

REISSUED FINANCIAL STATEMENTS

Fremont Petroleum Corporation Ltd (ASX: FPL) ('Fremont' or 'the Company') advises that the Company's previously issued consolidated financial statements for the year ended 30 June 2020, dated 30 October 2020 have been withdrawn and replaced by these consolidated financial statements.

The previously issued consolidated financial statements were issued with a disclaimer of opinion as the independent auditors considered they did not have sufficient evidence to support the Directors' view that the consolidated financial statements should be prepared on a going concern basis. Following the release of the consolidated financial statements to the Australian Securities Exchange (ASX), the Company's securities were suspended from official quotation.

Accordingly, the Board has provided additional evidence to auditors to support its view on going concern. In particular, the Board has negotiated deferred payment terms with Creditors and is confident that the Company can raise new capital as required, and as it has done post balance date.

These reissued consolidated financial statements contain no other changes from the consolidated financial statements issued on 30 October 2020, save for the updates in note 2 and note 32 which update going concern disclosures and detail capital raising post balance date, respectively.

This announcement has been authorised by the Board of Fremont Petroleum Corporation Ltd.

-END-

Further information:

Robert Lees
Company Secretary
Email: robert@coysec.com.au
Phone: +61 2 9299 9580

ABOUT FREMONT PETROLEUM CORPORATION LTD

Fremont Petroleum Corporation Limited (ASX: FPL) is an Oil & Gas production and development company with operations in Colorado and Kentucky. The Company's focus is to aggressively grow daily production by improving current asset performance and opportunistically acquiring onshore USA oil & gas assets with the following characteristics: producing conventional oil & gas wells; production can be enhanced through low-cost field operations and workovers; leases are held by production and do not require ongoing drilling commitments; and economies of scale can be achieved by acquiring and enhancing similar assets nearby

DISCLAIMER:

This announcement contains or may contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as "expects", "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might" occur. Oil production rates fluctuate over time due to reservoir pressures, depletion or down time for maintenance. The Company does not represent that quoted production rates will continue indefinitely.



Fremont Petroleum Corporation Limited

**Reissued Annual Report & Financial Statements
for the year ended
30 June 2020**

FREMONT PETROLEUM CORPORATION LIMITED

TABLE OF CONTENTS

CONTENTS

Chairman’s and CEO’s Report.....	3
Review of Operations and Activities.....	5
Corporate Governance Statement.....	8
Directors' Report.....	9
Auditor's Independence Declaration.....	25
Statement of Profit or Loss and Other Comprehensive Income.....	26
Consolidated Statement of Financial Position.....	27
Consolidated Statement of Changes in Equity.....	28
Consolidated Statement of Cash Flows.....	29
Notes to the Financial Statements.....	30
Directors’ Declaration.....	66
Independent Auditor’s Report.....	67
Shareholder Information.....	70
Corporate Directory.....	73

FREMONT PETROLEUM CORPORATION LIMITED

CHAIRMAN'S & CEO'S REPORT

CHAIRMAN'S & CEO'S REPORT

Dear Fellow Shareholders,

I am pleased to present this year's annual report to you in my first year as chairman. I invested in Fremont Petroleum because of the potential value that can be unlocked from our Pathfinder field in Colorado by drilling new wells and the possibility of monetising the field's large gas resource through new offtake agreements. This potential still exists, but during the year it became apparent to me and my fellow directors and executives that Fremont needed to establish a sustainable revenue base by firstly focusing on maximising production from its existing portfolio of wells in Colorado and Kentucky, and securing more production by cost effectively acquiring and assuming operatorship of long-life conventional oil & gas wells with an initial focus on the Illinois Basin.

This strategy now takes priority over exploration activities and development drilling. Our strategy has been well articulated throughout the year and we are now going about executing this plan.

