m @ 2.11g/t gold from 46m, including, 4.25m @ 6.12g/t gold  
 11.0m @ 3.43g/t gold from 62m



## 2. Review of Operations (continued)

Further trenching is currently being planned to close down the spacing of trenches where possible in context of landform and regolith setting in the local area and refine drill targeting to identify extensions to the known mineralisation.

### Arakaka Main Trend

1,265m of diamond drilling for nine holes has been completed in the Purple Heart to Concorde Prospects, closing down drill spacing on the prospective Purple Heart Structure to approximately 750m x 200m spacing over >1.4km of strike length within the 3.2km long mineralised corridor (refer to figure 5 below).

Assays reported (refer to ASX release dated 19 June 2018) from ARDD278 are from the Purple Heart Area, 750m northeast along strike from **13.5m @ 7.36g/t gold** in historical drilling with no drilling targeting the structure between the two holes. Current assays include results of up to **11.95m @ 1.2g/t gold**. Mineralisation remains open to the NE along strike for >1km.

Mineralisation appears to be shallowly dipping (20°) to the NW and consists of three to four sub-parallel mineralised bodies forming in and around areas of high strain at the margins of Quartz-Feldspar Porphyry bodies hosted in metasediments. The lowermost mineralised body has been intersected in drilling 400m to the southeast of ARDD278 with historical results on section (refer to ASX release dated 26 August 2015) including:

48m @ 1.8g/t gold  
20.5m @ 1.4g/t gold

1.3km to the northeast of the ARDD278 drill area is the Concorde Prospect located at the same structural horizon and is centred on the Purple Heart Structure. These reported results, in combination with Concorde and Purple Heart prospect results extends the known prospective strike length of the Purple Heart Structure to more than 3.2km. 2016-17 reconnaissance drilling on 300m spaced section lines at Concorde (Refer to ASX releases dated 4 October 2016 and 1 March 2018) intersected:

18m @ 1.63g/t gold from 3m in ARDD267 including **9.35m @ 2.71g/t gold**  
9.72m @ 1.44g/t gold from 159m  
5.1m @ 3.97g/t gold from 71m in ARDD015  
2.1m @ 1.48g/t gold from 50.1m in ARDD257 with visible gold  
1.7m @ 1.7g/t gold from 77.5m in ARDD256 with visible gold  
7m @ 0.55g/t gold from 116m in ARDD254

Work is now focused on integrating datasets ahead of a target ranking exercise and future drilling targeting high grade shoots within the identified >3.2km of mineralised structure between drill holes spaced 300m to 750m apart.

