

LANEWAY RESOURCES LIMITED

A.C.N. 003 049 714

ANNUAL REPORT 30 JUNE 2018

LANEWAY RESOURCES LIMITED
ANNUAL REPORT 2018

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LANEWAY RESOURCES LIMITED

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CORPORATE INFORMATION

This annual report covers Laneway Resources Limited ("Company", "Laneway" or "Laneway Resources") as a consolidated entity comprising Laneway Resources Limited and its subsidiaries ("the Consolidated Entity" or "Group"). A description of the operations and of the principal activities is included in the directors' report and the review of operations. The directors' report is not part of the financial report.

DIRECTORS

Stephen Bizzell (Executive Chairman)
Richard Anthon (Non-executive Director)
Mark Baker (Non-executive Director)
Peter Wright (Non-executive Director)

COMPANY SECRETARY

Paul Marshall

AUSTRALIAN BUSINESS NUMBER

ABN 75 003 049 714

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AUDITORS

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Level 10,
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Brisbane QLD 4000

STOCK EXCHANGE LISTING

Australian Securities Exchange Ltd
ASX Codes:
Ordinary shares - LNY

The directors present their review of operations for the year ended 30 June 2018.

Review of Operations 2018

Laneway Resources is an emerging resource development company with projects in Queensland, New South Wales and New Zealand primarily targeting gold but also holding a coking coal project.

Laneway's primary focus has been on the further progression of its gold projects, initially establishing cash flow from the mining and toll treatment of Agate Creek high grade ore, which will establish a robust financial footing to continue the progression its other assets and continue reviewing additional potential high growth projects - this includes farm-out or JV of existing assets.



Location of Laneway Resources Projects

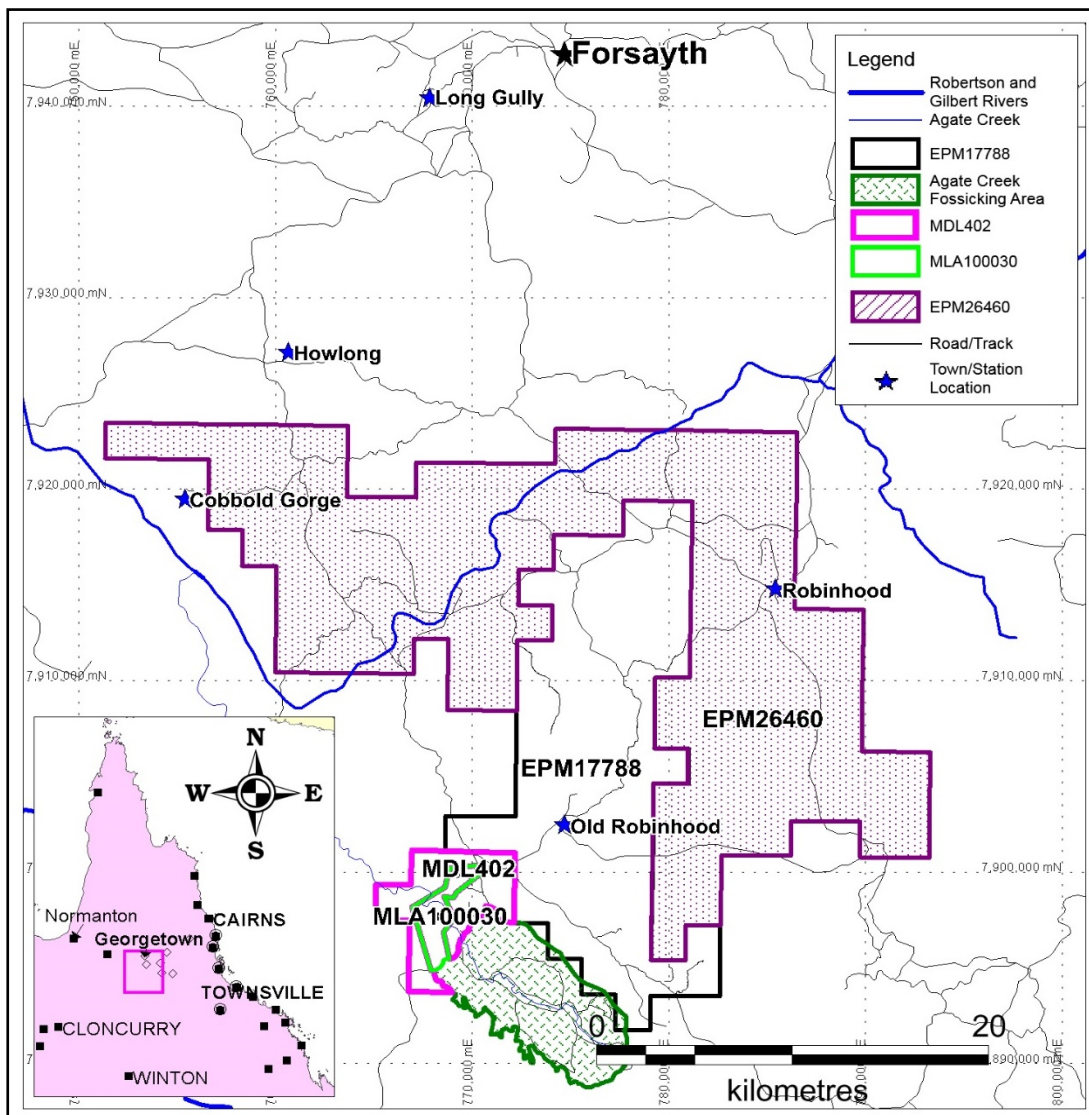
Agate Creek Gold Project (Queensland)

Background on the Project Area

The Agate Creek Gold Project is located approximately 40km south of Forsayth and 60km west of Kidston in North Queensland. Following significant exploration success, Laneway Resources applied for MLA100030 in February 2015, covering 689.3Ha. MLA100030 covers the majority of the currently defined primary resource areas and sufficient additional area to allowing for required infrastructure for mining and offsite toll treatment of the contained higher grade resources.

The Agate Creek Project currently encompasses a total area of approximately 647km² and is comprised of EPM's 17788, 26460, MDL402 and MLA100030.

The Project contains a JORC compliant resource estimate, located within MLA100030 comprising a combined Indicated and Inferred Mineral Resource of 8.2 Million tonnes at 1.46g/t gold for 381,000 ounces at a 0.5 g/t gold cut-off grade which includes a high-grade sub-set at Sherwood of 89,000t @ 6.01g/t. This ore is scheduled to be mined and toll treated following Mining Lease Grant.

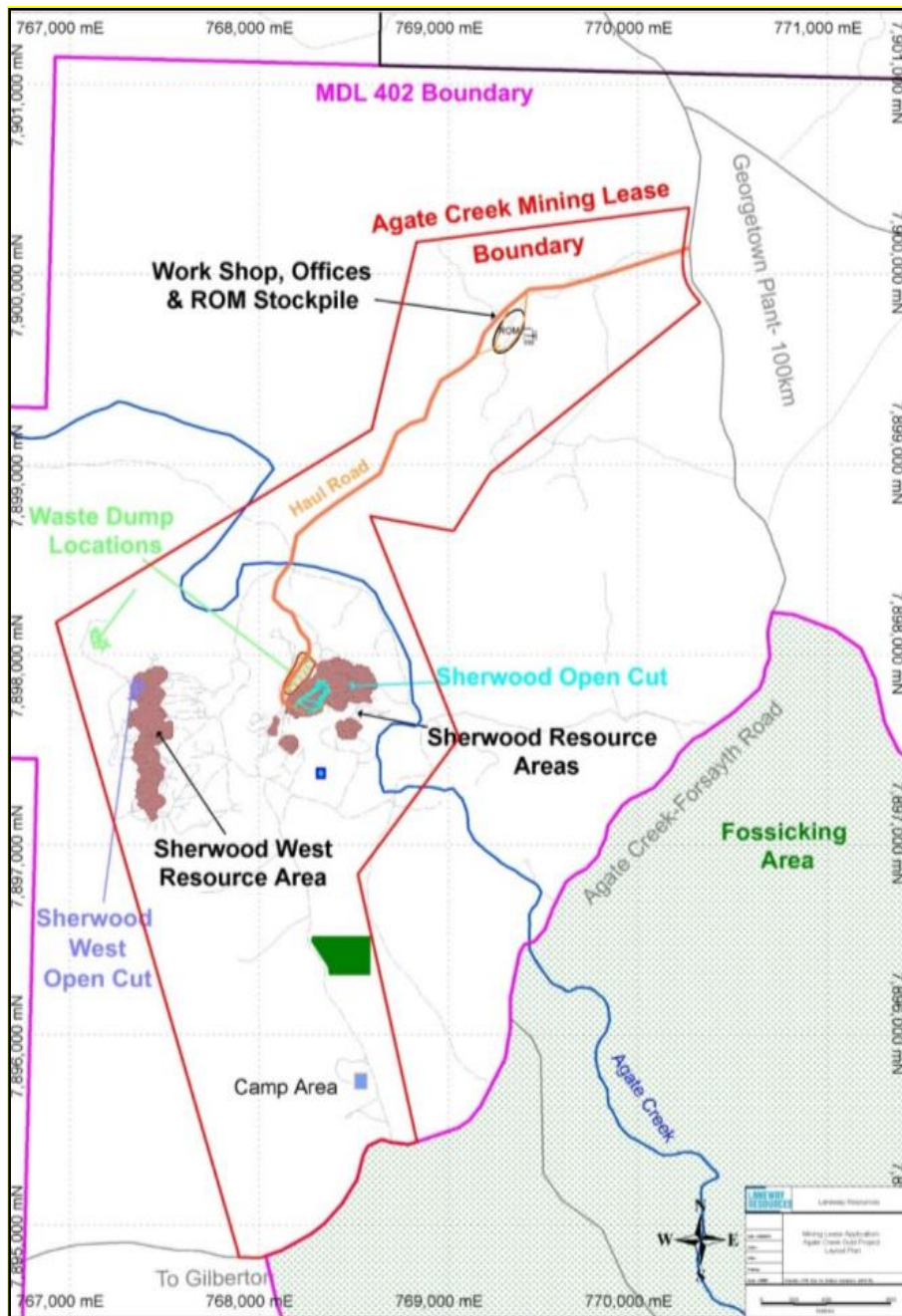


Agate Creek Project Location

Mining Lease Application (MLA 100030)

The Company has a Mining Lease Application (MLA 100030) lodged with Queensland's Department of Natural Resources and Mines (DNRM) over its Agate Creek Gold Project (the "Project"). The total area under the MLA is 689.3Ha covering the Sherwood and Sherwood West near surface high-grade prospects as well as prospective extensions to the larger known low-grade mineralised areas. The MLA area has allowance for future planned locations of necessary infrastructure to support mining operations. The code compliant Environmental Authority is in place (EPSL03068015) for the proposed mining operations and off-site third party toll treatment.

Landholder Compensation agreements have now been executed. Native Title Agreements with the Traditional Owners regarding compensation, employment and training opportunities are near finalisation and once concluded will allow the company to apply for the grant of the Mining Lease by DNRM.

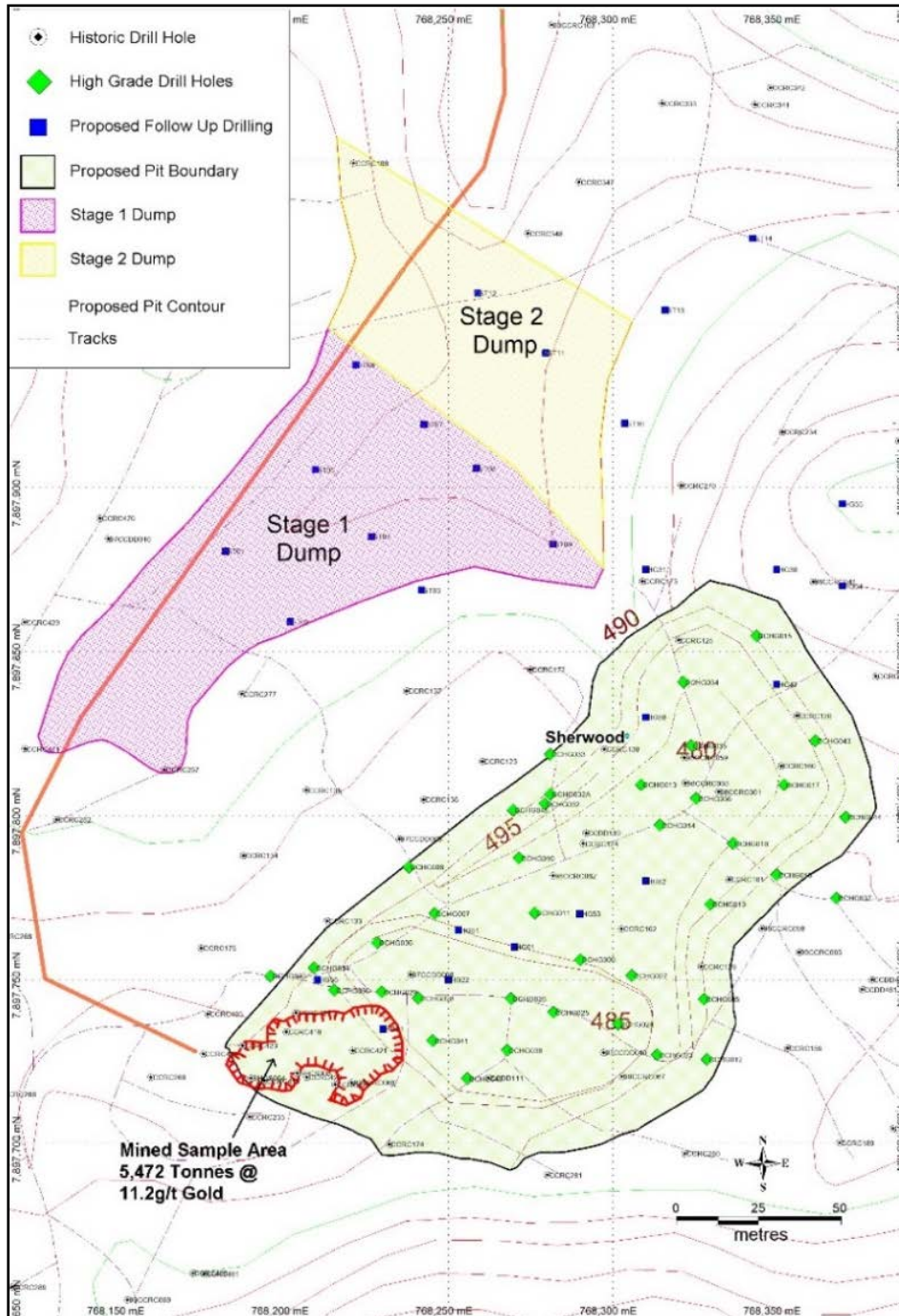


MLA 100030 area showing deposit location and planned infrastructure

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The grant of the Mining Lease ("ML") will be an integral milestone in the Project's progress towards commencing high-grade (low strip ratio) open cut mining operations at Agate Creek. Utilising an existing processing plant will significantly reduce the capital expenditure and time to first gold production. Start of mining and processing will be able to commence shortly after grant of the Mining Lease subject to any wet season constraints. Several processing options are available and given the simple shallow open cut nature of the orebody, only minor additional mine planning and site infrastructure is required prior to the start of mining.