In June, we announced our first meaningful acquisition by signing a non-binding letter of intent ('LOI') with Indiana-based Trey Exploration, Inc. ('Trey') to acquire a portfolio of producing oil and gas leases located in the Illinois Basin in the states of Indiana, Illinois and Kentucky where the Company already holds production leases. As reported, Trey has a portfolio of conventional wells that are currently producing ~71 barrels of oil per day. The Trey asset package is attractive to us as the wells are currently in production, their performance can be enhanced through low-cost workovers and other field activities, and they add scale to the Kentucky operations.

Consistent with our production growth strategy, we have resumed operations across our Kentucky leases, which we hold in a 50/50 joint venture with a private company, operations to enhance production from this portfolio of conventional oil wells have been initiated. Kentucky was previously non-core to us but now it is very much part of our growth plans with a lot of production to be realised from existing wells and further upside to be realised from assuming operatorship of some surrounding leases.

Post balance date, we commenced workover activities in Colorado for the sole purpose of maximising oil production across our acreage that is held by production there. We do not intend adding more leases in Colorado or acquiring new production there, preferring instead to focus on pursuing lower cost conventional assets in the Illinois Basin. That said, we are committed to pursuing a gas offtake agreement in Colorado given Pathfinder's very large untapped gas resources. However, we will only enter into an agreement if the return on investment is superior to the gains we can achieve from workovers or buying more conventional oil and gas production.

We are confident that the strategy for growth that we have implemented is the right one. Under the current Covid-19 pandemic environment that was coupled with an extreme impact to the oil and gas sector which required significant risk mitigation measures to be implemented. With the investment landscape changing significantly our focus will be on delivering incremental production gains from the assets we own, and those that we acquire, and we will be taking a conservative approach to exploration at this time.

I would like to thank my fellow directors, executives and operations personnel in the United States for their support in what has been an extra-ordinary and challenging year. Of course, our thanks also go to our shareholders. We are determined to deliver value for you. The foundation is in place for a much improved performance in 2021 and we are witnessing the first signs of a pleasing turnaround.

FREMONT PETROLEUM CORPORATION LIMITED CHAIRMAN'S & CEO'S REPORT

Yours sincerely,

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

Peter Crown
Non-Executive Chairman

FREMONT PETROLEUM CORPORATION LIMITED

REVIEW OF OPERATIONS AND ACTIVITIES

REVIEW OF OPERATIONS AND ACTIVITIES

Fremont Petroleum Corporation Ltd is an oil and gas Exploration & Production company that is the operator of its 100%-owned Pathfinder project in Fremont County, Colorado, USA with 25 oil and gas wells.

The Company also has a 50/50 Joint Venture in producing oil and gas properties in Kentucky. Fremont receives 100% of the revenue until its capital contribution is repaid through oil sales.

PATHFINDER PROJECT – FREMONT COUNTY COLORADO

During the year, operations focused on completion activities on the on the Amerigo Vespucci # 1 well. Flow testing recorded a 24-hour Initial Production (IP) test rate of 82 barrels of oil per day and 900 MMcf/day, being 273 BOE/day. Gas flows were choked back to enhance oil production with peak flow rates of 2.4 MMcf/day recorded during the IP test. The well produced a hot, high quality gas with a high energy value of 1,232 BTUs which is consistent with gas produced from the Niobrara formation in the core parts of the Wattenberg Field and DJ Basin.

After an extended period of being shut-in pending a gas flaring and production permit, Vespucci was brought online in limited capacity due to a constraint in the permitted flaring volumes. The maximum permitted volume of gas is 150mcf/day, which is approximately 1/6 of the initial production rate. This limitation will also have an impact on oil production as it maintains a downhole pressure on the formation restricting oil flow. Even in limited capacity, the well has produced oil rates of up to 48 BOPD. The well was then subsequently shut in and is pending a workover to enhance its production potential.

Also, during the year, the Company filed permits for the drilling of three wells, the Captain Cook, the Sally Ride and the Balboa. The Company subsequently put on hold the drilling of these wells given their associated costs when measured against available funding at the time.

