With grateful thanks to our key partners, sponsors and supporters this year

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COVER IMAGE: EQ Resources’ Mt Carbine Tungsten project, Queensland
AMEC would also like to thank our other members for internal images
COVID-19 also completely flattened investment appetite in mineral exploration and many other industries. Without the ability to access this critical source of funds, and with companies’ cash reserves depleting, the ability for many of these companies to survive the year was in question.

That which we have been able to sustain our operations through this period is a remarkable achievement.

COVID-19 also re-wrote the rule book for work life. By the end of the first quarter of 2020, the pandemic had forced businesses, and large areas of the country locked up. Remote Aboriginal communities were closed, and large areas of the country locked up. Travel restrictions and hard border closures meant that many interstate employees had to relocate, while many others had to refocus their recruiting on finding new locally based employees to replace them, and to ensure greater contingency in their workforce. It meant big changes for all, adapting to a new set of requirements and a new operating environment for over 250,000 employees across Australia. We had to ensure that our companies and our employees adhered to these requirements to show Governments and the community how we would ensure greater contingency in their workforce.

We had to ensure that our companies and employees adhered to these requirements to show Governments and the community how we would ensure that we took our responsibility and duty to our countries and the environment around COVID-19. These had far reaching implications; however, we were fortunate, as many other Australian industries were forced to close.

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That which we have been able to sustain our operations through this period is a remarkable achievement.
The AMEC Council consists of 18 industry leaders elected from our membership. Council elections are held annually and Councillors are drawn from all facets of the mineral exploration and mining industry around Australia.

AMEC COUNCIL

The Association of Mining and Exploration Companies (AMEC) represents the mining and mineral exploration sector in Australia. AMEC also has the largest membership base in the resources industry.

AMEC has saved the industry millions of dollars by being willing to challenge public policy issues and advocate crucial initiatives to reduce the cost of doing business for the industry and increase Australian mineral exploration and discovery.

AMEC has built strong relationships with Ministers and Government decision-makers in Federal, State and Territory jurisdictions. Through these relationships AMEC addresses public policy issues and implements positive change.

AMEC has industry based committees and working groups with representatives from our members. These groups allow members to become directly involved and ensure our policies and advocacy initiatives align with industry directions.

AMEC is serviced by a small, hardworking and dedicated team of professional staff with many years of hands-on experience in the minerals industry and industry representation.

Outgoing Councillors in 2020

AMEC Report 2020

AMEC had over 350 members in 2020

AMEC made over 100 submissions to Commonwealth, State and Territorial Governments across Australia

AMEC hosted over 40 virtual and in person events across Australia
Research and Development Tax Incentive
AMEC fought changes to the R&D tax incentive that would have reduced the support provided by the program to industry by 50% over four years. Prior to the election, AMEC strongly opposed these changes, which saw the legislation referred to committee for review and deferred. Ultimately, these proposals were dropped by Government with the onset of COVID-19.

Potash and Brine Guidelines
AMEC facilitated the drafting of a brine reporting guideline to increase the transparency and certainty of reporting of brine deposits on the ASX. These guidelines have been supported by JORC as the recommended methodology for measuring brine minerals.

Critical Minerals Investment Document
Workshop Western Australia, AMEC continues to advocate for duplication that discourages foreign investment into Australia’s mining and exploration industry.

Environment, Climate Change, Energy and Science

Environmental Betrissors and EPBC Reforms
AMEC has been advocating for reduction in duplication created by State and Commonwealth environmental legislation. In 2020, Commonwealth and State Governments have committed to implementing bilateral environmental assessments and approvals, single-touch approvals, which will significantly reduce duplication. AMEC continues to work with Governments to see these changes implemented.

Exploring for the Future
AMEC advocated for the extension of the Exploring for the Future program, with the Commonwealth committing to spend up to $105m to continue the program to create greater pre-competitive geological information to unlock future mineral discoveries.

Policy Platform to Maximise Australia’s Resource Potential
AMEC continues to support a comprehensive platform for supporting and growing Australia’s mining sector. It covers a range of key industry issues including supporting exploration, investment and the streamlining of compliance processes, fiscal policies that support growth, energy and emissions reduction, workforce and skills.

Exploration Incentive Scheme / Co-funded Drilling
AMEC continues to strongly promote the financial, social and scientific benefits of co-funded drilling programs to all State and Territory Governments. New programs and funding commitments have been announced in most States and Territories in 2020.

SOUTH AUSTRALIA

Minerals Legislation
AMEC was heavily involved in the most comprehensive review of South Australia’s Minerals Legislation since its inception. AMEC has consistently advocated for the development of the legislation, having met with the Mines Minister and relevant Ministerial and Departmental officials to ensure Government commitment to work with South Australia on the legislation unchanged. This legislation has now been passed and consultation begun on the regulations.