Additional pit designs based on the completed resource modelling and technical analysis have identified the need for a small amount of additional drilling to be completed to assist with final pit design and to complete sterilization of the planned waste dump areas.



Agate Creek Preliminary Pit Design, Waste Dumps and Planned Infill Drilling

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Toll Treatment Processing for Agate Creek

CIL treatment based on previous test-work and Metallurgical Sampling has repeatedly demonstrated recoveries greater than 95% of gold from the high-grade ore material both with and without initial gravity extraction. Utilising an existing third party processing plant significantly reduces the capital expenditure and time to first gold production and these negotiations for toll treatment are ongoing to allow a smooth transition to mining and processing after the ML grant.

Due diligence is ongoing in relation to toll treatment options which will determine the optimal process plant to be used and also establish the road transport route and as such allow the finalisation of the road maintenance agreements with parties from both the State Government and Local Councils.

Terms are expected to include a tribute arrangement in which the plant owner will be responsible for all costs associated with mining, transport and processing of the ore, with Laneway receiving a gold tribute payment, effectively nullifying its capital requirement and budget over run risk to the mining and processing costs, but still receiving significant upside to the gold sales from the recovered product.

Ore sorting technology has also come through a step change in development recently and the potential for Laneway to utilise this technology at the Agate Creek Project is also being reviewed by the Company and will likely be reported on further next year once initial test work is completed and any possible upgrade potential fully understood.

The potential for ore sorting to upgrade what has until now been considered low grade uneconomic ore is expected to radically change the way exploration is viewed moving forward and its application around the Project area and the current priority targets moving forward will be thoroughly reviewed particularly the low grade mineralised zones within the ML area along with the potential resources areas identified at the nearby Nottingham prospect.

Mineral Resource

A global recoverable Mineral Resource is defined for the Agate Creek Project in Table 1 at a 0.5 g/t Au cut-off suitable for a large open pit operation. A continuous high-grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West and reported in Table 1.

0.5 g/t cut-off	Sherwood			Sherwood South			Sherwood West			Total		
Resource Classification	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)
Indicated	2.80	1.60	140,000				2.20	1.60	112,000	5.00	1.60	252,000
Inferred	1.40	1.30	57,000	0.30	1.20	12,000	1.50	1.20	59,000	3.20	1.24	128,000
Total	4.20	1.50	197,000	0.30	1.20	12,000	3.70	1.44	171,000	8.20	1.46	381,000
Grade and tonnage rounded to two decimal places. Ounces calculated after rounding and reported to nearest 1,000 ounces.												
High Grade Sub Set	Cut-Off Grade		Indicated			Inferred			Total			
	Au (g/t)		kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	
Sherwood	2		89	6.01	17,300				89	6.01	17,300	
Sherwood West	1		1080	1.82	59,600	146	1.72	8,100	1164	1.81	67,700	
Total			1169	2.16	76,900	146	1.72	8,100	1253	2.16	85,000	
Grade and tonnage rounded to two decimal places. Ounces calculated after rounding and reported to nearest 100 ounces.												

Table 1 – Updated Mineral Resource Figures and High Grade sub set for Mineral Resource

The introduction of the high-grade domains provides a basis for assessing near surface material suitable for open pit mining and toll treating at existing processing facilities. Deeper high-grade zones at Sherwood present underground targets but require additional drilling and interpretation.

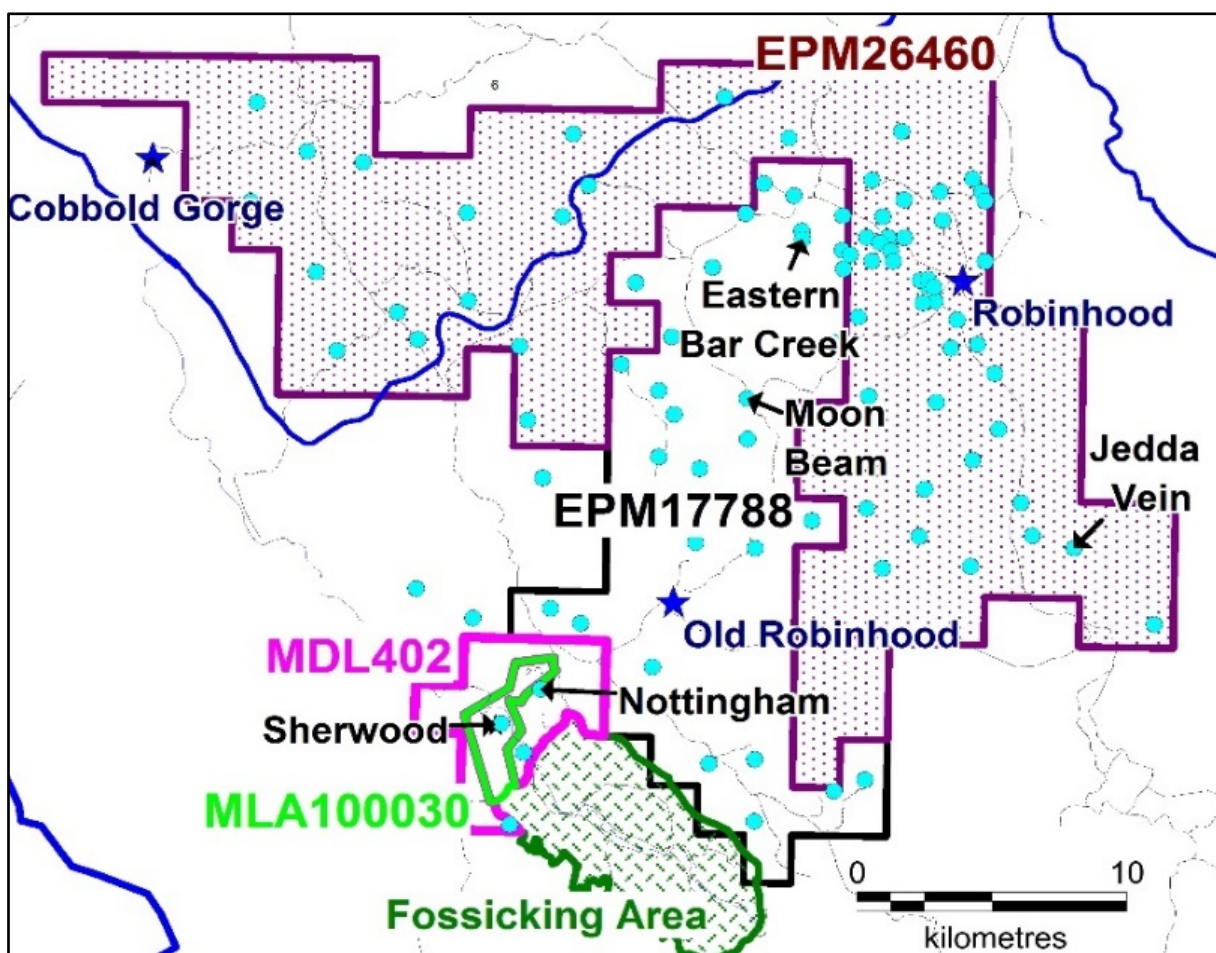
Agate Creek Regional Prospects

Laneway applied for a conditional surrender of five EPM's (EPM's 17739, 17632, 17949, 17626 and EPM17629) in order to create a single consolidated EPM (EPMA26460) to assist with the long term viability of the project and minimise the on-going tenement maintenance and administrative burden. EPM26460 was granted in January 2018.

The majority of work completed on the Agate Creek Project over the past 6 years has been undertaken within the MLA area with over 500 drill-holes completed on the area. However, within the regional tenement package there has also been over 40 shallow drill-holes, 6,000 rockchips, 3,000 stream sediments, 1,600 soil samples and over 100 line km of geological mapping completed.

The completed regional mapping and sampling has defined numerous high priority regional targets, with less than 25% of the tenement holding so far covered by this work, which has delineated over 60 regional targets. At this stage only 8 prospects have had first pass drilling. Four of these prospects returned positive results and currently have follow up drilling programs planned. An additional 3 prospects have drill programs planned and have Native Title clearances making them ready to drill.

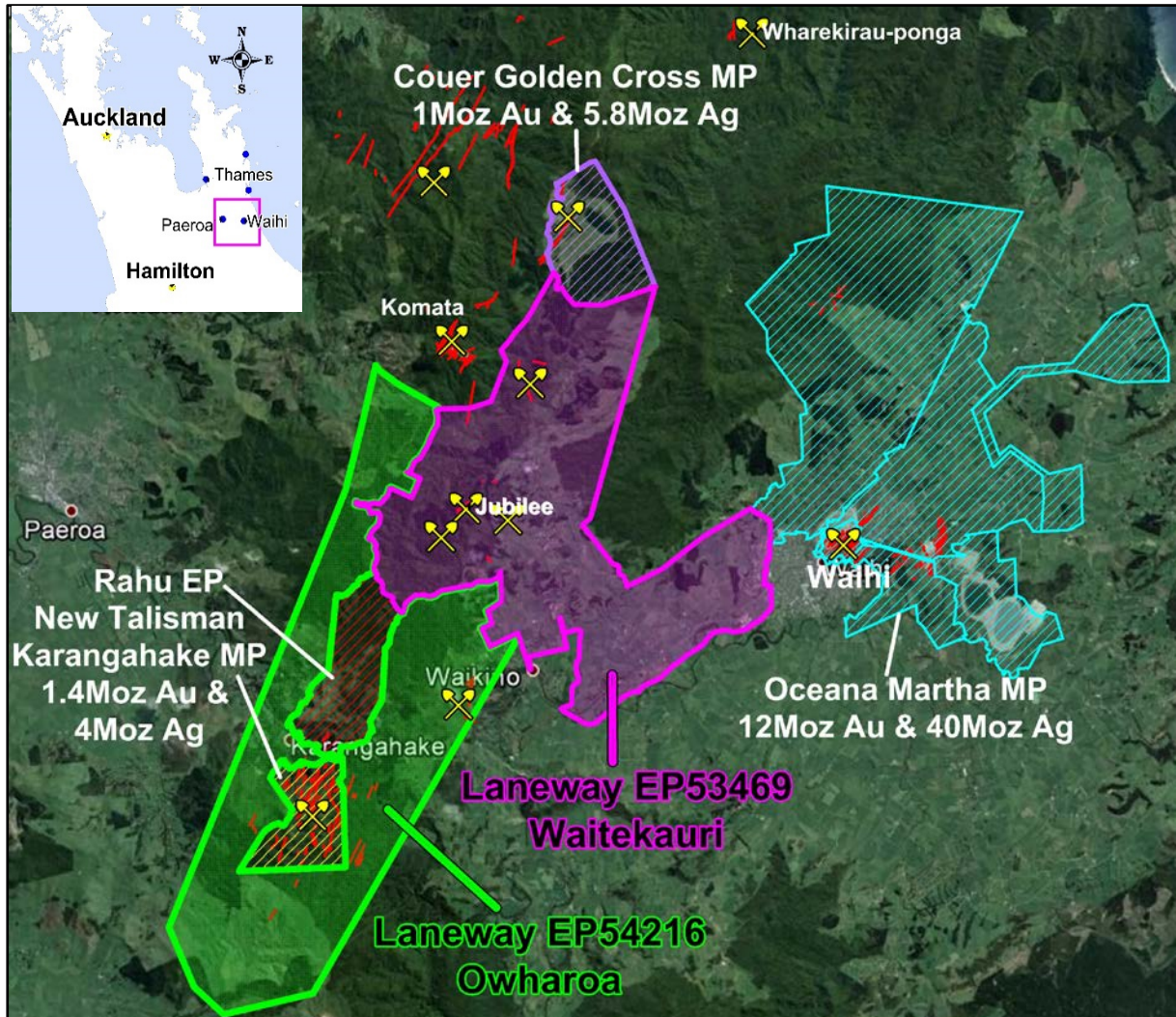
With the high-quality targets already generated and 75% of the tenement area still to be mapped, the high prospectivity of the area is evident. Cash flow from mining will accelerate these regional programs significantly that are seeking additional resources so as to expanding the long term profitability of the project.



Agate Creek Exploration Prospects

New Zealand Gold Project (North Island, New Zealand) Background on the Project Area

The project is located on the North Island of New Zealand in the Hauraki goldfield, within the mineralised corridor that is host to the historic Karangahake and Golden Cross gold-silver mines, and in the same district as the Oceana Gold operating Waihi Mine. The Hauraki goldfield is host to approximately 50 low-sulphidation epithermal prospects and deposits and has yielded in excess of 60 million ounces of gold and silver bullion.



Historic mining occurred in the Project area between 1860 and 1952, with workings reaching a depth of up to 140m from surface. There remains significant scope for down dip and strike extensions of this mineralisation along a >7 km long prospective corridor. There is also the potential to delineate near surface resources that may be amenable to standard open cut mining techniques.

The geology of the Hauraki goldfield consists of a block-faulted basement of Jurassic greywacke (Mania Hill Group) overlain by a thick sequence of andesite and lesser dacite (Coromandel Group), and rhyolite and ignimbrite (Whitianga Group). Based on known occurrences of gold-silver deposits in the goldfield, two epithermal gold-silver mineral deposit models. Andesite-hosted deposits comprise about 95% of past gold production. Gold and silver are localised in quartz veins that range up to 30m wide and approximately 800m long. Rhyolite-hosted deposits have produced less than 5% of the total historic gold production, but they have potential as low grade, large tonnage deposits. Gold and silver occur in sheeted and stockwork quartz veins, breccia pipes and disseminated in hydrothermally altered wall rocks, typical of hot springs type epithermal gold deposits.