The Company also announced that it has agreed to acquire a highly prospective oil & gas field covering 5,990 acres that is contiguous to its existing Pathfinder Property and included valuable 3D seismic data with the package.

Fremont also reported a significant increase in oil and gas reserves and resources for the Pathfinder Field based on a published Oil and Gas Reserves and Resources Report by independent engineering firm Gustavson Associates. The report confirms the Pathfinder Field has a C1 Contingent Resource (meaning with 90% probability) of 182 million barrels of oil equivalent.

In March, given a significant decrease in the price of West Texas intermediate (WTI) crude oil due the impact of the COVID-19 pandemic, production in Colorado was temporarily shut-in and Fremont commenced an extensive cost reduction program at a corporate and operational level. Subsequent to the end of the year, an extensive workover program has commenced to enhance production levels here.

FREMONT PETROLEUM CORPORATION LIMITED

REVIEW OF OPERATIONS AND ACTIVITIES

KENTUCKY OIL AND GAS PROPERTY

Kentucky Exploration LLC is a 50/50 Joint Venture with a private Australian Investment Company

Primary Hydrocarbon targets: Jackson Formation, Cyprus Formation, Niagara Sand, and McCloskey Formation.

Leases with high operational expenses and high-water haulage, electricity and chemical programs were shut in during the year due to lower prices for WTI. Towards the end of the year, the Company renewed its focus on pursuing production growth from its Kentucky leases with some limited production resuming. Subsequent to the end of the year, Fremont announced a workover program of a portfolio of wells in Kentucky to enhance production levels.

Low-cost, shallow, high-impact drilling program in Kentucky provides an additional source of low-risk and long-life production, and cash flow, for the company.

Tenement/lease summary

State	Field	Lease Name	WI	NRI	NET Acres
Kentucky	Niagara	Arnold Griffin (McKinley)	100	82.03%	52
		Katherine McFarley (McKinley)	100	82.03%	54
		Robards Lauenstein	100	82.03%	107
		Jack Knight Jr & Mary Lee Knight	100	87.50%	58
		RC Duncan	100	87.50%	22
		Lorene Busby	100	82.03%	98
	Felty	100	81.00%	84	
	Sebree	Russell	100	75.00%	47
		Ted Majors	100	75.00%	28
	Poole	Jimmy Dacy	100	75.00%	102
Hansen	Ashby Heirs	100	80.00%	64	
Colorado	Florence	Incremental Wells	100	79.04%	1,924
		Prize Energy	100	75.00%	10,978
		Chandler Creek	100	85.00%	7,102
Total					20,721

TREY EXPLORATION, INC.

In June, Fremont signed a non-binding letter of intent ('LOI') with Indiana-based Trey Exploration, Inc. ('Trey') to acquire a portfolio of producing oil and gas leases located in the Illinois Basin, specifically in the states of Indiana, Illinois and Kentucky where the Company already holds production leases.

FREMONT PETROLEUM CORPORATION LIMITED

REVIEW OF OPERATIONS AND ACTIVITIES

Trey has a portfolio of conventional wells that are currently producing ~71 barrels of oil per day. The Trey asset package is attractive to Fremont as the wells are currently in production, their performance can be enhanced through low-cost workovers and other field activities, and they add scale to the Company's Kentucky operations.

The Company has completed due diligence and has subsequently finalised a Purchase and Sale Agreement ('PSA') where the Company will pay Trey US\$1.9m in two tranches by May 2021.

CORPORATE

In October 2019, the Company has secured commitments for a A\$6M dollar facility to fund the ongoing development activities. The financing facility was in the form of a convertible loan. In April, Fremont secured AU\$3m of funding commitments from three Australian family offices through a direct placement of new shares at \$0.003 per share with a one-for-one attaching option exercisable at \$0.003 expiring 12 months from the date of issue.