## 2. Review of Operations (continued)

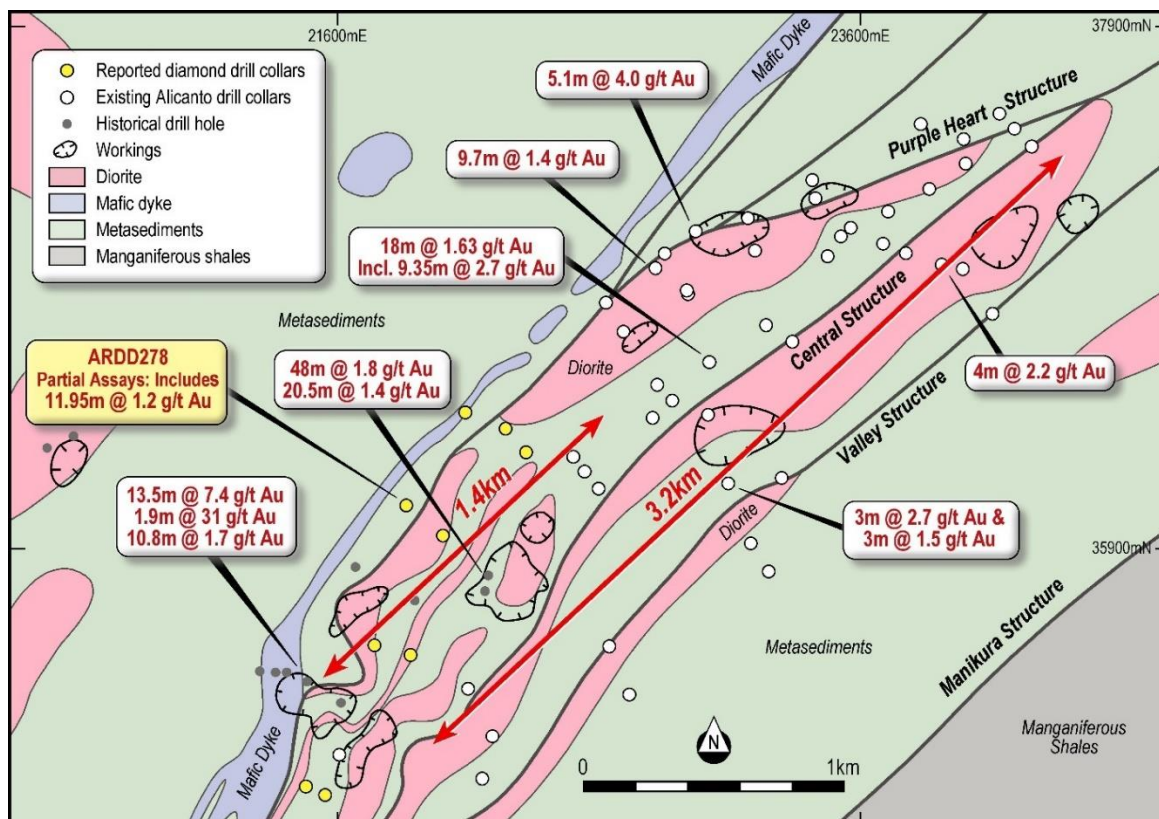


Figure 5 | Location of recent drilling in the Arakaka Main Trend.

## Overview of the Ianna Project

### Summary

The Project is located in Guyana Northwest Mining District (refer to Figure 6 and 7), less than 25km southeast from the Arakaka Main Trend and Xenopsaris targets located within the Arakaka Gold Project.

The historical drilling covers limited strike extent to shallow depth, with ~95% of drilling testing less than 50m below surface and a significant proportion of holes ending in mineralisation (refer to ASX release 26 July 2016), with better intercepts including:

- 50m @ 2.47g/t gold from 10m to end of hole;
- 14m @ 4.27g/t gold from 24m;
- 12m @ 3.84g/t gold from 20m;
- 12m @ 3.99g/t gold from surface.

At Ianna, recent acquisition and expansion of the project has pulled together three discrete corridors of mineralisation, each with strong evidence for a system potentially capable of multi-million ounce gold resources. Completion of maiden drill tests at the Ianna Gold project have identified high grade vein gold mineralisation within the extensive hydrothermal alteration associated with significant gold assays in previously reported assays at each of four drilled target areas representing over 12km of strike extent potential across three mineralised structural trends within the 114km<sup>2</sup> Ianna Project Area.

## *2. Review of Operations (continued)*

Two of the mineralised trends are host to historical drilling associated with extensive surface geochemical survey work, including over 12,400m of Reverse Circulation and 926m of Diamond drilling. The historical drilling covers limited strike extent to shallow depth, with ~95% of drilling testing less than 50m below surface and a significant proportion of holes ending in mineralisation (refer to announcement dated 26 July).

The results received from the previous 2,600m of initial drill testing across a number of targets have identified high grade vein gold mineralisation within the extensive hydrothermal alteration associated with significant gold assays in previously reported assays. The high-grade vein intercepts occur at both the Eastern Extension target, and at the southern extent of the Ianna Main intrusion (refer to Figure 6 below). Results suggest potential for high grade shoots of mineralisation associated with the broad zones of bulk tonnage style mineralisation identified at each of the target areas assessed as evidenced in previously reported results including (refer to ASX releases dated 26 July 2016 & 16 February 2018).

### Ianna Main Intrusion

50m @ 2.47g/t gold at End of Hole  
14m @ 4.27g/t gold  
12m @ 3.84g/t gold  
1.8m 10.7g/t gold from 43.3m

### Eastern Extension Trend

16.1m @ 1.4g/t gold at end of hole  
26.5g/t gold over 0.5m – IDD013  
6m @ 6.9g/t gold in trenching

### Kings Ransom Trend

12m @ 3.99g/t gold in RC  
20m @ 6.75g/t gold and 22m @ 1.9g/t gold in trenching

Results of the Initial drilling across five target areas confirmed extensive and pervasive alteration encountered are typical of a large-scale mineralising system, and the occurrence of visible gold and high-grade niche grades within the mineralised zones indicate potential for increasing volumes of higher grade material with further definition of the geometry of the intrusive body and structural complexities associated with that favourable lithologic feature.

Multiple prospects have now received reconnaissance drilling with all prospects returning significant intercepts. Work is now focused on integrating datasets and prioritising prospect areas for future drilling targeting high grade shoots and to delineate areas of resource potential within the licence area. Trenching and Auger drilling will be ongoing in support of prospect assessment.

The broad zones of mineralisation identified provide considerable support to aggressively expand exploration activities into other prospects within the Project area with the potential to add further tenements within the Project perimeter in accordance with the option and acquisition arrangement announced 8 November 2016.