Critical Minerals Strategy
AMEC successfully advocated for a critical minerals strategy so that South Australia can take advantage of the significant investment and development opportunities on offer. In 2020, the Government committed $800m to identifying gaps in the critical minerals supply chain.

Explore the Gawler
Government undertook 15 years of exploration over 29,000km2 to continue the Explore the Gawler challenge. AMEC provided considerable input in the design of this crowdsourced competition to use big data to discover the mines of the future.

Investment in Australia’s Mineral Industry

Successful Implementation of Junior Mineral Exploration Incentive (JMEI)
This followed the cutting of the PACE initiative in the 2016-17 State Budget. AMEC has long advocated for extension and expansion of the JMEI which has been critical to attracting private investment into greenfield exploration. AMEC provided considerable input in the design of the program, which concludes in 2021, has been over-subscribed demonstrating its success. AMEC continues to argue against further changes, which will discourage foreign investment into Australia's mineral exploration companies.

AMEC continues to support the extension and expansion of the JMEI. AMEC has strongly opposed further barriers to foreign investment in Australia's mineral industry, AMEC has fought changes to the R&D tax incentive which would have reduced the support provided by the program to industry by 50% over four years. Prior to the election, AMEC strongly opposed these changes, which saw the legislation referred to committee for review and deferred. Ultimately, these proposals were dropped by Government with the onset of COVID-19.

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Minerals in Brine tenements
AMEC advocated on behalf of the emerging mineral’s strategy so that South Australia can take advantage of the significant investment and development opportunities on offer. In 2020, the Government committed $800m to identifying gaps in the critical minerals supply chain.

Potential for Potash and Brine
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Plan for our Parks
AMEC has directly assisted members wherever possible during the consultation and legislation process. AMEC helped secure exclusion, or a lower development impact, for many companies that highlighted a concern with the proposed park boundaries.

Critical Minerals and Mineral Investment Strategy
AMEC successfully persuaded and worked with the NT Government to approve the Management Plan for Exploration. This has made it easier for members and led to much faster approval timelines.

Environmental Reform
In recent environmental legislative reforms, AMEC successfully advocated to remove the open standing provisions provided for all mineral tenures, which impacted not only proponents and those directly affected. AMEC is heavily engaged in representing industry views to Government to ensure the implementation of the draft legislation, to only over ride certain areas of the proposed park boundaries.

Mineral Tenure Reform
AMEC has been advocating for the adoption of the WA lead agency model, to improve coordination of project approvals and timeframes. The Government has rejected this recommendation and AMEC is working to persuade Government to continue its original intention.

Critical Minerals and Mineral Investment Strategy
AMEC called for a NT Critical Minerals Strategy and launched an industry plan for the Territory. The Government added half of the plan in delivering its own strategy. AMEC is currently working with Government in implementation to identify the broader mineral investment in the Territory.

Queensland
AMEC has continued to support the Queensland Mining Remedy Fund, which has remained separate to consolidated revenue and has prompted Government to develop a strategy, and form a panel to guide the expenditure of the fund on exploration and prioritise key areas. Prior to AMEC’s intervention, the fund had gathered $23m without a transparent method of acquiring its expenditure.

Queensland
Collaborative Exploration Initiative - Expanded Minerals, Geography and Frequency
Recent rounds of the initiative were focused on new Exploration Minerals and the region of the North West Mineral Province. AMEC’s advocacy has sought the expansion of the exploration area to be wider and to cover more mineral types, which were consequently deleted from the initiative. The CEI was also boosted by $10m over the next five years.

Queensland
 Copper String 2.0
AMEC has been advocating for the continued development of the North West Minerals Province to the Queensland Government. AMEC has worked with the Department of Natural Resources, Mines and Energy on a strategic report review process and the Practice Directions for reporting going forward to get a balance between an improved process and good level of confidence to support exploration in the future.

New South Wales
NSW Minerals Strategy
Delivering a NSW strategy was the first key recommendation of the AMEC Policy Platform. The State Government released the NSW Minerals Strategy this year, aiming to increase mineral investment attraction and position the State as a leading mining jurisdiction by improving exploration processes and timeframes, and improving internationally competitive approval processes, including the reduction of duplication between assessing agencies. AMEC is now working closely with Government to continue its globally competitive exploration regime.

New South Wales
Tenure Reform
AMEC has had substantial input into significant exploration tenure reforms. The reforms were developed through extensive consultation and transparency processes, and introduced an option for operators to move to outcomes-based progression to production, and a cap on the overall life of exploration permits.