As well, agreement was been reached with convertible note holders to convert their total debt into equity at \$0.003 per share. \$3.025m of this \$6m facility was drawn and subsequently converted into shares, post balance date, and the undrawn portion of the facility was cancelled.

FREMONT PETROLEUM CORPORATION LIMITED

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE STATEMENT

Fremont Petroleum Corporation Ltd ('Fremont') through its Board of Directors ('Board') is responsible for the overall corporate governance of Fremont and has adopted as a guiding principle that it acts honestly, conscientiously and fairly in accordance with the law and in the interests of the shareholders with a view to building sustainable value for them, the Company's employees and other stakeholders in the Company.

The Board has adopted a suite of governance materials, which are available in the Corporate Governance section of the Company's website. The governance materials have been prepared and adopted on the basis that corporate governance procedures can add to the performance of the Company and the creation of shareholder value and help to engender the confidence of the investment market.

ASX Corporate Governance Principles and Recommendations

This statement sets out the material governance principles and processes adopted by the Board. The Board supports the Corporate Governance Principles and Recommendations, 4th edition as released by the ASX Corporate Governance Council ("**ASX Principles** or "**ASXCGC**"). The Board considers and applies these recommendations to the extent there is a sound reason to do so given the circumstances of the Company. The Corporate Governance Statements were reviewed and approved by the Board on 30 October 2020 and are available on the Company's website:

<https://fremontpetroleum.com/wp-content/uploads/2019/10/CORPORATE-GOVERNANCE-STATEMENT-2019-Final.pdf>

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

DIRECTORS' REPORT

The Directors of Fremont Petroleum Corporation Limited ("Fremont") present their report, together with the financial statements of the Group, being the Group and its controlled entities, for the financial year ended 30 June 2020.

Directors

Directors in office during the year and to the date of this report are:

Mr Peter Crown

Non-Executive Chairman appointed 5 December 2019.

Mr Crown brings considerable experience and skills to the Company through over 20 years in investment markets, ranging from private (venture capital, private equity) through to public markets. Peter has extensive experience in developing and expanding businesses, with particular focus on project financing and asset development, in a broad range of industries.

Other current or former listed directorships: Nil

Mr Samuel Jarvis

Non-Executive Director appointed 28 February 2018.

Mr Samuel Jarvis was appointed as Non-Executive Director 28 February 2018. He has extensive experience in commercial management and development drilling as well as knowledge of the upstream oil and gas value chain. For the past 15 years, he has held senior Executive roles with leading global oil and gas drilling companies in South-East Asia.

Mr Jarvis graduated with honours in engineering in 1995 and holds a degree in economics with a Finance Major.

Mr Stuart Middleton

Non-Executive Director appointed 15 April 2015.

Mr Middleton has recently returned to Australia from a 10-year assignment in China as the Group Executive for TDS, Banpu Plc, Asian Energy Company with assignments in China, Mongolia, Indonesia, Australia and Thailand. Mr Middleton has also worked in the USA, Indonesia and Columbia. During his time in China he was highly involved with oil and gas, in both conventional and unconventional drilling for CBM and oil/gas; he advised both government and a major Asian Energy group relating to Asian American Gas Company, extensive JV vertical and multi-lateral directional wells as well as technology transfer from oil/gas to underground degas directional drilling and degas to mitigate dangerous outburst challenges.

Australian by background, Mr Middleton has a Bachelor's Degree in Mining Engineering and a Master's Commerce degree with double majors in Finance and Technology Management from The University of Sydney. He is a chartered professional engineer. Mr Middleton was the

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

general manager of the Baal Bone operation in Lithgow, Australia and served on the Oakbridge board in Sydney and the Queensland North Goonyella Pty. Ltd board in Mackay.