Exploration Overview

Laneway has completed several infill geochemical sampling programs at Komata South and at Jubilee along with a diamond drillhole following up on the results from Komata South. The Komata South hole LNDD014 was drilled during December 2017 and January 2018 for a total depth of 790.8m. The target was the extension of the Empire South-Komata vein system. The hole intercepted porphyritic to fragmental andesite lavas often significantly altered by chlorite, sericite, pyrite and silica. Several zones of intense quartz veining with brecciation were encountered between 450-750m with the most encouraging zone at 687-694m which showed intense silicification with banded to brecciated quartz veining throughout showing dogtooth textures. Assay results returned only low-grade results that indicate the structure is present but mineralisation likely eroded at this stage and no follow up is planned.

Work completed this year has added to work completed during the now expired farm-in with Newcrest Mining Ltd that spent \$NZD5mill on the project over 2 years.

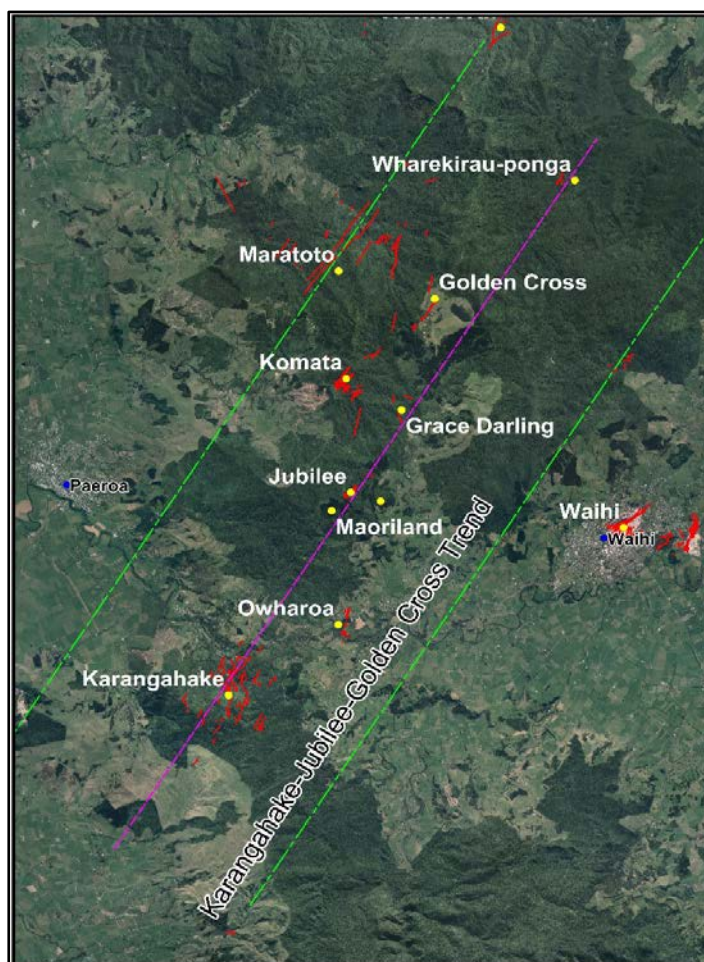
Laneway believe significant targets still exist within this highly prospective mineralised corridor with several drill ready targets.

Karangahake – Jubilee – Golden Cross Trend

Historically the Karangahake-Jubilee-Golden Cross Mineralised Trend has produced 4.4 Moz Au-Ag bullion. Mineralisation occurs as discrete low sulphidation high-grade epithermal veins, primarily of banded quartz/chalcedony within rhyolites and andesites.

The Karangahake orebody is shown to have vertical continuity of 700m and Jubilee is a possible strike extent of the Karangahake system but was only mined to 200m and never tested at depth. Karangahake historically averaged 23g/t Au from high grade shoots in two westerly dipping veins with up to a 900m strike extent and 700m vertically

Further geochemical sampling combined with geological mapping in the Jubilee-Maoriland area revealed an area of sub-cropping sinter with several results over 1g/t Au. Laneway expects that further work in the area will reveal potential extensions and repetitions to the known areas of mineralisation at Jubilee and Maoriland.



Jubilee

The Jubilee Prospect is located in the Waitekauri Valley which between 1870 and 1930 produced 33,753 Oz of bullion from only 22,852 tonnes of ore. In the deposit Quartz veining was up to 32ft wide in the Low level main drive and averaged over 1 oz/ton in places. One of the last mined stopes produced 1300oz of Au-Ag bullion from 2118 tons of quartz lode. The first modern exploration was in 1968, when Consolidated Silver reopened and refurbished the main Jubilee decline to access the Low Level Drive. Financial difficulties meant they failed to produce any gold. In the 1980's Cyprus Minerals NZ assessed both at surface and underground targets and defined a significant non- JORC resource

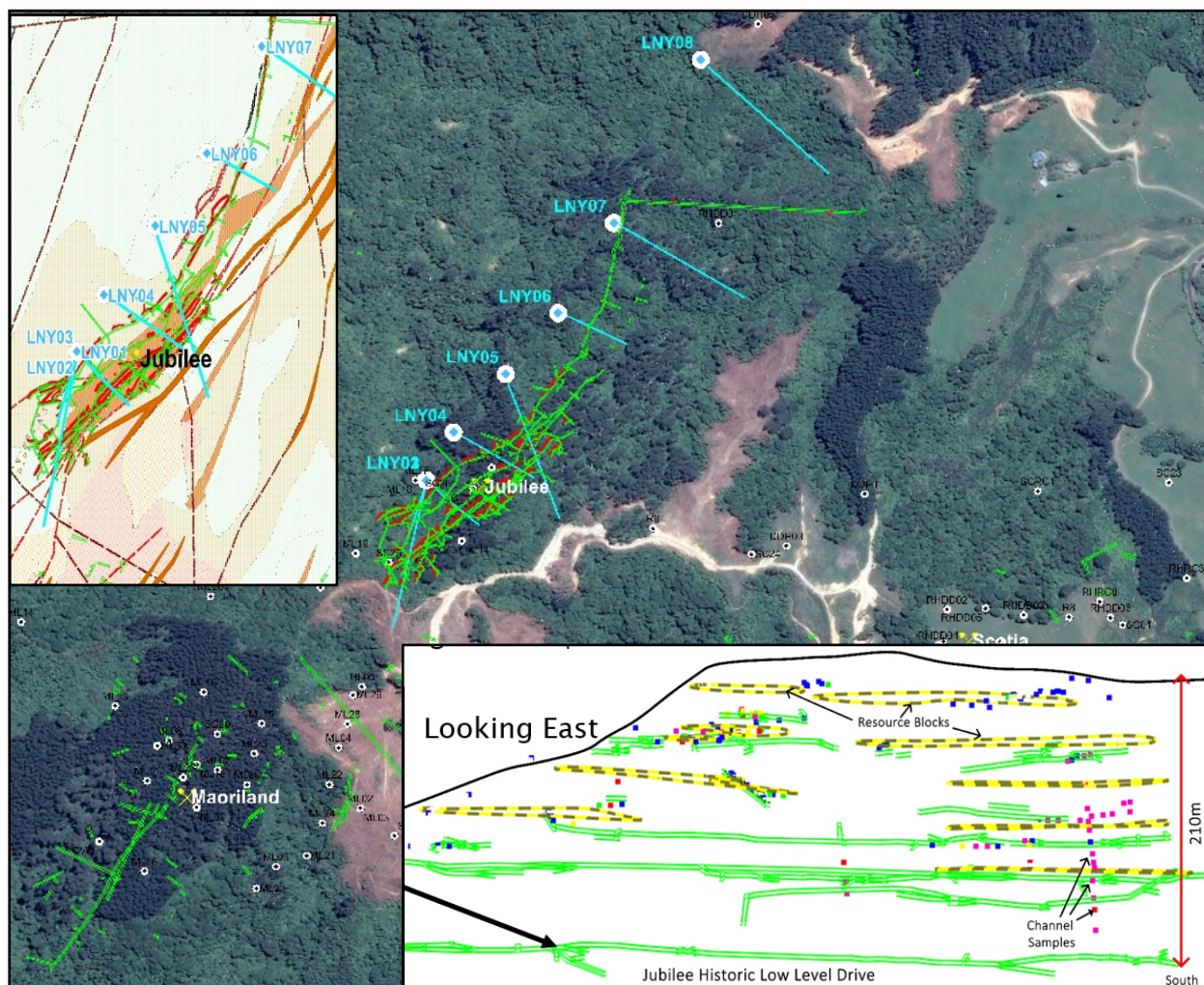
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based predominantly on rock chipping and channel sampling. Assay results from channel and pillar sampling include highlights of 43g/t, 63g/t, 93g/t, 50g/t, and 33g/t Au. Resource blocks and channel samples show the grades 'pinch' between the north and south blocks where recent drilling has been targeted. However, only 10 holes have ever been drilled into Jubilee's 500m strike extent and only 3 of these have been drilled over 200m depth.

The Jubilee system cannot be viewed as drill tested, and still has significant upside, this is further highlighted from Laneway's recent geological re-evaluation of historical work including resampling of historical holes, ML018 (drilled in 1987) which intercepted the main Jubilee vein between 118.3-118.8m and assayed 2.39g/t Au. Laneway identified an additional 2m wide zone, which originally assayed at 7.8g/t Au. Laneway re-sampled this zone which revealed a 30cm wide vein from 170.5m which returned a result of 521g/t Au. This result is interpreted as a second blind vein zone present in the system which sits approximately 50m horizontally behind the historically stoped main Jubilee Vein and which had not been identified by miners or previous workers on the project. Further mapping and relogging of historical core in the area has revealed a succession of stacked en-echelon rhyolites parallel to the main vein structure and are likely to provide a suitable dilational environment for further significant mineralisation and possible repetitions of the main vein.

This forms part of the focus of the 3,000m 8 hole drill program scheduled for 2019 and seen below:

- Extension of the 521g/t Au re-assayed 30cm intercept within ML18 from 170.5m which has recently been identified as a blind second vein system 50m below the historically mined Jubilee Vein
- Mineralisation down dip and along strike from the previously stoped, mined Jubilee Vein ore blocks
- Potential depth extensions below the Low level Drive at Jubilee that remain untested
- Mineralised extensions around Maoriland adjacent and Grace Darling to the north are also possible.



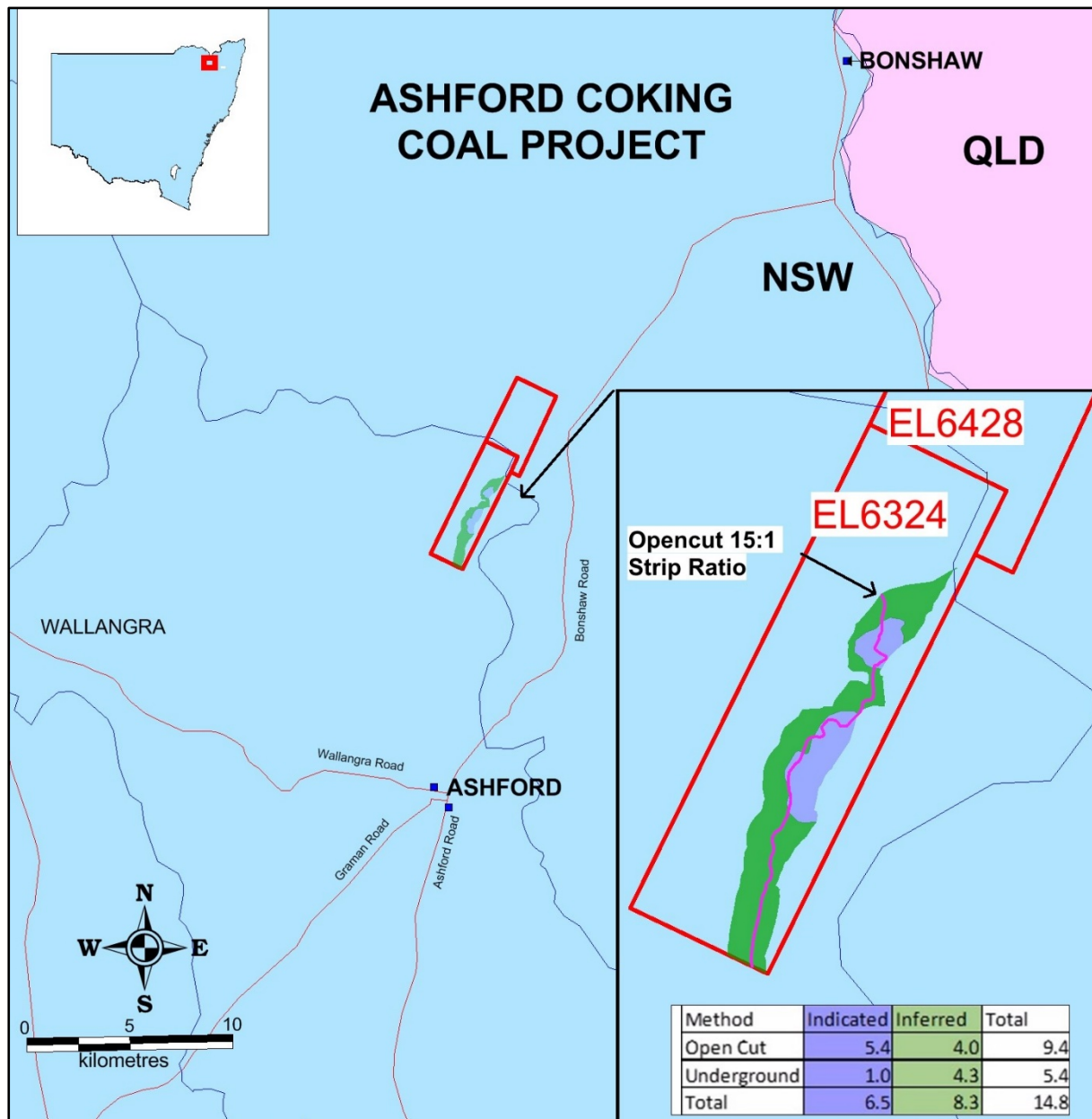
Ashford Coking Coal Project (NSW)

Background on the Project Area

The Ashford Coking Coal Project is located approximately 60km north of Inverell (northern NSW). During the financial year Laneway entered into a Sale and Purchase Agreement for the 50% of the project it did not own and the acquisition was completed in January 2018. Laneway now has a 100% interest in the project.