New South Wales
Data Confidence
AMEC has been active in the development of the initiative, AMEC co-hosted an industry forum for stakeholders and was a key member of the Group being consulted on the changes to the Group being consulted on the changes to the

New South Wales
Mineral Allocation Areas Open for Expression of Interest
The NSW Government has finalised their new Expression of Interest framework, which has increased the number of tenure applications in 2020, in the wake of significant gold and copper discoveries. The NSW Government has received a record number of Expression of Interest expressions of interest and emerging producers. The Government is focused on improving the mining process and reducing delays to support further mineral industry investment.

New South Wales
Rehabilitation
AMEC is a member of the Stakeholder Reference Group being consulted on the changes in the rehabilitation requirements in Victoria and is reviewing an update on the rehabilitation bond calculator that was last updated in 2017. The Government is focused on improving the rehabilitation framework and requirements for rehabilitation following the Victorian Auditor General Office’s report on the need to streamline and reduce the requirements being placed on members.

Additional Dental Resources
The Victorian Government has received a record number of applications in 2020, in the wake of significant gold and copper discoveries. The Victorian Government has received a record number of applications in 2020. AMEC has been active in the development of the initiative, AMEC co-hosted an industry forum for stakeholders, and was a key member of the Group being consulted on the changes to the Group being consulted on the changes to the

New South Wales
AMEC Support for NSW Mentoring Program
AMEC provided a scholarship for the NSW Women in Mining Mentoring Program to support a Feminist lens on the exploration or emerging miner sector. AMEC also provided a mentor. The program offered support for individual exploration companies to develop their workforce, including the inclusion of diverse professional backgrounds, and has proven results.

Victoria
Rehabilitation
AMEC is a member of the Stakeholder Reference Group being consulted on the changes in the rehabilitation requirements in Victoria and is reviewing an update on the rehabilitation bond calculator that was last updated in 2017. The Government is focused on improving the rehabilitation framework and requirements for rehabilitation following the Victorian Auditor General Office’s report on the need to streamline and reduce the requirements being placed on members.
THE MEMBER SURVEY RETURNED SOME VERY FAVOURABLE RESULTS, WITH SIGNIFICANT IMPROVEMENTS ON THE RESULTS OF THE 2018 MEMBER SURVEY. THE KEY RESULTS FROM THE SURVEY WERE AS FOLLOWS:

87% of respondents said they were happy with the level of support and advocacy they received from the Association during COVID-19.

97% of Associate Members were happy with the access to Explorers and Producers.

93% of survey respondents believe that AMEC is an influential organisation, up from 89% in 2018.

94% of respondents had attended AMEC events, and an overwhelming majority of respondents rated all AMEC events as either good or excellent.

88% of respondents feel that their views are being represented effectively, up from 77% in 2018.

83% of respondents had thought that AMEC provided sufficient support in the jurisdiction they operate, up from 65% in 2018.

83% believe AMEC membership is good value for money, up from 78% in 2018.

60% thought that AMEC should do more to build community support for the industry.

94% said that AMEC is progressing in the right direction, up from 83% in 2018.

93% of survey respondents believe that AMEC is an influential organisation, up from 89% in 2018.

93% of Associate Members were happy with the access to Explorers and Producers.
Mining operations across Australia remain open and AMEC has been closely involved in ongoing conversations and negotiations and Government policies to ensure these activities are continued in a sustainable manner, and that the mining industry is best positioned to make these as practical and achievable as possible for member companies, enabling work to continue.

AMEC worked hard to ensure that our members’ views were considered an essential activity in all States and Territories, ensuring that this work could continue.

AMEC advocacy secured the following outcomes:

- Western Australia provided a deferral of rents and annual fees on exploration and retention tenure for three months.
- South Australia provided a 12 month waiver on exploration expenditure and a six month deferral of work programs and in renewal applications until COVID-19 as an extenuating factor for completion requirements, as well as acknowledgement of new and current exploration tenure fees and other requirements on a case by case basis as well as a freeze on fee increases.
- Tasmania announced the Explorer Support Package including suspension of all rental payments for exploration licences, exemptions from licence work conditions, fees for applications waived in addition to the six month extension of the Exploration Drilling Grant Window, and the freeze on government fee increases.
- Northern Territory currently considering relief measures and is consulting with Land Councils before a decision is made. AMEC is also advocating for easing of border restrictions to enable mining industry workers to travel to and from work safely.
- Queensland has delivered a 12 month waiver of rent on exploration land due between 1 April 2020 and 31 March 2021, a freeze on fees and of rent on exploration land due between 1 April and 30 June 2020, and fee deferrals on a case by case basis.
- New South Wales announced a deferral on new and current exploration tenure fees and levies for six months; amended tenure advertising requirements; as well as acknowledgement of COVID-19 as an extenuating factor for completion of work programs and in renewal applications until at least 1 June 2021.
- Staff social distancing on IGO’s Nova site.
- AMEC advocates for easing of border restrictions to enable mining industry workers to travel to and from work safely.