The Project has excellent infrastructure, including existing camp facilities, an existing airstrip and river port landing on the property, and can be accessed by road from the Arakaka Project area.



## 2. Review of Operations (continued)

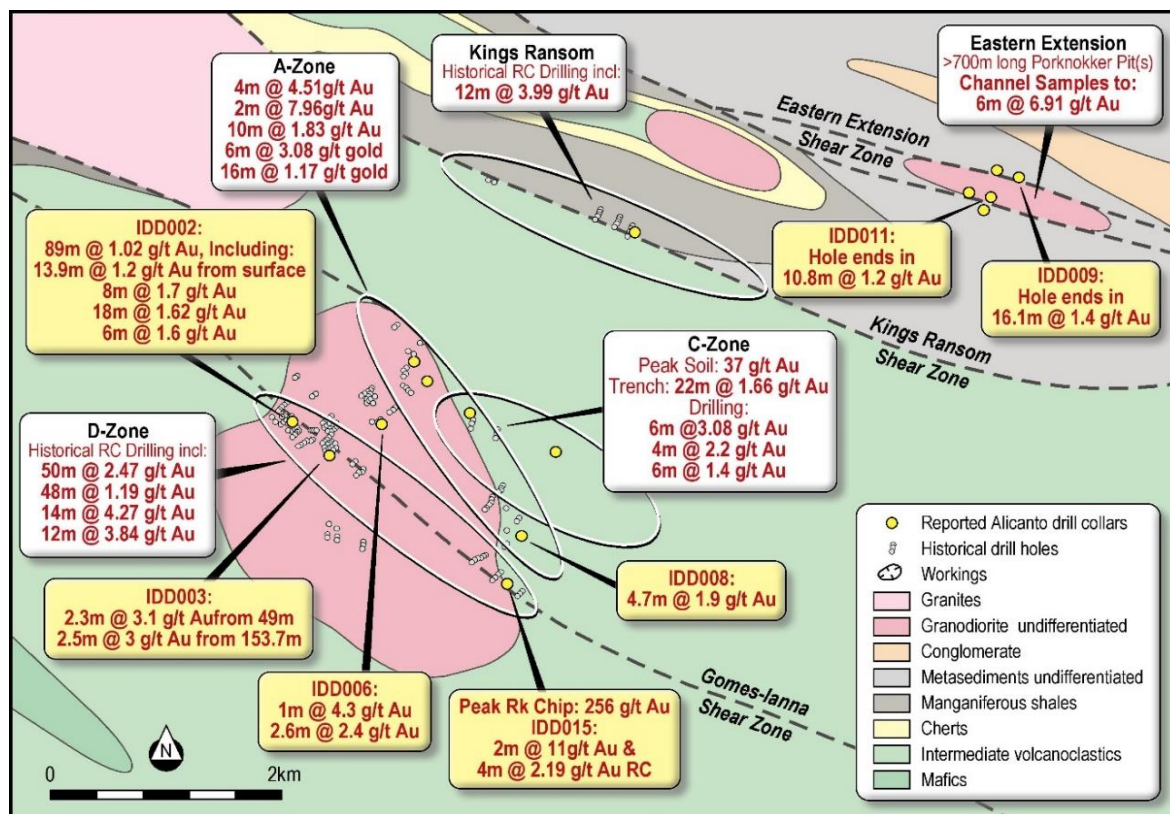


Figure 6 | Ianna Plan Map with drill collar locations and summary of better intercepts received to date.