Laneway now intends to progress the project towards a Mining Lease Application over the resource area.

An updated JORC resource completed in the financial year reconciles well with previous coal resource estimates providing confidence in the geological interpretation and modelling. The current model is viewed as a robust model for future mine designs and feasibility studies. The resource areas can be seen below.



Ashford Project Resource & Tenure Map

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Ashford Resource Estimate

The Ashford Coking Coal Project incorporates the historic Ashford Mine Area (EL 6234 and EL 6428). A new increased resource estimate was completed during the year. Total resources within EL6234 are now estimated at 14.8 million tonnes of in-situ coal with 6.5 million tonnes classified as Indicated and 8.3 million tonnes as Inferred. Of the total resource, 9.4 million tonnes are likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4 million tonnes are expected to be mined via high wall mining methods. These estimates reconcile well with previous studies.

The table below is a summary of the Resource Estimate for the Project.

Method	Indicated (Mt)	Inferred (Mt)	Total (Mt)
Open Cut	5.4	4.0	9.4
Underground	1.0	4.3	5.4
Total	6.5	8.3	14.8

Ashford Coal Quality

Ashford seam coal can be classified as a "Medium Volatile Bituminous" coal using the ASTM Classification system. Volatile matter is in the order of 21-24% adb and the reflectance RoMax in the order of 1.15%. The seam has a moderate to high vitrinite content, and low sulphur. The CSN of the coal is moderate in the order of 5 - 6.5.

Ashford Seam Clean Coal Composite	Units	Basis	Weighted Average 10 holes
Simpreg Yield (no dilution)	mass %	ad	72.4
Simpreg Ash (no dilution)	mass %	ad	7.4
Proximate Analysis			
IM	mass %	ad	1.1
Ash	mass %	ad	7.3
VM	mass %	ad	23.6
VM	mass %	db	23.8
VM	mass %	daf	25.7
FC	mass %	ad	68.0
Total Sulphur	mass %	ad	0.43
RD		ad	1.35
HGI		ad	77
Basicity Index			0.161
Modified BI			1.56
Total Alkalis	% in ash	db	0.86
Phosphorus	mass %	ad	0.034
CSN			6.5
Gray-King			G4-G6
Mean Max Vitrinite Reflectance	%		1.14
Total Vitrinite	vol %	aa	48.9

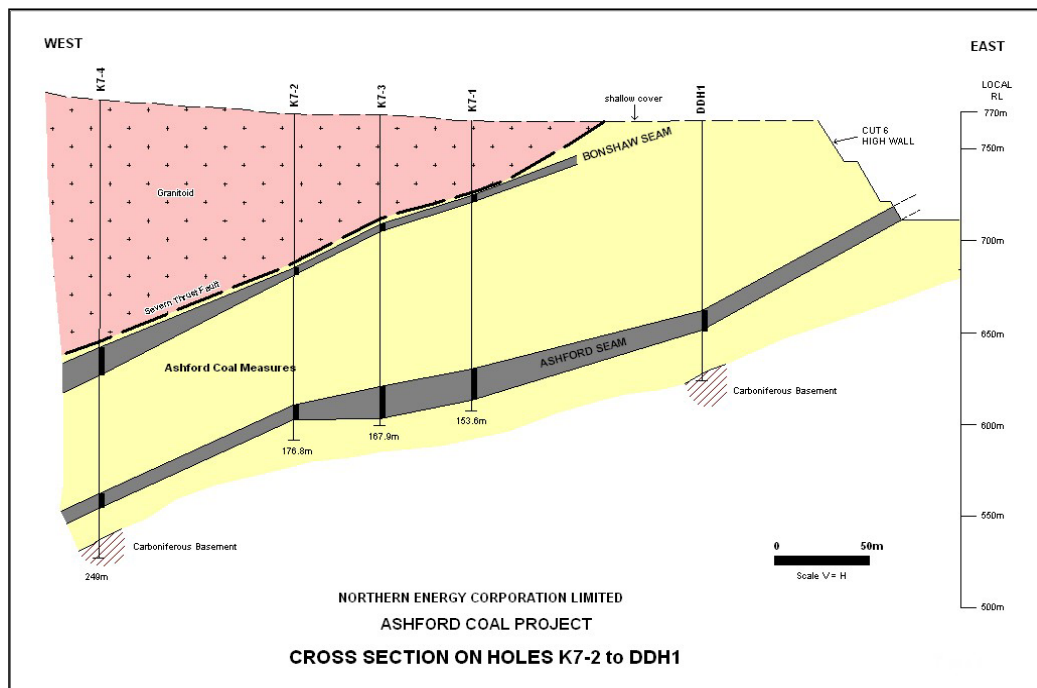
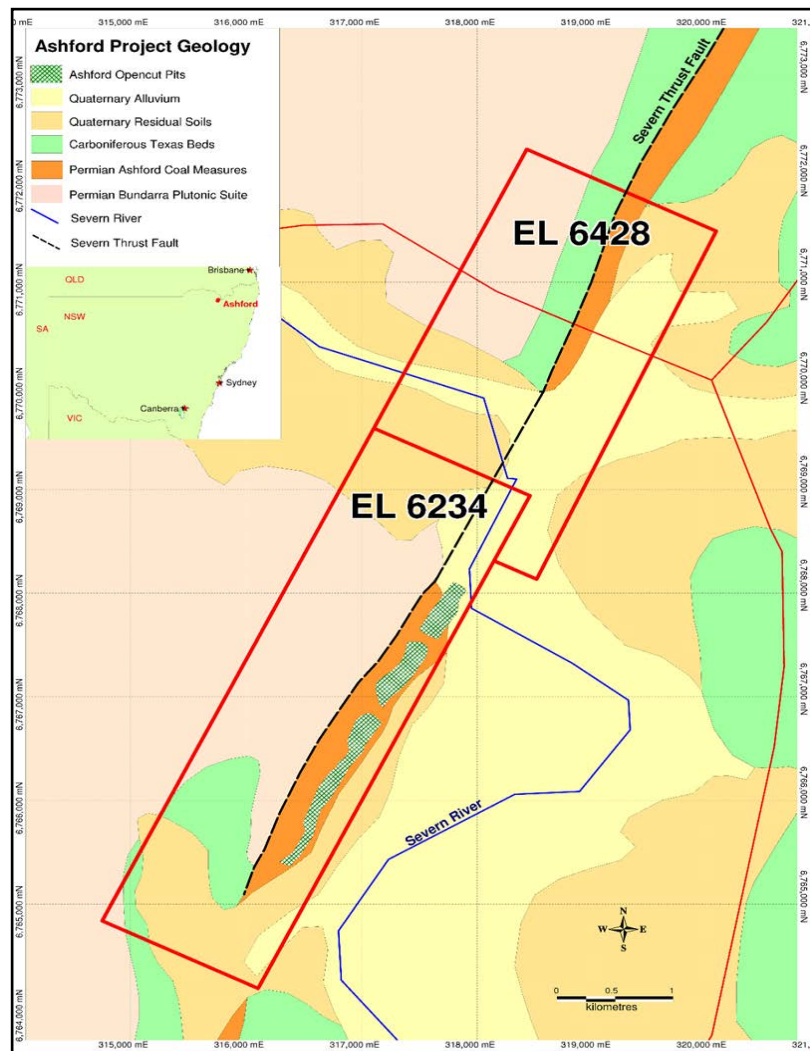
Coal Quality studies investigating the potential coking quality from a raw product found that the seam could qualify as a semi hard coking coal provided the raw ash is not above 10.5%.

Geology

The Permian aged Ashford coal measures are expressed as a narrow (<10km) 80km long basin stretching from the Queensland border in the north to Inverell in the south. The Ashford coal measures unconformably overlie highly deformed late carboniferous sediments assigned to the Texas Beds. EL6234 overlies part of the outcrop of the Ashford coal measures which dip to the west at 15-35 degrees. The western margin of the coal measures is marked by a prominent west over east thrust fault– the Severn Thrust resulting in Carboniferous rocks overlying the Permian sediments.

The Ashford seam ranges from 0.2m to 24.4m in thickness and makes up the principle resource within EL6234. The overlying Bonshaw seam also has been intersected in a number of drill holes but is not considered a viable resource at this stage due to erratic thickness and quality.

A cross section that demonstrates the structural setting within the Ashford deposit is shown below:



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Directors' Report (including Remuneration Report)

The directors present their report on Laneway Resources Limited and its controlled entities (the "company", "consolidated entity", "Group", "Laneway" or "Laneway Resources") for the year ended 30 June 2018.

Directors

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

Names, qualifications, experience and special responsibilities

SG Bizzell BCom MAICD (Executive Chairman)

Stephen is Chairman of boutique corporate advisory and funds management group, Bizzell Capital Partners Pty Ltd. He has had considerable experience and success in the fields of corporate restructuring, debt and equity financing, and mergers and acquisitions and has over 20 years corporate finance and public company management experience in the resources sector in Australia and Canada with various public companies. Stephen was an Executive Director of Arrow Energy Ltd from 1999 until its takeover for \$3.5 billion by Royal Dutch Shell and PetroChina in August 2010. Early in his career he was employed in the corporate finance division of Ernst & Young and the tax division of Coopers & Lybrand and qualified as a Chartered Accountant.

Other Listed Company Directorships in the past three years:

- Armour Energy Ltd (listed April 2012)
- Renascor Resources Ltd (listed December 2010)
- Stanmore Coal Ltd (listed December 2009)
- UIL Energy Ltd (listed November 2014)
- Aumake International Ltd (formerly Titan Energy Services Ltd - listed December 2011, resigned April 2016)
- Diversa Ltd (appointed August 2010, resigned October 2016)

RS Anthon BA LLB MAICD (Non-Executive Director)

Rick Anthon is a non-executive director of the Company. He holds a Bachelor of Arts and a Bachelor of Laws from the Australian National University. He is a member of the Australian Institute of Company Directors and the Australian Mining and Petroleum Lawyers Association. Rick has over thirty years' experience in corporate and commercial law with particular expertise in the mining exploration, mineral development and energy sectors.

Other Listed Company Directorships in the past three years:

- Bass Metals Ltd (appointed October 2013)
- Elementos Ltd (appointed January 2015, resigned October 2015)

M Baker BA GAICD (Non-Executive Director)

Mark is a media industry executive and former senior editorial executive with Fairfax Media. Mark has extensive experience working across Asia and in government relations at a national and state level. He is a board member of the Defence Reserves Support Council (Victoria), has a Bachelor of Arts degree and is a Graduate of the Australian Institute of Company Directors.

Other Listed Company Directorships in the past three years:

- Aus Asia Minerals Ltd (appointed November 2016, resigned April 2018)

P Wright BCom BEcon (Non-Executive Director)

Peter Wright has over 20 years' experience in the financial markets with a focus on investment in the resources sector. He is currently an Executive Director of Bizzell Capital Partners, a Brisbane based corporate advisory and funds management firm. Mr Wright holds a Bachelor of Commerce and a Bachelor of Economics from ANU in Canberra and a Graduate Diploma in Applied Finance and Investment.

Other Listed Company Directorships in the past three years:

- Bass Metals Ltd (appointed September 2016)

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Company Secretary

P Marshall LLB, ACA

Paul Marshall holds a Bachelor of Law degree and is a Chartered Accountant. He has more than thirty years' experience including over twenty years spent in commercial roles as Company Secretary and CFO for a number of listed and unlisted companies mainly in the resources sector.

Interests in the shares and options of the Company

Interests of the directors in the shares and options of the Company as at the date of this report are:

	Ordinary Shares
Stephen Bizzell	1,099,902,623
Rick Anthon	72,782,866
Mark Baker	150,394,976
Peter Wright	22,652,642

Corporate Information

Corporate Structure

Laneway Resources Limited is a company limited by shares that is incorporated and domiciled in Australia. Laneway Resources Limited has prepared a consolidated financial report encompassing the entities that it controlled or had significant influence over during the financial year:

Laneway Resources Limited had the following investments in controlled companies throughout the financial year:

- Renison Coal Pty Ltd (100%)
- Agate Creek Holdings Pty Ltd (100%)

Principal Activities

The principal activities of the Group during the year were the exploration for and evaluation of gold and coal tenements.

Operating Results

During the year Laneway continued with exploration activities on its gold project at Agate Creek in Queensland with progress being made towards seeking a Mining Licence with the aim of starting to mine and process up to 200,000 tonnes of high grade near surface ore from the Agate Creek Gold Project. Laneway also undertook exploration activities on its New Zealand tenements by way of a Farm-In agreement with Newcrest covering Laneway's Southern Coromandel Gold Project in New Zealand.

Revenue

As an early stage exploration company, Laneway Resources Limited does not generate any income.

Expenses

The Consolidated Entity's main sources of expenses are as follows:

	2018 \$
Employment and consultancy expenses	448,562
Finance costs	94,492
Corporate & Administration expenses	241,172
Total expenses	784,226

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Comparison with Prior Year

For the year ended 30 June 2018, the loss for the Consolidated Entity after providing for income tax was \$783,992 (2017: loss of \$630,483):

	2018 \$	2017 \$
Revenue and other income/(expenses)	233	15,012
Finance costs	(94,492)	(16,485)
Employment costs	(448,562)	(374,571)
Other expenses	(241,171)	(254,439)
Loss before income tax	(783,992)	(630,483)

The adjusted loss for the 2018 financial year is approximately \$154,000 higher than the adjusted loss of 2017. This reduction is attributable to:

	\$
Reduction in sundry income	14,779
Increased interest expense due to drawdown of the loan facility during the period.	78,007
Increase in employee costs	73,991
Other reductions in revenues, administrative and other costs	(13,267)
	153,510

Review of Financial Condition

Capital structure

In the 2018 financial year Laneway issued the following new securities:

- In October \$363,050 was raised by the issue of 109,024,029 shares at \$0.00333 per share.
- In December \$173,300 was raised by the issue of 52,042,043 shares at \$0.00333 per share.
- In January \$416,250 was raised by the issue of 125,000,000 shares at \$0.00333 per share.
- In June \$400,000 was raised by the issue of 133,333,334 shares at \$0.003 per share.