“Geos Mining has been impressed with AMEC’s professionalism, integrity, and ability to proactively engage its members towards providing a united voice that can be heard by major political decision makers.”

TOM BRADBURY, MANAGING DIRECTOR, GEO MINING.

"With all of the other pressures on our small cap miners, it’s great that AMEC can help with the heavy lifting on the less glamorous but equally important activities of government policy and mining advocacy." MIKE YOUNG, MANAGING DIRECTOR, VIMY RESOURCES.

The AMEC Community Contribution Award recognises companies who are collaborating with the community in emerging and established partnerships to provide enduring benefits to communities. This year’s winners, SOX Potash and the Wiluna community have established a partnership that will ensure construction encompassing all aspects from education and training for both the community and the company, to responding to cultural and community needs.

The AMEC Awards Media Awards were also presented at the dinner. These awards recognise excellence in journalism covering the Australian mineral exploration and mining industry. The entries for the two Media Award categories – Online and Print – are judged on clarity, relevance, quality of research, and level of impact on industry stakeholders. The winner of the Online Award was Jarrod Lucas from the ABC for his article “The beauty of the earth is in the details... but we’ve gotta be smarter about it”. The Print Media Award was presented to Peter Ker from The Australian Financial Review for his article “End of the road: an industry that has become a standard method for remote species identification.”
COVID-19 restrictions throughout Australia in 2020 meant that a number of in person events were held virtually, and seminars and workshops were held as Webinars.

AMEC AGM by video conference
Navigating Disruption Webinar
Community Confidence Webinar
Meet the NSW Resources Regulator
QLD Industrial manslaughter
NAIF Webinar
Meet NSW Mining, Exploration and Geoscience (MEG)
NSW Tax Webinar
Zephyr Capital Webinar
Meet NSW Department of Planning, Industry and Environment
QLD NROLA is here!
Environment
Meet the NSW Resources Regulator
Community Confidence Webinar
Navigating Disruption Webinar
AMEC AGM by video conference
AMEC events 2020

AMEC held the inaugural Explorers Event in the Western Australian Parliament House. This event aimed to raise awareness of mineral exploration in Western Australia and gave AMEC Members and Members of Parliament the opportunity to speak directly about the regulatory framework that impacts the discovery of future mines of WA.

WA EXPLORERS DAY
On 10 March 2020, AMEC held the inaugural Explorers Event in the Western Australian Parliament House. This event aimed to raise awareness of mineral exploration in Western Australia and gave AMEC Members and Members of Parliament the opportunity to speak directly about the regulatory framework that impacts the discovery of future mines of WA.

AMEC was able to host three events in February prior to the COVID-19 lockdown.

In October, AMEC brought together leaders from four emerging mining companies that are building and/or commissioning new mines in the next couple of years. This breakfast event gave members an opportunity to learn about the operations of these companies and their procurement needs during the important development phase.

AMEC held its two Investor Briefings in Perth during 2020 offering listed mining and exploration companies the opportunity to present to a targeted audience of high net worth investors, self-funded superannuation investors, retirees, and company shareholders. In September, AMEC held a seminar in Perth to update members with the latest of environmental reforms and initiatives as well as leading industry knowledge and management practices. The seminar featured presentations from the Hon Bill Johnston MLA, Minister for Mines and Petroleum, Energy, Industrial Relations; Hon Stephen Dawson MLA, Minister for Environment, Disability Services, Electoral Affairs and Dr Tom Hatton, Chair, WA Environmental Protection Authority; plus senior WA departmental representatives and mining company and environmental specialists.

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AMEC's long time partner Allion Partners hosted a seminar on the changes to the Western Australian Work Health and Safety Legislation, and what it means for the mineral exploration and mining industry.

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Workshops & Seminars
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Over 300 AMEC members and guests gathered at the spectacular State Reception Centre in Kings Park on Thursday 10 December to celebrate the outstanding contributors to the mineral exploration and mining industry.

AMEC expresses sincere thanks to all the Award Sponsors - DDH1 Drilling, Hetherington and Argonaut. Congratulations to all the award winners.

Long serving AMEC Councillor Adrian Larking was awarded an AMEC life membership. Adrian was an AMEC Councillor for 17 years and has represented the Association on a number of industry bodies. Adrian continues to chair the prestigious Prospector Award Committee.

This year we were joined by the Australian Prospectors and Miners Hall of Fame who inducted Mrs Gina Rinehart into the categories of Entrepreneurs and Promotors. This induction recognised her outstanding achievements in leading Hancock Prospecting in the development of the Roy Hill iron ore mine in Western Australia.