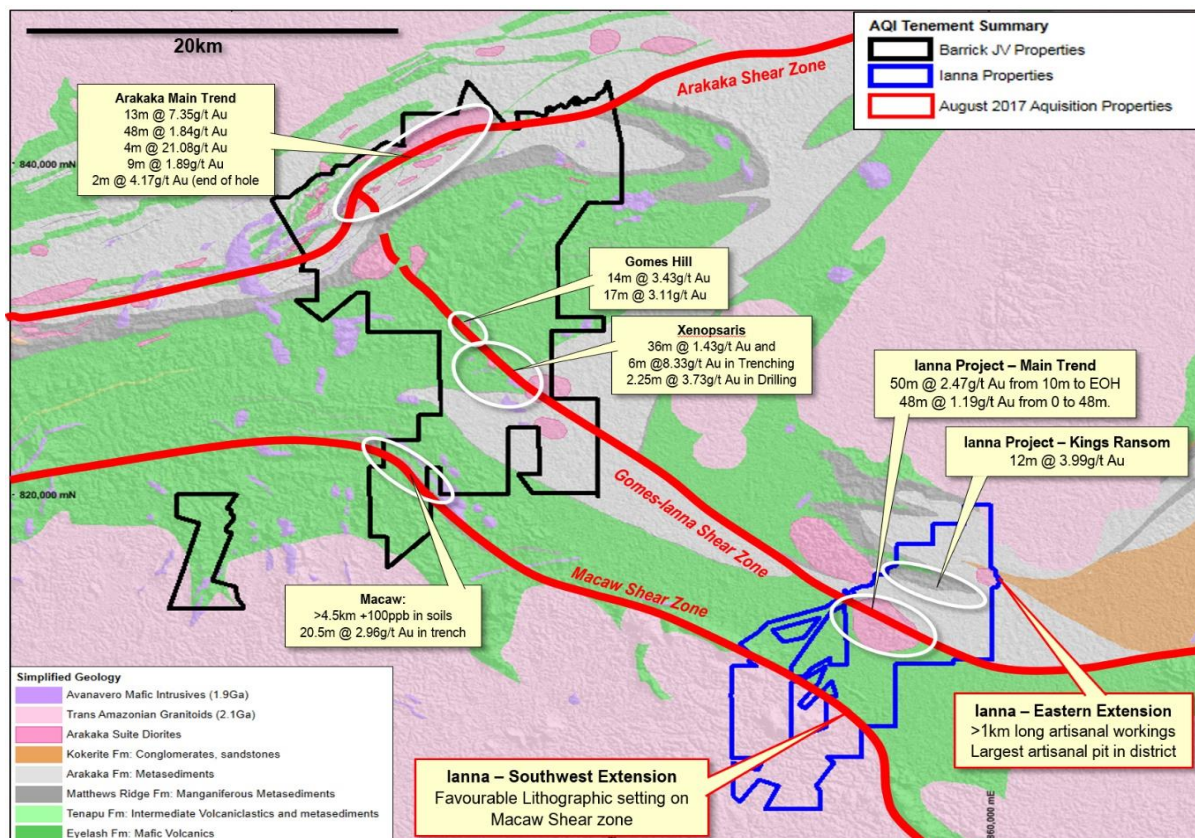


Figure 7 | Regional Geology of the Barama-Mazaruni greenstone belt hosting the Arakaka Gold Project and the Ianna Gold Project areas, with major structural corridors and locations of key target areas within each Project.

## 2 Review of Operations (continued)

### About Guyana

The Co-operative Republic of Guyana is located on the northern coast of South America and is a member of the Caribbean Community (CariCom). The English-speaking country has a long history of mining and gold production which has been open to foreign investment from only recent times following the enactment of the 2004 Land Tenure Act.

Guyana's history and social acceptance of mining make Guyana a favourable mining jurisdiction, with relatively low risk for environmental and community issues versus comparable jurisdictions and a modern mining law overseen by a dedicated geology and mines commission. The positive jurisdiction combined with its highly prospective and under-explored mineral potential makes it an excellent destination for exploration and mining, with three gold mines financed by foreign investment announcing commercial production in 2016, and a history of substantial gold, bauxite and diamond mining operations.

Geologically, Guyana is underlain by the Guiana Shield, a Proterozoic aged craton that was contiguous with the Leo Mann Shield of West Africa prior to the opening of the Atlantic Ocean. As such, the geology of the Guiana Shield is similar in age, lithology and style of mineralisation to the prolific Birimian gold belts of West Africa (refer to Figure 9).