Mr Middleton also has a strong background in strategic planning and financial strategy. In addition, he has been engaged as a "Specialist Expert" for major companies and has prepared, or had input into, many Due Diligence and Valuation reports. A particular strength being acutely tuned to operations, technical and developing the underlying fundamental value of resources with 37 years of hands-on planning, operating / improvement and management experience.

Other current or former listed directorships: Nil.

Directors Who Resigned During the Year

Mr Guy Thomas Goudy

Executive Chairman & Executive Director appointed 15 July 2016 (formerly Managing Director & Chief Executive Officer - appointed a director on 13 July 2009; became CEO effective 1 July 2015). Resigned 22 January 2020.

Mr Goudy joined Fremont Exploration in 2009 and has served the Company in various roles including Chief Operating Officer, Managing Director and Chief Executive Officer and was promoted to the role of Executive Chairman in July 2016. Guy was instrumental in navigating the Company through the severe down-turn in oil prices and the elimination of the Company's debt from 2014 to 2017. Guy has over 10 years of oil and gas investment experience and has an extensive network of global industry, financial and political contacts. Prior to his appointment at Fremont, Mr Goudy was employed in the financial services sector and was an authorised representative with a leading stock broking and financial advisory firm in Sydney.

Mr Goudy was trained at the University of Technology, Sydney (UTS) where he holds various formal qualifications in Business. He has also completed Mineral Economics course work at the Colorado School of Mines.

Other current or former listed directorships: Nil

Mr Timothy Brian Hart

Managing Director & Chief Executive Officer appointed 15 July 2016; formerly COO. Resigned from Board 22 January 2020.

Tim joined Fremont Explorations Management team in 2011 as VP/GM of Fremont's Kentucky Business Unit and responsible for transitioning the Business unit from a gas exploration business into a cash flow positive oil and gas producer. In 2015 Tim was promoted to Fremont's Chief Operating Officer where he was responsible for the performance and development of Fremont's oil and gas portfolio spanning across Colorado, Kentucky, Texas and Mississippi. After his significant contribution to the successful transformation of our company into a very low cost, highly productive, "do it yourself" drilling & exploration company, in 2016 Mr Hart was promoted to Managing Director and CEO.

Mr Hart has a Bachelor of Science in Engineering from Penn State University (PSU) with an extensive professional history in business and technology. He has held numerous senior level

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

management positions with expertise in Electrical Engineering, Information Technology, Technical Project Management, Vendor Management, Contract Negotiation, Operational Efficiency, Process Development, and Budget Development & Compliance.

Mr Hart brings a strong management, engineering and technology background to the Oil and Gas Industry and has worked with numerous local vendors to improve their processes and service offerings to accommodate the enhanced technical, safety and environmental requirements of our business.

Other current or former listed directorships: Nil

Mr Andrew William Blow

Non-Executive Director appointed 15 August 2016. Resigned 5 December 2019.

Andrew Blow was appointed as a Non-Executive director based out of Sydney, Australia. He has more than 10 years' experience working in media, government and public affairs. Andrew specialises in the provision of high-end strategic advice to Government and his services have been utilised extensively by some of Australia's most senior decision makers. He has regularly provided communications to the Prime Minister. He has also worked directly with both state and federal Ministers for Mines, Energy and Natural Resources. He has experience in managing public engagement on Government policies, with a particular focus on infrastructure and means by which Government can leverage private sector investment in major projects. While a senior producer for one of Australia's largest commercial television networks, Andrew had editorial responsibility for news output and was charged with management of scarce resources including camera crews and live assets.

Andrew holds a Bachelor's Degree in Communications from Charles Sturt University in New South Wales.

Other current or former listed directorships: Nil

Mr Nigel Hartley

Non-Executive Director appointed 5 December 2019. Resigned 22 January 2020.

Nigel Hartley is a qualified Chartered Accountant who spent 20 years with Oil Search Limited (1991-2011) with 12 of those years as Chief Financial Officer. During his tenure Oil Search grew from a \$200M business to a \$7B market cap company.