**AWARDS DINNER**

**Peter Bradford presenting Adrian Larking with AMEC Life Membership**

**Jennifer Cairns, Chris Cairns, Kim Hewson, Kate Anderson**

**Warren Pearce, Lee Moore, Hon Norman Moore**

**Vicky Bradford, Peter Bradford, David Parker**

**Mrs Gina Rinehart, Inductee of the Australian Prospectors and Miners Hall of Fame**

**SO4 Team - Winners of 2020 AMEC Community Contribution Award for their Lake Way Sulphate of Potash project**

**Jim Beyer, Julian Tapp, Hon Bill Johnston MLA, Jon Hronsky OAM, Lyn Hronsky, Mike Young**

**Jennifer Cairns, Chris Cairns, Kim Hewson, Kate Anderson**

**Justin Osborn, Chris Moore, Adam Goldring, Campbell Bond, John**

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The net assets and net profit/(loss) after tax for the 2020 financial year are:

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<th>Y/E 31 December 2020</th>
<th>Y/E 31 December 2019</th>
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</thead>
<tbody>
<tr>
<td>Net Assets</td>
<td>$2,658,690</td>
<td>$2,602,304</td>
</tr>
<tr>
<td>Net Profit/(Loss) After Income Tax</td>
<td>$66,386</td>
<td>$(225,436)</td>
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</tbody>
</table>

Principal Activity
The Association of Mining and Exploration Companies Inc. (AMEC) is a national industry body that represents and provides services to corporate and individual members with direct or indirect interests in the Australian resources sector.

Significant Changes in the State of Affairs
No significant change in the nature of these activities occurred during the financial year.

COVID-19
In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation. The pandemic has not significantly affected the entity itself, though did impact the Association's events program and associated revenue.

Significant Events after Balance Date
No matters or circumstances have arisen since the end of the financial year which significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

Environmental Regulation and Performance
The entity’s operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or Territory.

Councillors Remuneration Report
Councillors receive no remuneration or other benefits as the positions are honorary in nature.

Indemnification and Insurance of Councillors and Officers
During the financial year the Association paid an insurance premium of $4,319.70 to indemnify Councillors and Officers against all loss and/or defence costs for which they become legally obligated to pay, through their position with the Association, and on account of any claim first made against them during the period of insurance cover where such claim is brought:
- Pursuant to the Trade Practices Act 1974, Fair Trading or similar legislation of any State or Territory, and/or pursuant to any other consumer protection legislation.
- In respect of a breach or alleged breach of contract, libel or slander.
- In respect of infringement of copyright, trademarks, registered designs or patents, or any plagiarism, or breach of confidentiality.

Provided that any liability does not arise directly or indirectly in relation to dishonest, fraudulent, criminal or malicious act.

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

Non-Audit Services
The entity’s auditor, KPMG, provided no non-audit services during the year ended 31 December 2020.

Signed on 26 February 2021 in accordance with a resolution of Councillors on 26 February 2021.

Peter Bradford
President
Lead Auditor’s Independence Declaration under Part 5 - Division 5 of the Section 307C of the Associations Incorporations Act 2015 (WA)

To the Councillors of the Association of Mining and Exploration Companies Inc (AMEC)

I declare that, to the best of my knowledge and belief, in relation to the audit of AMEC for the financial year ended 31 December 2020 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

R Gambitta
Partner
Perth
26 February 2021

COUNCILLORS’ DECLARATION

The Councillors have determined that the Association is a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies as set out in note 2 to the financial statements:

1. In the opinion of the Councillors:
   (a) the financial statements including the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and notes to the accounts:
       (i) presents fairly the financial position of the Association of Mining and Exploration Companies Inc. as at 31 December 2020 and of its performance for the year ended on that date; and
       (ii) at the date of this statement, there are reasonable grounds to believe that the Association of Mining and Exploration Companies Inc. will be able to pay its debts as and when they fall due.

2. This declaration has been made in accordance with a resolution of the Council on 26 February 2021, and is signed on 26 February 2021.