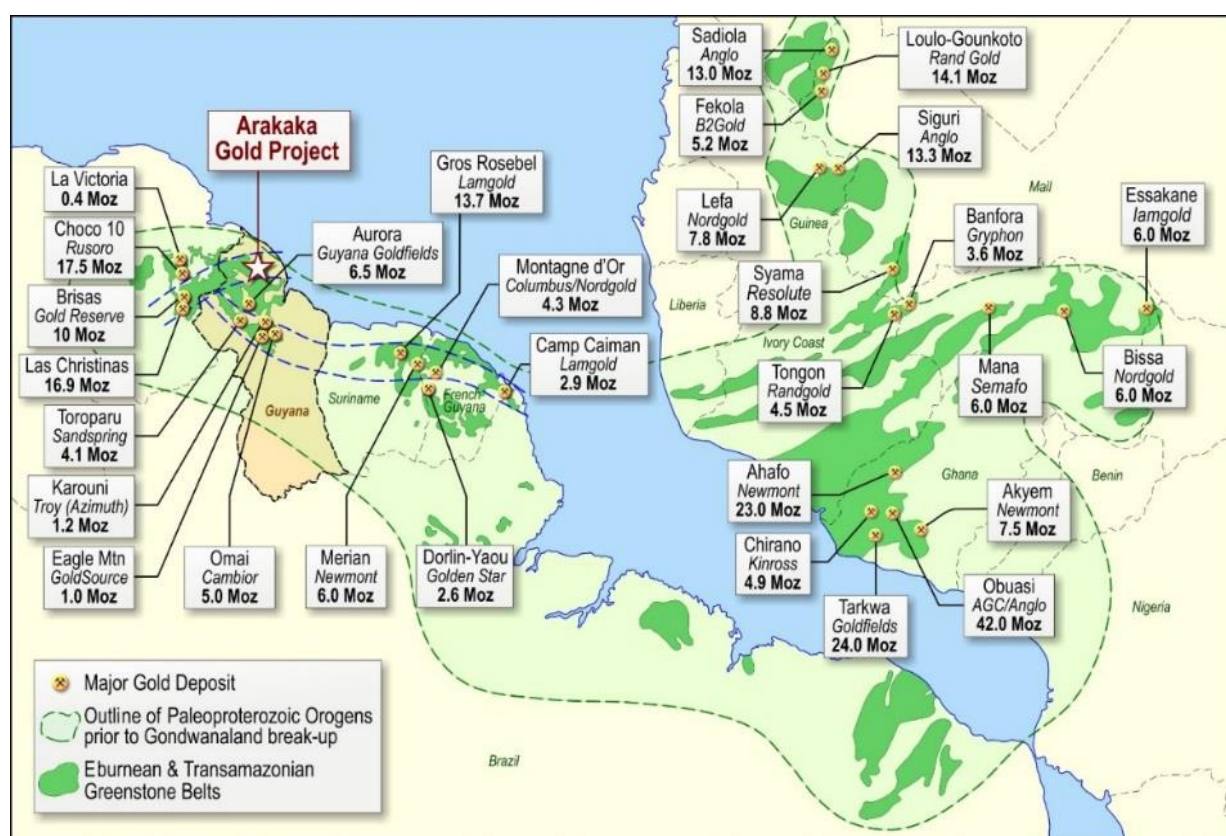


Figure 9 | Diagrammatic Tectonic Reconstruction of Gondwanaland illustrating the correlation between the South American Guiana Shield greenstone belt and the Birimian greenstone belts of the West African Shield.

## *2. Review of Operations (continued)*

### **Project Generation**

The acquisition of the Arakaka Gold Project in 2013 delivered a core strategic asset in one of the most underexplored greenstone belts in the world. Alicanto has increased its footprint within the highly prospective Barama-Mazaruni Greenstone Belt in Guyana's Northwest District with the acquisition of the Ianna Gold Project located less than 25km from Alicanto's flagship Arakaka Project in late 2016. (refer to Figure 1).

The Company intends to continuously evaluate additional projects within Guyana for potential joint venture or acquisition. In addition, the Company shall also continue to evaluate projects elsewhere, in gold, copper and other commodities to grow shareholder value.

### **Lead Auditor's Independence Declaration**

A copy of the lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 14.

This report is made in accordance with a resolution of directors made pursuant to section 306(3) of the Corporation Act 2001.



Didier Murcia  
Non-Executive Chairman

Perth, Western Australia, 12 March 2019

### **Competent Persons Statement**

The information in this report that relates to Exploration Results is based on information compiled by Mr Marcus Harden, who is a Member of The Australian Institute of Geoscientists. Mr Harden is Chief Geologist for the Company. Mr Harden has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harden consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

The company is not aware of any new information or data that materially affects the information included in the said announcement.



12 March 2019

Board of Directors  
Alicanto Minerals Limited  
Suite 3, Level 3,  
24 Outram Street,  
West Perth WA 6005

Dear Sirs

**RE: ALICANTO MINERALS LIMITED**

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

As Audit Director for the review of the financial statements of Alicanto Minerals Limited for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

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



**Martin Michalik**  
**Director**

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by Alicanto Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This interim financial report covers the consolidated entity consisting of Alicanto Minerals Limited and its subsidiaries. The financial report is presented in the Australian currency.

Alicanto Minerals Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Alicanto Minerals Limited  
Level 3, 24 Outram Street  
WEST PERTH WA 6005

A description of the nature of the group's operations is included in the directors' report on pages 3 – 13, which is not part of this financial report.

The interim financial report was authorised for issue by the directors on 12 March 2019. The company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the company. All press releases, financial reports and other information are available on our website: [www.alicantominerals.com.au](http://www.alicantominerals.com.au).