Other current or former listed directorships: Roc Oil Limited (2012-2016) and energy royalty company HPR Limited (2009-2016).

Mr Andy Lydard

Executive Director appointed 4 February 2020. Resigned 23 March 2020.

From 2008 to 2014 Andy Lydard he was president and CEO of Denver-based Comet Ridge Resources LLC, where he led the team that completed 23 successful Pierre formation producers from a total of 26 well drilled. With a degree in geology, business training and considerable technical capability, Mr Lydard commenced his career in 1981 as a geologist for

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

BP and has held roles with Western Mining, JM Huber Corporation, Strike Oil Limited, Comet Ridge Limited, Comet Ridge Resources LLC and Timber Creek Energy LLC.

Other current or former listed directorships: Nil

Company Secretary

Mr Robert Edward Lees appointed on 30 June 2015.

Mr Lees is a member of both the Chartered Accountants Australia and New Zealand and Governance Institute of Australia. He is a graduate of the University of Technology, Sydney, holding a Bachelor of Business (Accounting) and a Graduate Diploma in Data Processing. He also holds a Graduate Diploma in Corporate Governance. In the last 14 years he has provided company secretarial services to several ASX-listed companies.

Directors' Meetings

The number of director's meetings and number of meetings attended by each of the directors of the Group during the financial year are:

Director	Director's Meetings		Audit Committee Meetings	
	A	B	A	B
Timothy Hart	6	6	2	2
Stuart Middleton	7	7	2	2
Andrew Blow	5	5	2	2
Guy Goudy	6	6	2	2
Samuel Jarvis	7	7	2	2
Peter Crown	2	2	0	0
Nigel Hartley	0	0	0	0
Andy Lydard	1	1	0	0

A Number of Meetings attended
B Number of Meetings held while the director was in office

The Group notes that a Remuneration and Nominations Committee existed however it did not formally meet during the year.

Principal Activities

The principal activities of the Group during the year consisted of the accumulation and operation of mineral prospective areas and the exploration for oil and gas in the United States of America.

Financial Position

The net loss after income tax of the Consolidated Entity for the year ended 30 June 2020 was \$9.16M.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

Dividends Paid or Recommended

No dividends were paid or declared since the start of the year. No recommendation for payments of dividend has been made.

Review of Operations

A review of the operations of the economic entity during the financial year and the results of those operations are as follows:

a) Exploration, Development and Production

Fremont Petroleum Corporation Limited is an Oil & Gas production and development company founded in 2006 and headquartered in Florence Colorado USA with its Australian office in Sydney, Australia. The Company has operations in Colorado and Kentucky. Fremont is the operator and is in control of expenses at its properties in Colorado and Kentucky. The primary focus is the development of an extension of the second oldest oilfield in the US in Fremont County. The Florence Oil field which hosts FPC's 21,500-acre Pathfinder project was discovered in 1881. Standard Oil & Continental Oil (Conoco) were producers. With new technology, the Florence Oil field is potentially one of the most economic fields in the US and is much larger and more prolific than originally understood. The mineral leases that have producing wells drilled on them during the primary lease term will be held as producing leases. As a result of the down-turn in the oil and gas sector, the Company in 2014 to 2016 divested of its properties in Mississippi and Texas where it was not the operator and did not have full control over expenditures which the Company considers paramount in the low oil price environment.

b) Corporate Matters

Capital Raising

- On 4 May 2020, the Company issued 416,666,667 shares at \$0.003 share to raise \$1.25M.
- On 2 June 2020, the Company issued 24,349,840 shares in lieu of director fees for the period 1 January 2019 through 31 December 2019 totalling \$237K.
- On 30 June 2020, the Company issued 7,686,028 shares in lieu of directors fees for the period 1 January 2020 through 30 June 2020 totalling \$54K.
- On 30 June 2020, the Company issued 7,000,000 shares in connection with Performance Rights totalling \$42K.
- On 30 June 2020, the Company issued 11,550,000 shares in connection with Performance Rights totalling \$92K.