In addition in June \$460,000 was raised by the issue of 92,000,000 June 2021 \$0.005 convertible notes.

At 30 June 2018, the Company had 3,221,732,599 ordinary shares and 92,000,000 June 2021 \$0.005 convertible notes on issue.

Treasury policy

The Company does not have a formally established treasury function. The Board is responsible for managing the Company's currency risks and finance facilities.

Liquidity and funding

The Company has in the 2018 financial year continued to be supported by the raising of capital and by a loan facility provided by the Chairman of the Company while it seeks to develop the exploration assets owned by the Company.

Dividends

No dividend was paid during the year and none is recommended as at 30 June 2018.

Significant Changes in the State of Affairs

There were no significant changes in the State of Affairs of the Group during the year.

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Matters Subsequent to the End of the Financial Year

Following the end of the financial year Laneway completed a capital raising and announced commitments for a further capital raising once the required shareholder approval had been obtained.

On 28 June 2018 Laneway announced that the Company would be undertaking a capital raising of up to \$3 million (before issue costs) to continue to develop Laneway's projects and meet its strategic goals.

The capital raising program in total will consist of:

- the issue of up to 333 million ordinary shares with an issue price of 0.3 cents per share to raise up to \$1 million; and
- the issue of up to 400 million secured Convertible Notes, with a face value of 0.5 cents per note, an interest rate of 15% per annum maturing 30 June 2021, to raise up to \$2 million.

In addition to the initial 133,333,334 ordinary shares at \$0.003 per share and 92,000,000 unlisted 30 June 2021 \$0.005 Convertible Notes, issued on 28 June 2018 to the value of \$0.86 million, the company received funds of \$0.22 million and issued a further 41,500,000 ordinary shares at \$0.003 per share and 20,000,000 unlisted 30 June 2021 \$0.005 Convertible Notes on 1 August 2018 utilising the Company's ASX Listing Rule 7.1 placement capacity.

The Company advised it had also received firm commitments to subscribe for shares and convertible notes, which is subject to shareholder approval, for the balance of the amount sought totalling \$1.92 million.

Apart from the matter noted above no matter or circumstance has arisen since 30 June 2018, that has 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 financial years subsequent to 30 June 2018.

Likely Developments and Expected Results of Operations

There are no developments of which the directors are aware which could be expected to affect the results of the Group's operations in subsequent financial years other than information which the directors believe comment on or disclosure of, would prejudice the interests of the Group.

Share Options

At balance date and at the date of this report there are no options outstanding.

Meetings of Directors

The following table sets out the number of director's meetings held during the year ended 30 June 2018 and the number of meetings attended by each director. There are no separate Board Committees.

Director	Directors' Meetings	
	A	B
S Bizzell	3	3
R Anthon	3	3
M Baker	3	3
P Wright	3	3

A = Number of meetings held during the time the Director held office during the year.

B = Number of meetings attended.

Indemnification of Directors, Officers or Auditor

During the financial year Laneway paid a premium to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in a capacity of Director other than conduct involving a wilful breach of duty in relation to

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the Group. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and the amount of the premium paid. The Corporations Act does not require disclosure of the information in these circumstances. The Group has not indemnified its auditor.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Environmental Regulation and Performance

The Company held authorisations under various exploration licences. There have been no known breaches of the authorisation or licence conditions.

REMUNERATION REPORT - AUDITED

This report outlines the remuneration arrangements in place for the directors and key management personnel of Laneway Resources Limited (the Group).

Remuneration Policy

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

The full Board of Directors is responsible for determining and reviewing compensation arrangements for the directors and the executive team. The Board assesses 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. Such officers are given the opportunity to receive their base emolument in a variety of forms including cash, equity and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Group. Further details on the remuneration of directors and executives are set out in this Remuneration Report.

The Group aims to reward the executive directors and key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Group. The Board's policy is to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives.

In accordance with best practice corporate governance, the structure of non-executive director and executive director and key management personnel remuneration is separate and distinct.

Non-Executive Director Remuneration

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

The Company's specific policy for determining the nature and amount of emoluments of board members of the Company is as follows:

- The Constitution of the Company provides that the non-executive directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is \$200,000 per annum. Additionally, non-executive directors will be entitled to be reimbursed for properly incurred expenses.

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- If a non-executive director performs extra services, which in the opinion of the directors are outside the scope of the ordinary duties of the director, the Company may remunerate that director by payment of a fixed sum determined by the directors in addition to or instead of the remuneration referred to above. A non-executive director is entitled to be paid travelling and other expenses properly incurred by them in attending director's or general meetings of the Company or otherwise in connection with the business of the Company.

Executive Director and Key Management Personnel Remuneration

The Group aims to reward the executive directors and key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- reward executives for company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the executive directors and key management personnel may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options

Employment Contracts

It is the Board's policy that employment agreements are entered into with all executive directors, executives and employees. No current employment contracts contain early termination clauses. All non-executive directors have contracts of employment.

Stephen Bizzell is engaged as Executive Chairman. His agreement is a consultancy style agreement for the provision of services. Services are invoiced at a weekly rate of \$2,320.

Paul Marshall is engaged as Company Secretary and CFO. His agreement is a consultancy style agreement for the provision of services. Services are invoiced at a weekly rate of \$2,500.

Discussion of the Relationship between the Remuneration Policy and the Consolidated Entity's Performance

The factors that are considered to affect shareholder return are summarised below:

Measures	2018 \$	2017 \$	2016 \$	2015 \$	2014 \$
Share price at end of financial year	\$0.004	\$0.003	\$0.004	\$0.005	\$0.002
Earnings/(loss) per share (cents)	(0.025)	(0.021)	(0.029)	(0.19)	(0.15)
Loss for the financial year	(783,992)	(630,483)	(708,156)	(3,116,223)	(1,636,903)
Director & Key Management Personnel remuneration	574,695	662,130	580,364	526,197	542,726

The Board considers the Consolidated Entity's performance in the above matters when setting remuneration along with other factors relevant to an exploration company including the following:

- the identification of prospective tenements;
- subsequent design and execution of exploration programs;
- negotiating joint venture arrangements on terms favorable to the Company;
- expanding the level of mineral resources under the control of the company; and
- carrying out exploration and development programs in a timely and cost effective manner.

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Details of Directors and Key Management Personnel

Directors

R Anthon	Director (Non-executive)
S Bizzell	Chairman (Executive Chairman)
M Baker	Director (Non-executive)
P Wright	Director (Non-executive – appointed 31 October 2017)

Key Management Personnel

S Hall	Exploration Manager
P Marshall	Company Secretary
V Wishart	COO (resigned August 2017)

Key management personnel are those directly accountable and responsible for the operational management and strategic direction of the Company and the Group.

Director remuneration

	Short-term			Long-term	Post-Employment	Share-based payment	Total	Performance Related %	% consist-ing of equity
	Salary & Fees \$	Cash Bonus \$	Non-cash benefits \$	Leave provision movement \$	Superannuation \$	Shares/Options \$	\$		
R Anthon									
2018	36,000	-	-	-	-	-	36,000	-	-
2017	36,000	-	-	-	-	-	36,000	-	-
S Bizzell									
2018	120,640	-	-	-	-	-	120,640	-	-
2017	120,640	-	-	-	-	-	120,640	-	-
M Baker									
2018	36,000	-	-	-	-	-	36,000	-	-
2017	36,000	-	-	-	-	-	36,000	-	-
P Wright									
2018	24,000	-	-	-	-	-	24,000	-	-
2017	-	-	-	-	-	-	-	-	-
TOTAL									
2018	216,640	-	-	-	-	-	216,640	-	-
2017	192,640	-	-	-	-	-	192,640	-	-

Remuneration of the other key management personnel

	Short-term			Long-term	Post-Employment	Share-based payment	Total	Performance Related %	% consist-ing of equity
	Salary & Fees \$	Cash Bonus \$	Non-cash benefits \$	Leave provision movement \$	Superannuation \$	Shares/Options \$	\$		
S Hall									
2018	187,156	-	-	3,119	17,780	-	208,055	-	-
2017	194,354	-	-	6,672	18,464	-	219,490	-	-
P Marshall									
2018	130,000	-	-	-	-	-	130,000	-	-
2017	130,000	-	-	-	-	-	130,000	-	-
V Wishart									
2018	20,000	-	-	-	-	-	20,000	-	-
2017	120,000	-	-	-	-	-	120,000	-	-
TOTAL									
2018	337,156	-	-	3,119	17,780	-	358,055	-	-
2017	444,554	-	-	6,672	18,464	-	469,490	-	-

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No long term benefits have been paid or accrued for any director or key management personnel in the year ended 30 June 2018 (2017:nil), other than S. Hall who has a long service leave entitlement of \$12,833 (2017: \$9,715) as at 30 June 2018 and annual leave entitlement of \$24,370 (2017: \$24,370).

Compensation securities: Granted and vested during the year and issued on exercise of compensation options

No compensation securities were issued during the 2018 or the 2017 financial years. No shares were issued on the exercise of compensation options in the 2017 or 2018 financial years. There are currently no outstanding compensation options on issue.

Option holdings of directors and key management personnel

No options were held by directors or key management personnel at 30 June 2018 or 2017.

Security holdings of directors and key management personnel

All equity transactions with directors and key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length. On market and public offer transactions are included within Net Change Other in the table below:

Ordinary Shares

	Balance 1/7/17	Granted as Remuneration	On Exercise of Options	Appointment/ Resignation	Net Change Other	Balance 30/6/18
2018 Directors						
RS Anthon	72,782,866	-	-	-	-	72,782,866
SG Bizzell	1,099,902,623	-	-	-	-	1,099,902,623
M Baker	150,394,976	-	-	-	-	150,394,976
P Wright	-	-	-	22,652,642	-	22,652,642
Key Management Personnel						
S Hall	1,014,833	-	-	-	-	1,014,833
P Marshall	100,000,000	-	-	-	-	100,000,000
V Wishart	19,573,340	-	-	(19,573,340)	-	-
Total	1,443,668,638	-	-	3,079,302	-	1,446,747,940

Loans with directors and key management personnel.

Bizzell Nominees Pty Ltd a company associated with Mr Stephen Bizzell provided a loan facility to the company during the 2014 year. The total facility provided is for up to \$2,000,000. At the 30 June 2018 balance date the outstanding balance on the loan facility was \$176,984 (2017 - \$368,619). Interest accrued on the facility during the 2018 financial year was \$35,364 (2017 - \$14,620). During the year ended 30 June 2018 \$138,000 was advanced to the company and \$365,000 was repaid (2017 - \$354,000 was advanced to the company). The interest rate on the loan is 10%.

Mr R S Anthon was a Director of Hemming+ Hart, Lawyers until 1 November 2013. Hemming+ Hart had provided legal services to Laneway over a number of years and a debt was owed to Hemming and Hart at the time of Mr Anthon's departure from the firm. On 3 July 2014 Laneway and ACN 143 114 719 Pty Ltd executed a Deed of Acknowledgment and Debt and a General Security Agreement (GSA) to secure the payment of the outstanding fees. On 23 December 2014 ACN 143 114 719 Pty Ltd assigned the debt and the rights under the GSA to Nambia Pty Ltd as Trustees of the Anthon Family Superannuation Fund (a company associated with Mr Anthon) after Nambia acquired the debt on a dollar for dollar basis. As at the balance date \$191,520 (2017: \$150,000) remains an outstanding trade creditor payable after interest of \$41,520 (at 10% per annum) was accrued in the 2017/18 financial year in relation to the outstanding liability. The services were based on normal commercial terms and conditions.

End of Remuneration Report - Audited

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Auditor Independence Declaration under Section 307c of the Corporations Act 2001 and Non-Audit Services

The Auditor's Independence Declaration is attached and forms part of the Director's Report for the year ended 30 June 2018.

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

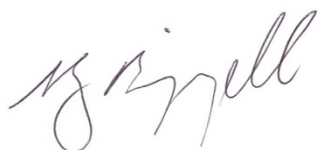
The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the group are important.

The Board of Directors has considered the position and are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. 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 of Directors to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year no fees were paid or are payable for non-audit services provided by the auditor of the parent entity, BDO Audit Pty Ltd and its related practices.

Signed in accordance with a resolution of the Board of Directors



SG Bizzell
Chairman
Brisbane, 28 September 2018

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DECLARATION OF INDEPENDENCE BY T R MANN TO THE DIRECTORS OF LANEWAY RESOURCES LIMITED

As lead auditor of Laneway Resources Limited for the year ended 30 June 2018, 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 Laneway Resources Limited and the entities it controlled during the period.

A handwritten signature in dark ink, appearing to read 'T R Mann', with a long horizontal flourish extending to the right.

T R Mann
Director

BDO Audit Pty Ltd

Brisbane, 28 September 2018

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ADDITIONAL STOCK EXCHANGE INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 17 September 2018.

SHAREHOLDER INFORMATION

Distribution of Number of Holders of Each Class of Securities as at 17 September 2018.