For the Half-Year Ended 31 December 2018

	Notes	Consolidated 31 December 2018 \$	31 December 2017 \$
<b>Revenue</b>			
Revenue from continuing operations	4(a)	11,653	75,977
Other income	4(b)	337,289	169,169
<b>Expenditure</b>			
Administration costs		(85,354)	(140,811)
Consultancy expenses		(107,309)	(31,943)
Employee benefits expense		(214,395)	(228,456)
Share based payment expenses		(9,160)	(101,525)
Occupancy expense		(21,540)	(27,255)
Compliance and regulatory expenses		(45,289)	(45,831)
Insurance expenses		(12,462)	(38,953)
Depreciation		(49,383)	(29,625)
Exploration Expenditure	6	(876,306)	(1,123,011)
Provision for Impairment - exploration and evaluation expenditure	6	(884,186)	-
Finance costs		(3,211)	(3,882)
(Loss) before income tax		<b>(1,959,653)</b>	<b>(1,526,146)</b>
Income tax expense		-	-
<b>(Loss) for the half-year attributable to owners</b>		<b>(1,959,653)</b>	<b>(1,526,146)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to Profit or Loss		-	-
Items that may be reclassified subsequently to Profit or Loss			
Exchange differences arising on translation of foreign operations		(15,073)	23,503
<b>Total comprehensive (loss) for the half-year attributable to owners</b>		<b>(1,974,726)</b>	<b>(1,502,643)</b>
Basic loss per share (cents per share)		(1.6)	(1.4)
Diluted loss per share (cents per share)		N/A	N/A

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

As at 31 December 2018

	Notes	Consolidated 31 December 2018 \$	30 June 2018 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	886,107	2,008,823
Trade and other receivables		64,237	48,463
<b>Total Current Assets</b>		<b>950,344</b>	<b>2,057,286</b>
<b>Non-Current Assets</b>			
Trade and other receivables		20,000	20,000
Property, plant and equipment		426,185	453,842
Exploration and evaluation expenditure	6	-	884,186
<b>Total Non-Current Assets</b>		<b>446,185</b>	<b>1,358,028</b>
<b>Total Assets</b>		<b>1,396,529</b>	<b>3,415,314</b>
<b>Current Liabilities</b>			
Trade and other payables	7	88,366	538,245
Provisions		2,156	51,685
<b>Total Current Liabilities</b>		<b>90,522</b>	<b>589,930</b>
<b>Total Liabilities</b>		<b>90,522</b>	<b>589,930</b>
<b>Net Assets</b>		<b>1,306,007</b>	<b>2,825,384</b>
<b>Equity</b>			
Issued capital	8	13,438,497	12,800,082
Reserves	9	1,497,558	1,695,697
Accumulated losses		(13,630,048)	(11,670,395)
<b>Total Equity</b>		<b>1,306,007</b>	<b>2,825,384</b>

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

## Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2018

Consolidated	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2017	9,117,041	(8,803,608)	75,485	1,840,415	2,229,333
(Loss) for the half-year	-	(1,526,146)	-	-	(1,526,146)
Foreign exchange differences	-	-	23,503	-	23,503
Total comprehensive (loss) for the half-year	-	(1,526,146)	23,503	-	(1,502,643)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	3,379,091	-	-	-	3,379,091
Equity settled share based payment transactions	-	-	-	101,525	101,525
Exercise of options	24,279	-	-	(24,028)	251
	3,403,370	-	-	77,497	3,480,867
<b>Balance at 31 December 2017</b>	<b>12,520,411</b>	<b>(10,329,754)</b>	<b>98,988</b>	<b>1,917,912</b>	<b>4,207,557</b>
Balance at 1 July 2018	12,800,082	(11,670,395)	(30,385)	1,726,082	2,825,384
(Loss) for the half-year	-	(1,959,653)	-	-	(1,959,653)
Foreign exchange differences	-	-	(15,073)	-	(15,073)
Total comprehensive (loss) for the half-year	-	(1,959,653)	(15,073)	-	(1,974,726)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	446,189	-	-	-	446,189
Equity settled share based payment transactions	-	-	-	20,564	20,564
Reversal of employee incentive scheme options to profit or loss	-	-	-	(11,404)	(11,404)
Exercise of options	192,226	-	-	(192,226)	-
	638,415	-	-	(183,066)	455,349
<b>Balance at 31 December 2018</b>	<b>13,438,497</b>	<b>(13,630,048)</b>	<b>(45,458)</b>	<b>1,543,016</b>	<b>1,306,007</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For the Half-Year Ended 31 December 2018