Significant Changes in the State of Affairs

The following significant changes in the state of affairs of the Group occurred during the financial year:

Net increase in issued capital to \$92.10M (2019: \$90.75M). See Capital Raising section above for details.

Likely Developments

The likely future developments of the Group during the next financial year and beyond will involve the ongoing principal activity of oil and gas exploration, development and operations.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

Successful drilling should lead to increased revenues and in-ground oil and gas reserves and resources.

Environmental Regulations

The Group is subject to significant environmental regulations under Federal and/or State laws in the USA. The Group has not been advised of any environmental breaches during the year.

Proceedings on Behalf of Group

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 part of those proceedings. The Group was not a party to any such proceedings during the year.

Events Arising Since the end of the Reporting Period

The following matters or circumstances have arisen since the end of the year that have significantly affected or may significantly affect either:

- The entity's operations in future financial years.
- The results of those operations in future financial years, or
- The entity's state of affairs in future financial years.

Convertible Note

The Company received approval to issue shares to complete the debt for equity conversion at the General Meeting held 31 August 2020. On 3 September 2020, the Company announced the conversion of its \$3.03M note plus accrued interest of \$0.33M into 1,243,058,600 shares at \$0.003 share. This converted all the \$3,357,373 detailed in Note 18 – Interest Bearing at 30 June 2020 into equity.

Fund Raising

The Company received approval to issue Tranche 2 of the placement announced 29 April 2020 at the General Meeting held 31 August 2020. Tranche 2 is comprised of 582,916,147 of shares to be issued at \$0.003 per share raising \$1.75m (with a one-for-one attaching option exercisable at \$0.003 expiring 12 months from the issue date).

As part of the Tranche 2 equity raising the funds received in advance (refer to Note 19 - Common Stock Liability of \$417,084 at 30 June 2020) were applied to equity issued under Tranche 2.

On 15 October, 2020, the Company announced the issue of 849,999,998 Unlisted Options (exercisable at \$0.003 on or before 30 September 2021), as approved by Shareholders at the General Meeting held 31 August 2020, to investors who have subscribed to Tranche 1 and Tranche 2 as announced to the market on 29 April 2020. The issue of the balance of 150,000,000 unlisted Options (exercisable at \$0.003 & expiring 12 months after issue) was completed on 30 November 2020 with the Tranche 2 finalised.

In December 2020 a further \$1.8m was raised by the issue of 600,000,000 shares at \$0.003 with an attaching Option (exercisable at \$0.005 expiring 18 months after issue) for each 2 shares allotted.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

The fund raising demonstrate the Company's ability to raise capital. Funds are for working capital purposes and to give the Company the financial flexibility to pursue opportunistic conventional oil and gas acquisitions focused on onshore USA.

Trade and Other Payables

As at the date of this report, the Company has entered into structured payment plans with a number of its major suppliers to defer payments over an agreed period. Of the \$3,879,015 recorded as Trade and other Payables in Note 17 at 30 June 2020, \$1,966,380 of current trade payables at 30 June 2020 have been renegotiated deferring settlement until post 30 June 2021.

Workover Program

On 5 August 2020, the Company announced a workover program to enhance the performance of an initial 26 wells in Colorado and Kentucky and deliver more consistent daily oil production and revenue.

Trey Acquisition

As noted in Subsequent Events Note 32, on 8 September 2020, the Company announced it expects to complete the Asset Purchase Agreement to acquire the portfolio of producing oil and gas leases located in the Illinois Basin from Indiana based Trey Exploration, Inc using existing cash reserves. Trey holds highly prospective production leases and a portfolio of conventional wells that are currently producing approximately 71 barrels of oil per day in the states of Indiana, Illinois and Kentucky. Production can be enhanced through low-cost workovers and other field activities, and they add scale to the Company's Kentucky operations that are also being worked over for enhanced production.