Campbell Baird
Treasurer
## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions</td>
<td>1,619,427</td>
<td>1,404,147</td>
</tr>
<tr>
<td>Revenue from operations</td>
<td>289,710</td>
<td>434,108</td>
</tr>
<tr>
<td>Interest and other income</td>
<td>225,143</td>
<td>95,364</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>2,234,280</td>
<td>1,933,619</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure on core operations</td>
<td>1,872,007</td>
<td>1,886,389</td>
</tr>
<tr>
<td>Communications</td>
<td>30,285</td>
<td>33,218</td>
</tr>
<tr>
<td>Occupancy</td>
<td>47,999</td>
<td>29,870</td>
</tr>
<tr>
<td>Depreciation</td>
<td>72,870</td>
<td>76,856</td>
</tr>
<tr>
<td>Other general expenses</td>
<td>144,733</td>
<td>132,722</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>2,167,894</td>
<td>2,159,055</td>
</tr>
<tr>
<td><strong>Profit/(loss) from continuing operations before income tax expense</strong></td>
<td>66,386 ($225,436)</td>
<td>(225,436)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>66,386</td>
<td>(225,436)</td>
</tr>
<tr>
<td><strong>Total Comprehensive income/loss</strong></td>
<td>66,386</td>
<td>(225,436)</td>
</tr>
</tbody>
</table>

## STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>425,445</td>
<td>488,055</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Term Deposits</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Rent Bond</td>
<td>23,494</td>
<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>4,007,405</td>
<td>3,403,288</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Right of Use Asset</td>
<td>951,825</td>
<td></td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>2,051,543</td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>4,208,948</td>
<td>3,416,073</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Non-current Liabilities</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td><strong>total current liabilities</strong></td>
<td>1,432,748</td>
<td>813,769</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>107,490</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,540,238</td>
<td>813,769</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>2,668,690</td>
<td>2,602,304</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained profit</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>2,668,690</td>
<td>2,602,304</td>
</tr>
</tbody>
</table>
Statement of Cash Flows >> For the year ended 31 December 2020

<table>
<thead>
<tr>
<th>CASH FLOWS FROM OPERATING ACTIVITIES</th>
<th>Notes</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from operating activities</td>
<td></td>
<td>2,346,986</td>
<td>(767,882)</td>
</tr>
<tr>
<td>Receipts from bank interest and other income</td>
<td></td>
<td>335,745</td>
<td>93,660</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td></td>
<td>(1,982,283)</td>
<td>(2,090,013)</td>
</tr>
<tr>
<td>Net cash flow generated from/(used in) operating activities</td>
<td>11 (a)</td>
<td>700,448</td>
<td>(228,471)</td>
</tr>
</tbody>
</table>

CASH FLOWS FROM INVESTING ACTIVITIES

| Proceeds from disposal of property, plant and equipment |       | (49,156) | (1,399) |
| Net cash used in investing activities |       | (49,156) | (1,399) |

CASH FLOWS FROM FINANCING ACTIVITIES

| Payment of Lease Liabilities |       | (60,625) | (69,771) |
| (Increase)/Decrease in Term Deposits |       | (653,277) | 200,000 |
| Net cash used in financing activities |       | (713,902) | 130,229 |

Net increase/(decrease) in cash and cash equivalents |       | (62,610) | (99,641) |

Cash and cash equivalents at 1 January |       | 488,055 | 587,696 |

Cash and cash equivalents at 31 December |       | 425,445 | 488,055 |

Statement of changes in Equity >> For the year ended 31 December 2020

<table>
<thead>
<tr>
<th>Notes</th>
<th>Retained Earnings $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 January 2019</td>
<td>2,827,740</td>
<td>2,827,740</td>
</tr>
<tr>
<td>Net profit for the period</td>
<td></td>
<td>66,386</td>
</tr>
<tr>
<td>As at 31 December 2019</td>
<td>2,602,304</td>
<td>2,602,304</td>
</tr>
<tr>
<td>As at 1 January 2020</td>
<td>2,602,304</td>
<td>2,602,304</td>
</tr>
<tr>
<td>Net profit for the period</td>
<td></td>
<td>66,386</td>
</tr>
<tr>
<td>As at 31 December 2020</td>
<td>2,668,690</td>
<td>2,668,690</td>
</tr>
</tbody>
</table>

OPERATIONAL AND FINANCIAL REPORT

1. CORPORATE INFORMATION

The financial report of the Association of Mining and Exploration Companies Inc. for the year ended 31 December 2020 was authorised for issue in accordance with a resolution by the Council members dated 26 February 2021.

The entity is an association incorporated under the Associations Incorporation Act 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Councillors have determined that the accounting policies and standards adopted for the preparation of this report are appropriate to meet the needs of the members. In the opinion of the directors, the Company is not publicly accountable. This financial report is a Tier 2 general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduce Disclosure Requirements adopted by the Australian Accounting Standards Board (‘AASB’) and the Associations Incorporations Act 2015. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

The financial report has been prepared on a Going Concern basis which assumes continuity of normal business activities and the realisation of assets and liabilities in the ordinary course of business.

NOTES TO AND FORMING PART OF THE ACCOUNTS

The financial report has been prepared on an accrual's basis and in accordance with the historical cost convention. All amounts are presented in Australian dollars, unless otherwise noted.

Judgments made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements and are consistent with those applied in previous years.