	Notes	Consolidated 31 December 2018 \$	31 December 2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		33,942	102,822
Payments to suppliers and employees		(507,263)	(437,965)
Interest received		11,720	21,232
Payments for exploration and evaluation		(1,388,925)	(2,749,910)
Contributions received from farm-in partners		303,347	1,463,012
<b>Net cash (used in) operating activities</b>		<b>(1,547,179)</b>	<b>(1,600,809)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(21,726)	(187,067)
Security deposits paid		-	-
<b>Net cash (used in) investing activities</b>		<b>(21,726)</b>	<b>(187,067)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		452,000	3,740,220
Payments for costs of issue of shares		(5,811)	(360,878)
<b>Net cash provided by financing activities</b>		<b>446,189</b>	<b>3,379,342</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>		<b>(1,122,716)</b>	<b>1,591,466</b>
Cash and cash equivalents at the beginning of the period		2,008,823	1,836,953
<b>Cash and cash equivalents at the end of the period</b>	5	<b>886,107</b>	<b>3,428,419</b>

Amounts shown above relating to payments to suppliers and employees include goods and services tax. The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



## 1. Basis of preparation of half-year report

This general purpose interim financial report for the half-year reporting period ended 31 December 2018 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by Alicanto Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for goods and services. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

### New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

### Impact of Standards issued but not yet applied by the Group

AASB 16 was issued in February 2016. When applied, it will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

### Going Concern

The financial statements have been prepared on a going concern basis of accounting which assumes that the Group will be able to meet its commitments, realise its assets, discharge its liabilities in the ordinary course of business and meet exploration budgets. In arriving at this position, the Directors recognise the Group is dependent on various funding alternatives to meet these commitments which may include share placements and suitable project funding arrangements including earn-ins, joint ventures or project divestment.

The loss for the half year ended 31 December 2018 was \$1,959,653 with \$886,107 of cash and cash equivalents, net assets of \$1,306,007 as at 31 December 2018. In addition, the consolidated entity had plant and equipment with a carrying value of \$426,185 which the Directors believe does not exceed its value in use or recoverable value.

The Directors believe that at the date of signing the financial statements there are reasonable grounds to believe that having regard to matters set out above, the Group will be able to raise sufficient funds to meet its obligations as and when they fall due.

In the event that the Group does not achieve the matters set out above there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial statements.

## 2. Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves within Guyana, Australia and the corporate/head office function.

The segment information provided to the board of directors for the reportable segments for the half-year ended 31 December 2018 is as follows:

	Guyana \$	Exploration Australia \$	Corporate \$	Total \$
Half-year ended 31 December 2018				
Total segment revenue and other income				
Equipment rental	6,801	-	-	6,801
Interest revenue	-	-	4,852	4,852
Other income	303,347	-	33,942	337,289
Total segment revenue and other income	310,148		38,794	348,942
Depreciation Expense	42,827	-	6,556	49,383
Total segment profit/(loss) before income tax	(1,459,229)	-	(500,424)	(1,959,653)
Half-year ended 31 December 2017				
Total segment revenue and other income				
Equipment rental	44,399	-	-	44,399
Interest revenue	-	-	31,578	31,578
Other	169,169	-	-	169,169
Total segment revenue and other income	213,568	-	31,578	245,146
Depreciation Expense	21,399	-	8,226	29,625
Total segment profit/(loss) before income tax	(998,408)	-	(527,738)	(1,526,146)
Total segment assets				
31 December 2018	443,292	-	953,237	1,396,529
30 June 2018	1,357,535	-	2,057,779	3,415,314
Total segment liabilities				
31 December 2018	9,616	-	80,906	90,522
30 June 2018	384,644	-	205,286	589,930

3. Dividends

No dividends have been paid or recommended during the current or prior interim reporting period or subsequent to reporting date.

	Consolidated	
	31 December 2018 \$	31 December 2017 \$
4. Revenue		
(a) Revenue from continuing operations		
Equipment rental	6,801	44,399
Interest received	4,852	31,578
Total revenue from continuing operations	11,653	75,977
(b) Other income		
Management fee from farm-in partners	303,347	169,169
Other	33,942	-
Total other income	337,289	169,169

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
5. Cash & Cash Equivalents		
(a) Cash & cash equivalents		
Cash at bank and in hand	886,107	808,823
Deposits at call	-	1,200,000
Total cash and cash equivalents	886,107	2,008,823
Note that cash includes nil in funds received from farm-in partners and held on trust for current and future exploration programs (30 June 2018: \$407,855).		
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates of between 0.00% and 0.50% (30 June 2018: 0.00% and 1.00%).		
(c) Deposits at call		
Deposits at calls as at 31 December 2018 were nil. Deposits at calls as at 30 June 2018 were bearing interest rates at 2.05% to 2.10%.		