Ordinary shares fully paid	
Number of Securities Held	Nos of holders
1 to 1,000	3,073
1,001 to 5,000	464
5,001 to 10,000	150
10,001 to 100,000	215
100,001 and over	681
	4,583
Number of shareholders holding less than a marketable parcel of shares	3,959

Twenty Largest Holders of Each Quoted Security

LNy – Ordinary Fully Paid Shares

No.	Name of Shareholder	Holding	% Held
1	Bizzell Capital Partners Pty Ltd	600,013,333	17.04%
2	Bizzell Nominees Pty Ltd	353,329,656	10.03%
3	Rookharp Investments Pty Limited	171,666,667	4.87%
4	Downshire Investments Pty Ltd	100,000,000	2.84%
4	BAM Opportunities Fund Pty Ltd	100,000,000	2.84%
6	Sypco Holdings Pty Ltd	85,475,173	2.43%
7	Finn Air Holdings Pty Ltd	81,681,683	2.32%
8	Warburton Partners Pty Ltd	75,653,866	2.15%
9	Mr Colin Robert Searl & Mrs Cynda Searl	70,000,000	1.99%
10	Bcp Alpha Investments Limited	65,062,097	1.85%
11	Warburton Partners Pty Ltd	56,333,333	1.60%
12	Richard Stacy Anthon	54,282,900	1.54%
13	Horrie Pty Ltd	50,000,000	1.42%
14	Nambia Pty Ltd	49,082,049	1.39%
15	Mr Benjamin Alexander Fisher	44,111,111	1.25%
15	Doug Scott Holdings Pty Ltd	42,763,168	1.21%
17	J P Morgan Nominees Australia Limited	40,044,491	1.14%
18	Mr Phillip Alexander Purdie & Mrs Carol Ann Purdie	37,524,024	1.07%
19	Hongmen Capital Holdings Pty Ltd	33,000,000	0.94%
20	Bizzell Nominees Pty Ltd	32,000,000	0.91%
		2,142,023,551	60.83%

Voting Rights

- (i) All fully paid ordinary shares carry one vote per share without restriction.
- (ii) All partly paid ordinary shares carry a fraction of one vote per share equal to the proportion that the amount paid up bears to the total issue price.

Substantial Shareholders

Mr Stephen Grant Bizzell holds an interest in 1,099,902,623 ordinary shares – 31.23%

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Unquoted Securities

There are the following unquoted securities as at 17 September 2018:

112,000,000 Unlisted \$0.005 30 June 2021 Convertible Notes. There are two holders of the notes with 92,000,000 being held by BAM Opportunities Fund Pty Ltd.

Each note is convertible at any time at the holder's election into one ordinary Laneway share. Interest of 15% p.a. is paid half yearly in arrears at the end of June and December. There are no voting rights associated with the notes. Laneway may elect, at its discretion, to issue notes (at the issue price and on the same terms and conditions as the notes on issue) in lieu of any interest due on an interest payment date, and the issue of those notes will be in full and final satisfaction of the interest due and payable on that date. At maturity Laneway will repay the face value and any unpaid interest.

Interests in Mining Tenements

Laneway Resources Limited held the following interests in mining and exploration tenements as at 17 September 2018:

Type	Title No	Location	Interest
MDL	402	Queensland - Agate Creek	100%
EPM	17788	Queensland - Agate Creek	100%
EPM	26460	Queensland - Agate Creek	100%
MLA (Application)	100030	Queensland - Agate Creek	100%
EL	6234	NSW - Ashford	100%
EL	6428	NSW - Ashford North	100%
EP	53469	New Zealand - Waitekauri	100%
EP	54216	New Zealand - Owharoa	100%

ANNUAL MINERAL RESOURCE STATEMENT

In accordance with ASX Listing Rule 5.21, the Company reviews and reports its Mineral Resources at least annually. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources over the course of the year, the Company is required to promptly report these changes.

Agate Creek Project

Mineral Resource Statement – Agate Creek Gold Project 30 June 2018

During 2016 financial year the company completed a JORC resource estimate for the Agate Creek project. There has been no change to this resource in the 2018 financial year.

The global recoverable Mineral Resource in Table 1 is at a 0.5 g/t Au cut-off suitable for a large open pit operation. A continuous high grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West and reported in Table 2. Table 2 represents a subset of Table 1.

Table 1: Total recoverable Mineral Resource at 0.5 g/t gold cut-off grade (rounded to '000 oz)

Classification	Sherwood			Sherwood South			Sherwood West			Total		
	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz
Indicated	2.8	1.6	140000	0.0			2.2	1.6	112000	5.0	1.6	252000
Inferred	1.4	1.3	57000	0.3	1.2	12000	1.5	1.2	59000	3.2	1.2	128000
Total	4.2	1.5	197000	0.3	1.2	12000	3.7	1.4	171000	8.2	1.4	381000

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Table 2: High grade Mineral Resource subsets (rounded to '00 oz)

Area	Cut-off	Indicated			Inferred			Total		
	Au g/t	Kt	Au g/t	Au oz	Kt	Au g/t	Au oz	Kt	Au g/t	Au oz
Sherwood	2.0	89	6.01	17300	0			89	6.01	17300
Sherwood West	1.0	1018	1.82	59600	146	1.72	8100	1164	1.81	67700
Total		1107	2.16	76900	146	1.72	8100	1254	2.11	85000

Ashford Project

The Ashford Coking Coal Project incorporates the Ashford Mine Area (EL 6234 and EL 6428). In January 2018 Laneway acquired from Northern Energy Corporation the 50% of the project it did not previously own. A revised JORC resource estimation was completed in the 2017/18 financial year. Total resources within EL6234 have been estimated at 14.8 million tonnes of in-situ coal with 6.5 million tonnes classified as Indicated and 8.3 million tonnes as Inferred. Of the total resource, 9.4 million tonnes are likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4 million tonnes are expected to be mined via high wall mining methods. The prior resource complied under the 2004 JORC code within EL6234 was estimated at 13 million tonnes of insitu coal with 8 million tonnes classified as Indicated and 5 million tonnes as Inferred.

The table below presents a summary of the results of the resource estimate.

Mineral Resource Statement – Ashford Coking Coal Project 30 June 2018 and 30 June 2017

Updated Resource November 2017

Method	Indicated (Mt)	Inferred (Mt)	Total (Mt)
Open Cut	5.4	4	9.4
Underground	1	4.3	5.4
Total	6.5	8.3	14.8

Prior Resource

Total	8	5	13
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The increased global resource tonnage is principally due to extension of the down dip limit from the previous 200m depth of cover to the current limit based on a high-wall mining maximum penetration depth of 250m. A portion of the increased tonnage is also due to clearer delineation of the previously mined out area. Overall the resource compares well to previous estimates.

Material Changes and Resource Statement Comparison

There have been no material changes to the Mineral Resource estimates during the review period from 1 July 2017 to 30 June 2018.

Governance Arrangements and Internal Controls

Laneway has ensured that the Mineral Resources quoted are subject to good governance arrangements and internal controls. The Mineral Resources reported have been generated by suitably qualified personnel who are experienced in best practices in modelling and estimation methods, and also undertaken reviews of the quality and suitability of the underlying information used to determine the resource estimate.

Competent Persons Statement

The information in this Annual Report that relates to Exploration Results and Mineral Resources is based on information compiled and/or reviewed by Mr Scott Hall who is a member of the Australian Institute of Mining and Metallurgy. Mr Hall is a full-time employee of Laneway Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated 2018 \$	2017 \$
Revenue		233	13,845
Other Income/(Expenses)		-	1,167
Depreciation and amortisation expenses		-	-
Finance costs	2	(94,492)	(16,485)
Employment costs	2	(448,562)	(374,571)
Other expenses		(241,171)	(254,439)
Loss before tax		<u>(783,992)</u>	<u>(630,483)</u>
Income tax expense	3	-	-
Loss for the year		<u>(783,992)</u>	<u>(630,483)</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(783,992)</u>	<u>(630,483)</u>
Total comprehensive income for the year is attributable to:			
Owners of Laneway Resources Limited		<u>(783,992)</u>	<u>(630,483)</u>
Loss per share			
Basic and diluted loss per share (cents per share)	13	(0.025)	(0.021)

The above statement of comprehensive income should be read in conjunction with the accompanying notes

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BALANCE SHEET
AS AT 30 JUNE 2018

		Consolidated	
	Note	2018	2017
		\$	\$
Current Assets			
Cash and cash equivalents		172,147	54,017
Trade and other receivables		-	2,352
Available for sale financial assets		4,533	4,533
Other receivables		19,363	19,318
Total Current Assets		<u>196,043</u>	<u>80,220</u>
Non-Current Assets			
Other receivables		37,500	37,500
Exploration and evaluation assets	4	11,772,392	10,332,979
Total Non-Current Assets		<u>11,809,892</u>	<u>10,370,479</u>
Total Assets		<u>12,005,935</u>	<u>10,450,699</u>
Current Liabilities			
Trade and other payables	5	2,075,277	1,397,298
Borrowings		25,000	-
Employee leave provisions		100,173	84,887
Total Current Liabilities		<u>2,200,450</u>	<u>1,482,186</u>
Non-Current Liabilities			
Borrowings	6	551,984	368,620
Provisions	7	205,650	205,650
Total Non-Current Liabilities		<u>757,634</u>	<u>574,270</u>
Total Liabilities		<u>2,958,084</u>	<u>2,056,455</u>
Net Assets		<u>9,047,851</u>	<u>8,394,243</u>
Equity			
Equity attributable to equity holders of the parent			
Share capital	8	127,798,879	126,446,279
Reserves	8	85,000	-
Accumulated losses		(118,836,028)	(118,052,036)
Total Equity		<u>9,047,851</u>	<u>8,394,243</u>

The above balance sheet should be read in conjunction with the accompanying notes

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

Consolidated	Share Capital	Convertible Note Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2016	126,333,515	-	(117,421,553)	8,911,962
Loss for the year	-	-	(630,483)	(630,483)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(630,483)	(630,483)
Transactions with owners in their capacity as owners				
Shares issued during the year	112,765	-	-	112,765
Total transactions with owners	112,765	-	-	112,765
At 30 June 2017	126,446,279	-	(118,052,036)	8,394,243
At 1 July 2017	126,446,279	-	(118,052,036)	8,394,243
Loss for the year	-	-	(783,992)	(783,992)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(783,992)	(783,992)
Transactions with owners in their capacity with owners				
Shares issued during the year	1,352,600	-	-	1,352,600
Convertible note issue	-	85,000	-	85,000
Total transactions with owners	1,352,600	85,000	-	1,437,600
At 30 June 2018	127,798,879	85,000	(118,836,028)	9,047,851

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

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

		Consolidated	
	Note	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts		233	13,845
Payments to suppliers and employees		(182,948)	(158,924)
Interest received		-	-
Interest paid		-	(1,865)
Net Cash Used in Operating Activities	9	(182,715)	(146,944)
Cash Flow From Investing Activities			
Receipt of farm-in funds		-	1,682,760
Payments for exploration & development		(934,755)	(2,476,450)
Payments for acquisition of projects		(375,000)	-
Net Cash Flow Used in by Investing Activities		(1,309,755)	(793,690)
Cash Flow from Financing Activities			
Proceeds from issue of shares		1,352,600	-
Proceeds from issue of convertible notes		460,000	-
Loans received non-related parties		-	-
Loan received – Director loan facility		138,000	354,000
Loan repaid – Director loan facility		(365,000)	-
Loan received – other Director advance		25,000	-
Repayment of finance lease principal		-	(2,849)
Net Cash Flow from Financing Activities		1,610,600	351,151
Net increase/(decrease) in cash held		118,130	(589,483)
Cash at the beginning of the financial year		54,017	643,500
Cash at the end of the financial year	9	172,147	54,017

The above statement of cash flows should be read in conjunction with the accompanying notes

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Notes to the Financial Statements

1. CORPORATE INFORMATION

Introduction

Laneway Resources Limited is incorporated and domiciled in Australia.

Operations and principal activities

Principal activities comprise of mineral exploration.

Scope of financial statements

The consolidated financial statements consist of Laneway Resources Limited and the entities it controlled at the end of, or during, the year ended 30 June 2018.

Currency

The financial report is presented in Australia dollars and rounded to the nearest one dollar.

Authorisation of financial report

The financial report was authorised for issue on 28 September 2018.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Laneway Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Compliance with IFRS

The consolidated financial statements of Laneway Resources Limited group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

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

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards 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 below:

Key judgements – exploration & evaluation assets

The consolidated entity performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to balance date.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2018, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 "Exploration for and Evaluation of Mineral Resources".

Going concern basis for accounting

The consolidated entity has a net deficiency of current assets at 30 June 2018 of \$2,004,407 (30 June 2017: \$1,399,223) and has incurred losses of \$783,992 for the year ended 30 June 2018 (2017 loss: \$630,483). These conditions give rise to a material uncertainty which may cast significant doubt about the ability of the consolidated entity to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is principally dependent upon one or more of the following:

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Notes to the Financial Statements

- Continuation of debt funding. The company has been advised that its Chairman will continue to support the company in the 2018 financial year until such time as it has raised further funds either by way of a capital raising, a sale of an interest in a project or by way of a corporate transaction;
- Continued support of directors and key management personnel by way of deferring payment of amounts owing;
- Proceeds from additional capital raisings by the company; and
- The realisation of funds from the development or sale of certain assets.

As at the date of this report the directors are unable to confirm the success or otherwise of the asset sale process.

As a result of the ongoing support from a director of the company, the continued support of other directors and key management personnel, the current status of capital raisings, and the anticipated successful development of projects the directors believe the going concern basis of preparation is appropriate, and accordingly have prepared the financial report on this basis. The going concern basis presumes that funds will be available to finance future operations and that the realisation of assets and liabilities will occur in the normal course of business.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the consolidated entity be unable to continue as a going concern.

Principles of Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the consolidated entity.

Intercompany transactions, balances and unrealised gains on transactions between consolidated entity companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Joint Operations

The consolidated entity's share of the assets, liabilities, revenue and expenses of joint operations are included in the appropriate items of the consolidated financial statements.

Foreign Currencies

Items included in the financial statements of each of the Group 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.

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 year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Exploration and Evaluation Assets

Costs carried forward

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead

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expenditure but does not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

Restoration costs

Restoration costs that are expected to be incurred are provided for as part of the cost of the exploration, evaluation, development, construction and production phases that give rise to the need for restoration. Accordingly, these costs are recognised gradually over the life of the facility as these phases occur. The costs include obligations relating to reclamation, waste site closure, plant closure and other costs associated with the restoration of the site. In determining the restoration obligations, the entity has assumed no significant changes will occur in the relevant Federal and State legislation in relation to restoration of such mines in the future.

Both for close down and restoration and for environmental clean-up costs, provision is made in the accounting period when the related disturbance occurs, based on the net present value of estimated future costs.

For close down and restoration costs, which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas, movements in provision other than the amortisation of the discount, such as those resulting from changes in the cost estimates, lives of operations or discount rates, are capitalised into the carrying amount of development and amortised against future production.

Revenue Recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

Interest revenue is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimate future cash receipts through the expected life of the financial asset to that asset's net carrying value.

Taxes

Income taxes

The income tax expense or benefit for the period is the tax payable on the current periods taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

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 or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable, and except for receivables and payables which are stated inclusive of GST.