Revenue recognition

Revenue is recognised over time as the services are provided to members. The following specific recognition criteria must also be met before revenue is recognised:

Subscriptions

Membership subscriptions are recognised as revenue in the year to which they relate.
Revenue, expenses and assets are recognised net of GST except:

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

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

Cash flows are included in the Cash Flow Statement on a net 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.

Property, plant & equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. The assets residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Depreciation is calculated on a straight-line basis over estimated useful life of the asset. The depreciation rate used for plant and equipment is 7% - 33% pa.

Imprisonment

Carpenters of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the income statement in the cost of sales line item. However, when land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

Employee leave entitlements

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employee's services up to the reporting date. They 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 are measured at the rates paid or payable.

Leases

The determination of whether an arrangement is or contains a lease is based in the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.
Changes in significant accounting policies
Several new standards are effective for annual periods beginning after 1 January 2020, but they do not have a material effect on the Association.

New Standards and Interpretations yet to be adopted
Standards applicable for the first time from 1 January 2020 have had no material effect on the Association.

### 3. CASH AND TERM DEPOSITS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>425,445</td>
<td>488,055</td>
</tr>
<tr>
<td>Short term Deposits</td>
<td>3,553,277</td>
<td>2,900,000</td>
</tr>
<tr>
<td></td>
<td>3,978,722</td>
<td>3,388,055</td>
</tr>
<tr>
<td>Cash at bank earns interest at floating rates based on daily bank deposit rates.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term deposits are made for varying periods of up to twelve months, depending on the immediate cash requirements of the entity, and earn interest at the respective short-term deposit rates.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 4. TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other receivables</td>
<td>4,330</td>
<td>11,940</td>
</tr>
</tbody>
</table>

### 5. PREPAYMENTS

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid expenses</td>
<td>859</td>
<td>3,273</td>
</tr>
</tbody>
</table>

### 6. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>154,726</td>
<td>141,659</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(65,009)</td>
<td>(128,854)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>47,717</td>
<td>12,805</td>
</tr>
</tbody>
</table>
7. TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>85,188</td>
<td>5,007</td>
</tr>
<tr>
<td>Sundry creditors</td>
<td>169,355</td>
<td>76,705</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>254,543</td>
<td>81,712</td>
</tr>
</tbody>
</table>

8. PROVISIONS

Employee leave provisions

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>127,786</td>
<td>169,746</td>
</tr>
</tbody>
</table>

9. UNEARNED REVENUE

Unearned event fees

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full member subscriptions</td>
<td>854,033</td>
<td>471,981</td>
</tr>
<tr>
<td>Associate member subscriptions</td>
<td>149,119</td>
<td>90,330</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,003,152</td>
<td>562,311</td>
</tr>
</tbody>
</table>

10. RETAINED PROFITS

Retained profits at beginning of the financial year

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained profits at beginning of the financial year</td>
<td>2,602,304</td>
<td>2,827,740</td>
</tr>
<tr>
<td>Net profit/(loss) for the year</td>
<td>66,386</td>
<td>(225,436)</td>
</tr>
<tr>
<td><strong>Retained profits at the end of financial year</strong></td>
<td>2,668,690</td>
<td>2,602,304</td>
</tr>
</tbody>
</table>

11. CASH FLOW STATEMENT

(a) Reconciliation of net profit to net cash flow from operations

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit/(loss) from ordinary activities</td>
<td>66,386</td>
<td>(225,436)</td>
</tr>
<tr>
<td>Non-cash items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>72,870</td>
<td>76,856</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/Decrease in trade receivables</td>
<td>7,611</td>
<td>31,928</td>
</tr>
<tr>
<td>Decrease/(Increase) in prepayments</td>
<td>2,414</td>
<td>8,917</td>
</tr>
<tr>
<td>(Increase)/Decrease in trade and other payables</td>
<td>(172,830)</td>
<td>(12,568)</td>
</tr>
<tr>
<td>(Increase)/Decrease in unearned revenue</td>
<td>440,840</td>
<td>104,004</td>
</tr>
<tr>
<td>(Increase)/Decrease in current provisions</td>
<td>(4,196)</td>
<td>(4,162)</td>
</tr>
<tr>
<td>(Increase)/Decrease in rental bond</td>
<td>(23,494)</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/Decrease in Right of Use Asset</td>
<td>(91,825)</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/Decrease in Current Lease Liability</td>
<td>47,287</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/Decrease in Non Current Lease Liability</td>
<td>107,489</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET CASH FLOW GENERATED FROM/USED IN OPERATING ACTIVITIES</strong></td>
<td>700,448</td>
<td>(228,471)</td>
</tr>
</tbody>
</table>

12. COUNCILLOR DISCLOSURES

Details of Key Governance Personnel

The following were Councillors of the Association during the period:

- Peter Bradford (President)
- Bruce Fulton (Vice President)
- Jim Beyer (Vice President)
- Campbell Baird (Treasurer)
- William Robinson
- Shannon McMahon
- Tim Langmead
- Darren Walker
- Steve Jukes
- Bronwyn Barnes
- Kristy Sell
- Sharon Goldfadt
- Keren Paterson
- Kelly Libberg
- Joanne Palmer
- Matt Briggs
- Jonathan Trevartha
- Dr Natalia Strickova
- Adrian Larking (retired April 2020)
- Chris Rash (retired April 2020)
- Dr Vanessa Guthrie (retired April 2020)
- Dr Kevin Cassidy (retd April 2020)
- Ian Murray (retired April 2020)
Compensation of Key Management Personnel
The key management personnel compensation for the two executive positions was $410,215 (2019: $506,375) for the year ended 31 December 2020.

Other Transactions with Key Governance Personnel
The Councillors have not entered into any transaction with the Association that was not at arm's length on normal trading terms available to other members of the Association.

13. EVENTS AFTER THE BALANCE SHEET DATE
There have been no material post balance date events or transactions which could affect the financial position or performance of the entity.

14. AUDITOR RENUMERATION
The auditor of the Association of Mining and Exploration Companies is KPMG.

2020 2019
Fees for audit of the financial report of the entity 11,000 11,000
KPMG's audit fees are provided as a contra to certain sponsorships, events and advertising offered by the Association of Mining and Exploration Companies.

15. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS
Overview
The Association has exposure to the following risks arising from financial instruments:

(a) Credit Risk
(b) Market Risk
(c) Liquidity Risk
This note presents information about the Association’s exposure to each of the above risks and the Association’s objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Association’s Council Members have overall responsibility for the establishment and oversight of the Association’s risk management framework. Risk management policies and systems are monitored regularly by the Council to reflect changes in market conditions and the Association's activities.

(a) Credit Risk
Credit risk is the risk of financial loss to the Association if a customer or counterparty to a financial instrument fails to meet its obligations, and arises principally from the Association’s receivables from customers and cash deposits.

Trade and other receivables
The Association establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Impairment losses
The aging of trade receivables at the reporting date was:

<table>
<thead>
<tr>
<th></th>
<th>Gross 2020</th>
<th>Impairment 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not past due 0-30</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Past due 31-60 days</td>
<td>4,330</td>
<td>-</td>
</tr>
<tr>
<td>Past due 61-90 days</td>
<td>-</td>
<td>1,337</td>
</tr>
<tr>
<td>Past due 90+ days</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,330</td>
<td>1,337</td>
</tr>
</tbody>
</table>

(b) Market Risk
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Association’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.
c) Liquidity Risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Association’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Association’s reputation.

The following are the contractual maturities of financial liabilities being trade payables at the reporting date.

<table>
<thead>
<tr>
<th>Contractual Cash Flows</th>
<th>Non-derivative financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
</tr>
<tr>
<td>Less than 6 months</td>
<td>83,688</td>
</tr>
</tbody>
</table>

There are no derivative financial liabilities.

16. ENTITY DETAILS

The registered office and principal place of business of the entity is:

Level 2, 1 Havelock St,
West Perth, Western Australia 6005

Independent Auditor’s Report

To the members of Association of Mining and Exploration Companies Inc.

Opinion

We have audited the Financial Report of the Association of Mining and Exploration Companies Inc (the Association).

In our opinion, the accompanying Financial Report gives a true and fair view, in all material respects, the financial position of the Association as at 31 December 2020, and of its financial performance and its cash flows for the year then ended, in accordance with Australian Accounting Standards Reduced Disclosure Requirements and the Associations Incorporation Act 2015 (WA).

The Financial Report comprises:

- Statement of financial position as at 31 December 2020
- Statement of profit or loss and other comprehensive income and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- Notes including a summary of significant accounting policies
- Councillors Declaration

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Association in accordance with 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 fulfilled our other ethical responsibilities in accordance with the Code.

Restriction on use and distribution

The Financial Report has been prepared to assist the Councillor of the Association in complying with the financial reporting requirements of section 74 of Associations Incorporation Act 2015 (WA).

As a result, the Financial Report and this Auditor’s Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the members of the Association and should not be used by parties other than the members of the Association. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the members of the Association or for any other purpose than that for which it was prepared.

Responsibilities of the Councillors of the Association of the Financial Report

Councillors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Associates Incorporation Act 2015 (WA).
- Implementing necessary internal control to enable the preparation of Financial Report that is free from material misstatement, whether due to fraud or error.
- Assessing the Association’s ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the Financial Report

Our objective is:

- 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 Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.