	Consolidated	
	31 December 2018	31 December 2017
	\$	\$
6. Exploration & Evaluation Expenditure		
Half-year ended		
Opening balance at 1 July	884,186	611,288
Exploration expenditure at cost	1,179,653	2,586,023
Contributions received from farm-in partners	(303,347)	(1,463,012)
Provision for impairment - exploration expenditure	(884,186)	-
Exploration expensed	(876,306)	(1,123,011)
Closing balance at 31 December	-	611,288

	Consolidated	
	31 December 2018	30 June 2018
	\$	\$
7. Trade & Other Payables		
Current		
Trade payables	88,366	167,283
Contributions received from farm-in partners held on trust	-	370,962
Total current trade & other payables	88,366	538,245
Trade creditors are normally paid on 30-day payment terms.		

	Consolidated		Consolidated	
	31 December 2018	30 June 2018	31 December 2018	30 June 2018
	Shares	Shares	\$	\$
8. Contributed Equity				
(a) Issued capital	130,720,313	113,720,313	13,438,497	12,800,082
Ordinary shares – fully paid	130,720,313	113,720,313	13,438,497	12,800,082

	Date	Shares	Issue Price	Total \$
8. Contributed Equity (continued)				
(b) Movements in issued capital				
Opening Balance 1 July 2018		113,720,313		12,800,082
Exercise of options		2,000,000	\$0.0961	194,226
Placement	9 Nov 18	15,000,000	\$0.0300	450,000
Less: Transaction costs				(5,811)
Closing Balance at 31 Dec 2018		<u>130,720,313</u>		<u>13,438,497</u>

	31 December 2018 \$	30 June 2018 \$
9. Reserves		
A. Unlisted Option Reserve		
Opening balance – 1 July	1,726,082	1,840,415
Options exercised	(192,226)	(302,199)
Reversal of employee incentive scheme options to profit and loss	(11,404)	-
Options issued to directors, employees and consultants	20,564	187,866
Total Unlisted Option Reserve	<u>1,543,016</u>	<u>1,726,082</u>
B. Foreign Currency Translation Reserve		
Opening balance – 1 July	(30,385)	75,485
Translation of foreign subsidiary	(15,073)	(105,870)
Total Foreign Currency Translation Reserve	<u>(45,458)</u>	<u>(30,385)</u>
9. Reserves		
C. Total Reserves		
Unlisted Option Reserve	1,543,016	1,726,082
Foreign Currency Translation Reserve	<u>(45,458)</u>	<u>(30,385)</u>
Total Reserves	<u>1,497,558</u>	<u>1,695,697</u>

The reversal of employee incentive scheme options to profit or loss represent the value of options previously calculated under the Black and Scholes method for options that expired or were forfeited during the period.

#### 10. Contingencies and commitments

There are no further material changes to any commitments or contingencies since the last annual reporting date.

#### 11. Events Occurring Subsequent to Reporting Date

There are no further material events subsequent to reporting date.

**Director's Declaration**  
**For the half-year ended 31 December 2018**

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In the directors' opinion:

- (a) the financial statements and notes set out on pages 15 to 23 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Alicanto Minerals Limited will be able to pay its debts as and when they become due and payable.

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



**Didier Murcia**  
**Non-Executive Chairman**

Perth, Western Australia, 12 March 2019

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
ALICANTO MINERALS LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Alicanto Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Alicanto Minerals Limited (the Group). The Group comprises both Alicanto Minerals Limited (the Company) and the entities it controlled during the half year.

*Directors' Responsibility for the Half-Year Financial Report*

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

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Alicanto Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.



*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Alicanto Minerals Limited on 12 March 2019.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Alicanto Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

**Emphasis of Matter - Going Concern**

We draw attention in Note 1 to the interim financial report which describe the consolidated entity's use of the going concern basis of preparation of the financial report. Our conclusion is not modified in respect of these matters.

As noted in note 1, at 31 December 2018, the consolidated entity had net assets of \$1,306,007 and cash and cash equivalents of \$886,107. The consolidated entity had incurred a loss for the period ended 31 December 2018 of \$1,959,653. In addition, the consolidated entity had property, plant and equipment with a carrying value of \$426,185 at the reporting date.

The ability of the consolidated entity to continue as a going concern and meet its planned exploration, administration, and other commitments is dependent upon the consolidated entity raising further working capital, and/or commencing profitable operations. In the event that the consolidated entity is not successful in raising further working capital, and/or commencing profitable operations, the consolidated entity may not be able to meet its liabilities as and when they fall due, and the realisable value of the Company's current and non-current assets may be significantly less than book values

Our Opinion is not modified in respect of this manner.

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

*Stantons International Audit & Consulting Pty Ltd*



**Martin Michalik**  
**Director**

West Perth, Western Australia  
12 March 2019