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

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Notes to the Financial Statements

included as part of receivables or payables in the balance sheet. Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to the taxation authority.

Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Finance leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the consolidated entity are capitalised at the present value of the minimum lease payments. A lease liability of equal value is also recognised. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and recognised directly in net profit.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

Receivables

All trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision of doubtful receivables is established when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

The carrying amounts of the loans are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the loan is impaired to its recoverable amount. The recoverable amount of the receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate.

Investments and Other Financial Assets

The consolidated entity classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial Assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading which are acquired principally for the purpose of selling in the short term with the intention of making a profit. Derivatives are also categorised as held for trading unless they are designated as hedges.

(ii) 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 consolidated entity 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 balance sheet date which are classified as non-current assets. Such assets are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

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(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the consolidated entity's management has the positive intention and ability to hold to maturity.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of investments are recognised on trade-date – the date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investment are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category, including interest and dividend income, are presented in profit or loss within other income or other expenses in the period in which they arise.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes, in the carrying amount of the security. The translation differences are recognised in profit and loss and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are reclassified to profit or loss as gains and losses from investment securities.

The fair values of quoted investment are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the consolidated entity established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The consolidated entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition costs and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss – is removed from equity and recognised in profit or loss.

Property, Plant and Equipment

Plant and Equipment

Any exploration plant and equipment is recorded at cost less accumulated depreciation, where depreciation is calculated on a straight line basis over the estimated useful lives for the period the assets are put to productive use. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest, when charged by the lender, is recognised as an expense on an accruals basis. Trade account payables are usually settled on a 30 day basis.

Borrowings

All loans and convertible notes are initially measured at fair value net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

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Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Forfeited partly paid shares that are held in trust pending disposal are disclosed as treasury shares.

Employee Benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and any vesting sick leave expected to be settled within 12 months of the reporting date are recognised in provisions 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. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporation bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payments

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

(iv) Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Loss per Share

Basic earnings per share

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

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 shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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Notes to the Financial Statements

Parent entity financial information

The financial information for the parent entity, Laneway Resources Limited, disclosed in note 19 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the individual financial statements of the parent entity.

(ii) Tax Consolidation Legislation

Laneway Resources Limited and its wholly owned Australian subsidiaries entered the tax consolidation regime with effect from 1 July 2004. As a consequence the subsidiaries are no longer subject to income tax as separate entities unless the parent entity is in default of its obligations, a default is probable, or the tax amounts relate to taxable income incurred prior to the implementation of the tax consolidation regime. The tax sharing agreement will limit potential liabilities of the subsidiary entities, should Laneway Resources Limited be in default of its obligations. Amounts payable or receivable under such a tax sharing agreement with the parent entity will be recognised in accordance with the terms and conditions of the agreement as tax related amounts receivable or payable. The impact on the income tax expense and results of Laneway Resources Limited is immaterial because of the current tax position of the Group.

New Accounting Standards and Interpretations

The Consolidated Entity adopted all new Accounting Standards and Interpretations effective for the year ended 30 June 2018. There were no material impacts on the financial statements of the Consolidated Entity as a result of adopting these standards.

The following are new accounting standards issued but not yet effective as at 1 July 2017

AASB 9 Financial Instruments

This standard and its consequential amendments are currently applicable to annual reporting periods beginning on or after 1 January 2018. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. To be classified and measured at amortised cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognised in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any 'recycling' of gains or losses through profit or loss on disposal. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. The Consolidated Entity has not yet evaluated the impact adoption of this standard will have.

AASB 15 Revenue from Contracts with Customers

This standard and its consequential amendments are currently applicable to annual reporting periods beginning on or after 1 January 2018. This standard requires recognised revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue. The Consolidated Entity has not yet evaluated the impact adoption of this standard will have.

AASB16 Leases

This standard and its consequential amendments are currently applicable to annual reporting periods beginning on or after 1 January 2019. When effective, this standard will replace the current accounting requirements applicable to leases in AASB117 Leases and related interpretations. AASB16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. This means that for all leases, a right-to-use asset and a liability will be recognised, with the right-to-use asset being depreciated and the liability being unwound in principal and interest components over the life of the lease. The Consolidated Entity has not yet evaluated the impact adoption of this standard will have.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

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Notes to the Financial Statements

	Consolidated Entity	
	2018	2017
	\$	\$
2. EXPENSES		
Loss from ordinary activities before income tax includes the following specific items:		
Finance costs		
Finance charges under finance leases	-	53
Interest – Director related entity	76,884	14,620
Interest other	17,608	1,813
	<u>94,492</u>	<u>16,485</u>
Minimum operating lease rental payments	8,400	14,400
Employee benefits expenses		
Defined contribution superannuation expense	1,937	2,110
Other employee benefits expenses	446,625	372,461
Total employee benefits expenses	<u>448,562</u>	<u>374,571</u>
	Consolidated Entity	
	2018	2017
	\$	\$
3. INCOME TAX		
A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the company's effective income tax rate for the years ended 30 June 2018 and 2017 is as follows:		
Accounting (loss) before income tax	(783,992)	(630,483)
At the statutory income tax rate of 30% (2017: 30%)	(235,198)	(189,145)
Non-deductible expenses	2,358	1,918
Deferred tax assets not brought to account	232,840	187,227
Income tax expense	<u>-</u>	<u>-</u>
Recognised deferred tax assets		
1. Unused tax losses	3,367,404	2,960,254
2. Deductible temporary differences	164,314	139,639
	<u>3,531,718</u>	<u>3,099,894</u>
Recognised deferred tax liabilities		
Assessable temporary differences	3,531,718	3,099,894
Net deferred tax recognised	-	-
Unrecognised temporary differences and tax losses		
Unused tax losses and temporary differences for which no deferred tax asset has been recognised	107,459,817	107,090,834
Potential tax benefit @ 30%	32,237,945	32,127,250

The tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise these benefits.

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	Consolidated Entity	
	2018	2017
	\$	\$
4. EXPLORATION AND EVALUATION ASSETS (NON CURRENT)		
Exploration costs carried forward in respect of areas of interest		
- Exploration phase	11,772,392	10,332,979
<u>Reconciliation</u>		
Exploration expenditure capitalised		
- Opening balance	10,332,979	9,478,551
- Current year expenditure	1,439,413	2,537,188
- Current year farm-in receipts	-	(1,682,760)
- Write off/disposed in current year	-	-
Carried forward	<u>11,772,392</u>	<u>10,332,979</u>

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of areas of interest, and the sale of minerals or the sale of the respective areas of interest.

Laneway entered into of a Farm-in Agreement with Newcrest Mining ("Newcrest") in the 2016 year in relation to tenements held in New Zealand. During the prior period Newcrest provided \$1,682,760 to cover the exploration program. The consolidated entity recognised these contributions as a reduction of capitalised exploration and evaluation assets as shown in the movement schedule above. Newcrest advised of their withdrawal from the Farm-in Agreement as from 30 June 2017 with Laneway retaining a 100% interest in the project.

	Consolidated Entity	
	2018	2017
	\$	\$
5. TRADE AND OTHER PAYABLES (CURRENT)		
Trade creditors	1,479,449	912,988
Other payables and accruals	595,828	484,310
	<u>2,075,277</u>	<u>1,397,298</u>

Included in the above are aggregate amounts payable to the following related parties
Directors and director related entities

727,364 451,690

Terms and conditions relating to the above financial instruments

- (i) Trade creditors are unsecured, non-interest bearing and are normally settled on 30-60 day terms
- (ii) Other creditors are unsecured, non-interest bearing
- (iii) Details of the terms and conditions of related party payables are set out in note 15.

6. BORROWINGS (CURRENT AND NON CURRENT)

Current

Non Secured

Loan from director related entity	25,000	-
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During the year Mr P Wright advanced \$25,000 to Laneway. The funds will be repaid by participation in the issue of securities by Laneway as part of a capital raising post 30 June 2018.

Non-Current

Secured

Loan from director related entity

June 2021 \$0.005 convertible notes	176,984	368,820
	375,000	-
	<u>551,984</u>	<u>368,820</u>

Secured Loan from Director: The loan funds advanced by Bizzell Nominees Pty Ltd are secured by an equal first ranking fixed and floating charge over all of the Group's assets. Full details of the loan from director related entities, including undrawn amounts, are given in note 15.

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Notes to the Financial Statements

June 2021 \$0.005 convertible notes:

Number Issued: 92,000,000 at \$0.005 per note raising \$460,000

Interest Rate: 15% per annum

Interest Payments: Interest paid half yearly in arrears and the interest may be paid in certain circumstances at Laneway's election by the issue of further Convertible Notes

Conversion: Each Convertible Note can be converted into one fully paid Laneway share

Maturity Date: 30 June 2021

Security: The Convertible Notes have equal ranking security proportionally with the Bizzell Nominees Facility

Liability: The liability component of \$375,000 is reflected in financial liabilities while the equity component of \$85,000 of the issued June 2021 Convertible Notes is reflected in the convertible note reserve.

	Consolidated Entity	
	2018	2017
	\$	\$
7. PROVISIONS (NON-CURRENT)		
Restoration	205,650	205,650

A provision for restoration is recognised in relation to the exploration activities for costs such as reclamation, and restoration with the estimates based on anticipated technology and legal requirements which have been estimated at current values. In determining the restoration provision, the entity has assumed no significant changes will occur in the relevant Federal and State legislation in relation to restoration of such activities in the future.

	Consolidated Entity	
	2018	2017
	\$	\$

8. SHARE CAPITAL

(a) Issued and paid up capital

Ordinary shares fully paid	127,798,879	126,446,279
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	2018		2017	
	Nos of shares	\$	Nos of shares	\$
Ordinary shares fully paid				
Beginning of the financial year	3,060,666,527	126,446,279	3,023,078,319	126,333,515
Increases				
- Issued to pay creditors (1)	-	-	37,588,208	112,765
- Placement of shares (2)	286,066,072	952,600	-	-
- Placement of shares (3)	133,333,334	400,000	-	-
	<u>3,480,065,933</u>	<u>127,798,879</u>	<u>3,060,666,527</u>	<u>126,446,279</u>

- (1) Shares issued at 0.3 cents to pay creditors
(2) Issue of shares by way of placement at 0.333 cents per share
(3) Issue of shares by way of placement at 0.3 cents per share

(c) Convertible Notes

The following convertible notes were on issue during the financial year.

Terms	1-Jul-17	additions	exercised	expired	30-Jun-18
Unlisted Notes \$0.005 30 June 2021	-	92,000,000	-	-	92,000,000

The company issued a total of 92,000,000 unlisted 30 June 2018 \$0.005 convertible notes on 28 June 2018 raising a total of \$460,000. No notes were converted into ordinary shares (one fully paid ordinary share per note) during the period.

(d) Capital management

The capital structure of the consolidated entity consists of equity attributable to equity holders of the Parent Entity, comprising share capital and reserves as disclosed in the Statement of Changes in Equity. When managing capital, management's objective is to ensure the entity continues as a going concern and to maintain a structure that ensures the lowest cost of capital available and to ensure adequate capital is available for exploration and evaluation of tenements. In order to maintain or adjust the capital structure, the Group may seek to issue new shares. Consistent with other exploration companies, the Group and the parent entity monitor capital on the basis of forecast exploration and evaluation expenditure required to reach a stage which permits a reasonable assessment of the existence or otherwise of an economically recoverable reserve.

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(e) Terms and conditions of contributed equity

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

(f) Reserves

	Consolidated Entity	
	2018	2017
	\$	\$
Convertible Note Equity Reserve		
At beginning of year	-	-
Reserve arising on issue of convertible notes	85,000	-
Balance at end of year	<u>85,000</u>	<u>-</u>

The convertible note reserve covers the equity component of the issued June 2021 Convertible Notes. The liability component is reflected in financial liabilities.

	Consolidated Entity	
	2018	2017
	\$	\$

9. STATEMENT OF CASH FLOWS

Reconciliation of the operating loss after tax to the net cash flows from operating activities

Loss from ordinary activities after tax	(783,992)	(630,483)
<i>Add/(less) non-cash items</i>		
Provision for employee entitlements	15,286	19,306
Fair value (gain)/loss available-for-sale through profit or loss	-	(1,167)
<i>Changes in operating assets & liabilities during the year</i>		
(Increase)/decrease in receivables	2,352	(2,352)
(Increase)/decrease in prepayments	(45)	2,312
(Decrease)/increase in creditors	395,794	338,215
(Decrease)/increase in accruals	187,890	127,223
	<u>(182,715)</u>	<u>(146,944)</u>

Reconciliation of cash

- Cash at bank	<u>172,147</u>	<u>54,417</u>
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Non cash financing and investing activities

Loan and Creditor Repayments

During the prior financial year shares were issued to repay amounts owing by the company as follows:

- 37,588,208 shares were issued at \$0.003 per share for the payment of creditors totalling \$112,765.

	Consolidated Entity	
	2018	2017
	\$	\$

10. EXPENDITURE COMMITMENTS

Lease expenditure commitments

(i) Operating leases

Minimum lease payments		
- payable within one year	-	8,400
Total contracted at balance date	<u>-</u>	<u>8,400</u>

Terms and Conditions

The Group leased office equipment under a non-cancellable operating lease that expired in 2018.

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Future exploration

The consolidated entity has certain obligations or proposed programs to expend amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the consolidated entity.

	Consolidated Entity	
	2018	2017
	\$	\$
The commitments to be undertaken are as follows:		
Payable		
- not later than 12 months	911,818	982,045
- between 12 months and 5 years	3,570,455	3,102,273
	<u>4,482,273</u>	<u>4,084,318</u>

11. SHARE BASED PAYMENTS

Equity based instruments - Options

The Company has in prior periods granted options over ordinary shares to directors, employees and consultants as part of their remuneration packages. No such employee options were granted in the 2018 or 2017 financial years and there are no employee options outstanding.

12. CONTINGENCIES

There are no contingent liabilities as at the date of this report.

13. LOSS PER SHARE

	Consolidated Entity	
	2018	2017
	\$	\$
Loss per share		
Basic and diluted (loss) per share (cents per share)	(0.02)	(0.02)
The following reflects the income and share data used in the calculations of basic and diluted earnings/ (loss) per share:		
Loss from continuing operations	(783,992)	(630,483)
Earnings used in calculating basic and diluted loss per share	<u>(783,992)</u>	<u>(630,483)</u>
	<u>Number</u>	<u>Number</u>
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	3,163,062,598	3,030,389,998
Effect of dilutive securities	-	-
Adjusted weighted average nos of ordinary shares used in calculating dilutive earnings per share	3,163,062,598	3,030,389,998

Conversions, calls, subscriptions or issues after 30 June 2018

The Company issued 41,500,000 ordinary shares at \$0.003 per share and 20,000,000 unlisted 30 June 2021 \$0.005 Convertible Notes on 1 August 2018.

	Consolidated Entity	
	2018	2017
	\$	\$
14. AUDITOR'S REMUNERATION		
Amounts received or due and receivable by the Auditors for:		
(i) Audit & other assurance services – BDO Audit Pty Ltd		
- Audit & review of financial statements	41,793	38,726
(ii) Other services –		
- nil	-	-
Total	<u>41,793</u>	<u>38,726</u>

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15. DIRECTOR AND KEY MANAGEMENT PERSONNEL DISCLOSURES

	Consolidated Entity	
	2018	2017
	\$	\$
Key management personnel compensation		
Short term employee benefits	553,796	641,814
Share based payments	-	-
Post-employment benefits	20,899	18,464
Total	574,695	660,278

Loans with directors and key management personnel.

Bizzell Nominees Pty Ltd a company associated with Mr Stephen Bizzell provided a loan facility to the company during the 2014 year. The total facility provided is for up to \$2,000,000. At the 30 June 2018 balance date the outstanding balance on the loan facility was \$176,984 (2017 - \$368,619). Interest accrued on the facility during the 2018 financial year was \$35,364 (2017 - \$14,620). During the year ended 30 June 2018 \$138,000 was advanced to the company and \$365,000 was repaid (2017 - \$354,000 was advanced to the company). The interest rate on the loan is 10%.

Other transactions and balances with directors and key management personnel and amounts recognised at the reporting date in relation to other transactions

Mr R S Anthon was a Director of Hemming+ Hart, Lawyers until 1 November 2013. Hemming+ Hart had provided legal services to Laneway over a number of years and a debt was owed to Hemming and Hart at the time of Mr Anthon's departure from the firm. On 3 July 2014 Laneway and ACN 143 114 719 Pty Ltd executed a Deed of Acknowledgment and Debt and a General Security Agreement (GSA) to secure the payment of the outstanding fees. On 23 December 2014 ACN 143 114 719 Pty Ltd assigned the debt and the rights under the GSA to Nambia Pty Ltd as Trustees of the Anthon Family Superannuation Fund (a company associated with Mr Anthon) after Nambia acquired the debt on a dollar for dollar basis. As at the balance date \$191,520 (2017: \$150,000) remains an outstanding trade creditor payable after interest of \$41,520 (at 10% per annum) was accrued in the 2017/18 financial year in relation to the outstanding liability. The services were based on normal commercial terms and conditions.

Rent for office premises totalling \$nil (2017:\$16,444) was charged, on normal commercial terms and conditions) by Bizzell Capital Partners Pty Ltd, a company associated with Mr Stephen Bizzell, for head office premises in Brisbane.

16. RELATED PARTY DISCLOSURES

Ultimate parent

Laneway Resources Limited is the ultimate parent entity. There were no other related party transactions during the year other than those disclosed in note 15 above.

17. SEGMENT INFORMATION

Segment Revenues and Results

The following is an analysis of the Consolidated Entity's revenue and results by reportable operating segment for the periods under review.

	New Zealand	Australia	Consolidated
30-Jun-18	\$	\$	\$
Revenue:			
Revenue from outside the Consolidated Entity	-	233	233
Other unallocated revenue	-	-	-
Total Revenue	-	233	233
 Segment result	 -	 (783,992)	 (783,992)
Income tax	-	-	-
Net Loss	-	(783,992)	(783,992)
 <u>Non-cash items included in loss above:</u>			
Depreciation and amortisation	-	-	-

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17. SEGMENT INFORMATION (cont)

	New Zealand	Australia	Consolidated
30-Jun-18	\$	\$	\$
Assets:			
Segment assets	769,457	11,236,478	12,005,935
Unallocated corporate assets	-	-	-
Consolidated Total Assets	769,457	11,236,478	12,005,935
Liabilities:			
Segment liabilities	73,697	2,969,387	3,043,084
Unallocated corporate liabilities	-	-	-
Consolidated Total Liabilities	73,697	2,969,387	3,043,084
<u>Segment acquisitions:</u>			
Capitalised exploration expenditure	601,223	838,190	1,439,413
<u>Details on non-current assets:</u>			
Exploration expenditure (see Note 4)	766,386	11,006,006	11,772,392
	New Zealand	Australia	Consolidated
30-Jun-17	\$	\$	\$
Revenue:			
Revenue from outside the Consolidated Entity	-	13,845	13,845
Other unallocated revenue	-	-	-
Total Revenue	-	13,845	13,845
Segment result	-	(630,483)	(630,483)
Income tax	-	-	-
Net Loss	-	(630,483)	(630,483)
<u>Non-cash items included in loss above:</u>			
Depreciation and amortisation	-	-	-
Assets:			
Segment assets	167,842	10,282,856	10,450,699
Unallocated corporate assets	-	-	-
Consolidated Total Assets	167,842	10,282,856	10,450,699
	New Zealand	Australia	Consolidated
30-Jun-17	\$	\$	\$
Liabilities:			
Segment liabilities	2,395	2,054,060	2,056,455
Unallocated corporate liabilities	-	-	-
Consolidated Total Liabilities	2,395	2,054,060	2,056,455
<u>Segment acquisitions:</u>			
Capitalised exploration expenditure	1,951,971	585,217	2,537,188
<u>Details on non-current assets:</u>			
Exploration expenditure (see Note 4)	165,163	10,167,816	10,332,979

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18. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

In common with all other businesses, the consolidated entity is exposed to risks that arise from its use of financial instruments. This note describes the consolidated entity's objectives, policies and processes for managing those risks and the methods used to measure them. There have been no substantive changes in the consolidated entity's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note. The consolidated entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable and a loan from a director related entity.

The Board has overall responsibility for the determination of the consolidated entity's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the consolidated entity's executive management. The consolidated entity's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the consolidated entity where such impacts may be material.

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Credit risk is reviewed regularly by the Board. It arises from exposure to customers as well as through deposits with financial institutions.

(c) Liquidity risk

Liquidity risk is the risk that the consolidated entity may encounter difficulties raising funds to meet financial obligations as they fall due. Liquidity risk is reviewed regularly by the Board.

The consolidated entity manages liquidity risk by monitoring forecast cash flows. At 30 June 2018 the Group has a loan facility from a director related entity totalling \$2,000,000 of which \$176,984 (2017 - \$368,620) has been drawn upon as at 30 June 2018. The consolidated entity has from time to time been required to use the loan facilities available in order to be able to meet its financial obligations as they fall due.

Maturity Analysis –Consolidated Entity - 2018	Carrying Amount	Contractual Cash flows	<1 year	1 - 5 years	> 5 years
Financial Liabilities	\$	\$	\$	\$	\$
Trade and Other Payables	2,075,277	2,075,277	2,075,277	-	-
Loan from Director Related Entity	201,984	233,291	25,000	208,291	-
Convertible Notes June 2021	460,000	667,000	69,000	598,000	-
	<u>2,737,261</u>	<u>2,975,569</u>	<u>2,169,277</u>	<u>806,291</u>	<u>-</u>

Maturity Analysis – Consolidated entity - 2017	Carrying Amount	Contractual Cash flows	<1 year	1 - 5 years	> 5 years
Financial Liabilities	\$	\$	\$	\$	\$
Trade and Other Payables	1,397,298	1,397,298	1,397,298	-	-
Loan from Director Related Entity	368,620	425,756	-	425,756	-
	<u>1,765,918</u>	<u>1,823,054</u>	<u>1,397,298</u>	<u>425,756</u>	<u>-</u>

(d) Market Risk

Market risk arises from the use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

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18. FINANCIAL RISK MANAGEMENT (cont)

(i) Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. For further details on interest rate risk refer to the tables below.

2018	Floating interest rate	Fixed interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	2018	2018	2018	2018	2018
	\$	\$	\$	\$	%
<i>Financial assets</i>					
Cash and cash equivalents	-	-	172,147	172,147	0.00%
Trade and other receivables	-	-	-	-	-
Total financial assets	-	-	172,147	172,147	
<i>Financial liabilities</i>					
Trade and other payables	-	191,520	0	191,520	10.00%
Loan from director related entity	-	176,984	25,000	201,984	10.00%
Convertible Notes June 2021	-	460,000	0	460,000	15.00%
Total financial liabilities	-	828,504	25,000	853,504	

2017	Floating interest rate	Fixed interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	2017	2017	2017	2017	2017
	\$	\$	\$	\$	%
<i>Financial assets</i>					
Cash and cash equivalents	-	-	54,017	54,017	0.00%
Trade and other receivables	-	-	2,352	2,352	-
Total financial assets	-	-	56,369	56,369	
<i>Financial liabilities</i>					
Trade and other payables	-	-	1,397,298	1,397,298	-
Borrowings	-	368,620	-	368,620	10.00%
Total financial liabilities	-	368,620	1,397,298	1,765,918	

The group does not have interest rate risk as the financial instruments are either non-interest bearing or have fixed rates. This analysis assumes all other variables remain constant.

(ii) Currency Risk

The group does not have any material currency risk exposure under financial instruments entered into by the group. The company held New Zealand Dollars of \$3,071 at the end of the period. These funds are to be used to meet expenditures to be incurred in the near term in New Zealand and as such there is no currency risk associated with the NZD held at the period end.

(iii) Other Price Risk

The group does not have any material other price risk exposures under financial instruments entered into by the group.

(e) Fair Values

The fair values of trade and other receivables, security deposits, financial assets at fair value through profit or loss, interest bearing loans and borrowings and trade and other payables approximate their carrying value.

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19. PARENT COMPANY INFORMATION

The Parent Entity of the Group is Laneway Resources Limited.

Parent Entity Financial Information

	2018	2017
	\$	\$
Current assets	196,041	80,218
Non-current assets	11,809,894	10,370,481
Total assets	<u>12,005,935</u>	<u>10,450,699</u>
Current liabilities	2,200,450	1,482,186
Non-current liabilities	842,634	574,270
Total liabilities	<u>3,043,084</u>	<u>2,056,455</u>
Net assets	<u>8,962,851</u>	<u>8,394,243</u>
Issued capital	127,798,879	126,446,279
Accumulated losses	(118,836,028)	(118,052,036)
Total equity	<u>8,962,851</u>	<u>8,394,243</u>
Loss after income tax	(783,992)	(630,483)
Other comprehensive income	-	-
Total comprehensive income	<u>(783,992)</u>	<u>(630,483)</u>

Commitments, Contingencies and Guarantees of the Parent Entity

The minimum committed expenditure for future periods of the Parent Entity is the same as those for the Group. Refer to Note 10 for details. The Parent Entity has no material contingent assets, contingent liabilities or guarantees at balance date.

20. SUBSEQUENT EVENTS

Following the end of the financial year Laneway completed a capital raising and announced commitments for a further capital raising once the required shareholder approval had been obtained.

On 28 June 2018 Laneway announced that the Company would be undertaking a capital raising of up to \$3 million (before issue costs) to continue to develop Laneway's projects and meet its strategic goals.

The capital raising program in total will consist of:

- the issue of up to 333 million ordinary shares with an issue price of 0.3 cents per share to raise up to \$1 million; and
- the issue of up to 400 million secured Convertible Notes, with a face value of 0.5 cents per note, an interest rate of 15% per annum maturing 30 June 2021, to raise up to \$2 million.

In addition to the initial 133,333,334 ordinary shares at \$0.003 per share and 92,000,000 unlisted 30 June 2021 \$0.005 Convertible Notes, issued on 28 June 2018 to the value of \$0.86 million, the company received funds of \$0.22 million and issued a further 41,500,000 ordinary shares at \$0.003 per share and 20,000,000 unlisted 30 June 2021 \$0.005 Convertible Notes on 1 August 2018 utilising the Company's ASX Listing Rule 7.1 placement capacity.

The Company advised it had also received firm commitments to subscribe for shares and convertible notes, which is subject to shareholder approval, for the balance of the amount sought totalling \$1.92 million.

Apart from the matter noted above no matter or circumstance has arisen since 30 June 2018, that has 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 financial years subsequent to 30 June 2018.

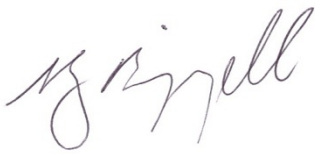
DIRECTORS' DECLARATION

In the Directors opinion:

- (a) the attached consolidated financial statements and notes and the remuneration report in the Directors' Report are in accordance with the *Corporations Act 2001* and other mandatory professional reporting requirements, including:
 - (i) complying with Australian Accounting Standards and Interpretations and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2018 and of its performance and cash flows for the financial year ended on that date; and
- (b) the financial statements also comply with International Financial Reporting Standards and Interpretations as disclosed in Note 1 to the consolidated financial statements; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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



SG Bizzell
Chairman

Brisbane, 28 September 2018

INDEPENDENT AUDITOR'S REPORT

To the members of Laneway Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Laneway Resources Limited (the Company) and its subsidiaries (the Group), which comprises the balance sheet as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the 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 2018 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* (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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of mineral exploration and evaluation assets

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Refer to note 4 in the financial report.</p> <p>The Group carries exploration and evaluation assets as at 30 June 2018 in relation to the application of the Group's accounting policy for exploration and evaluation assets.</p> <p>The recoverability of exploration and evaluation asset is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the total balance; and • The level of procedures undertaken to evaluate management's application of the requirements of <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i> ('AASB 6') in light of any indicators of impairment that may be present. 	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as license agreements and also considering whether the Group maintains the tenements in good standing • Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group's cashflow budget for the level of budgeted spend on exploration projects and held discussions with directors of the Group as to their intentions and strategy • Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.

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 2018, 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 at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.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 21 to 24 of the directors' report for the year ended 30 June 2018.

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

Responsibilities

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

BDO Audit Pty Ltd



T R Mann
Director

Brisbane, 28 September 2018