Fremont finalised the Trey acquisition in early October with an initial payment of USD \$1M and will make a payment of the USD \$900K balance in April 2021.

REMUNERATION REPORT - AUDITED

This report details the nature and amount of emoluments for each key management person of the Group, and for the executives receiving the highest remuneration.

Remuneration Policy

The Group's remuneration policy has been designed to align director and executive objectives with shareholder and business objectives, by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the Board.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

- All executives may receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives.
- The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed annually with each executive and is based on a basket of measures including financial results, share price, production targets, safety and environmental issues. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the Performance Rights Plan providing an opportunity to obtain further shares.

Other than superannuation guarantee contributions, Australian directors do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Group and is expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology.

The Board's intention is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Remuneration and Nomination Committee determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and currently stands at \$500,000 in total. Fees for non-executive directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Group (but not trade in them) and have in the past been granted options.

Performance of Shareholder's Wealth

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

	2020	2019	2018	2017	2016
EPS	(\$0.0053)	(\$0.0024)	(\$0.0204)	(\$0.0238)	(\$0.1376)
Net profit/loss	(9,158,006)	(2,809,686)	(8,575,381)	(3,713,088)	(6,009,857)
Share Price	0.0040	0.0090	0.0060	0.0210	0.0138

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

Remuneration Details

Details of the remuneration of the directors, the key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) and executives of the Group are set out in the following tables.

Directors	Position held at 30 June 2020 and any changes during the year	Contract Details (Duration and Termination)	Proportions of elements of remuneration not related to performance
Mr Timothy Hart	Managing Director and Chief Executive Officer; Resigned from the Board 22 January 2020, retains title as President and CEO	Resigned	-
Mr Guy Goudy	Executive Director and Executive Chairman; Resigned 22 January 2020	Resigned	-
Mr Stuart Middleton	Non-Executive Director	Retirement by Rotation	100%
Mr Samuel Jarvis	Non-Executive Director	Retirement by Rotation	100%
Mr Andrew Blow	Non-Executive Director; Resigned 5 December 2019	Resigned	-
Mr Peter Crown	Non-Executive Chairman; Appointed 5 December 2019	Retirement by Rotation	100%
Mr Nigel Hartley	Non-Executive Director; Appointed 5 December 2019; Resigned 22 January 2020	Resigned	-
Mr Andy Lydard	Executive Director; Appointed 4 February 2020; Resigned 23 March 2020	Resigned	-
Group Key Management Personnel	Position held at 30 June 2020 and any changes during the year	Contract Details (Duration & Termination)	Proportions of elements of remuneration not related to performance
Mr Lonny Haugen	Chief Financial Officer	Term contract	80%

The Group utilises the following service contract:

- Accounting and taxation services of CFO Colorado. Mr Lonny Haugen is an owner of CFO Colorado.

FREMONT PETROLEUM CORPORATION LIMITED
AUDITOR'S INDEPENDENCE DECLARATION

2020	Short-term Benefits		Post employment	Equity-settled Share-based Payments			Total	% of Performance Based Remuneration
	Salary & Fees Paid and Accrued	Other	Super-annuation Contributions	Performance Rights Accrued	Options	Shares		
Directors	\$	\$	\$	\$	\$	\$	\$	
Mr Timothy Hart ¹	190,566	-	-	12,000	-	26,839	229,405	5%
Mr Guy Goudy ²	130,568	205,178	-	12,000	-	26,839	374,585	3%
Mr Stuart Middleton	-	-	4,560	6,000	-	48,000	58,560	10%
Mr Samuel Jarvis	-	-	4,560	6,000	-	48,000	58,560	10%
Mr Andrew Blow ⁷	-	-	1,961	6,000	-	20,645	28,606	21%
Mr Peter Crown ⁴	205,818	-	-	-	-	-	205,818	-
Mr Nigel Hartley ⁵	-	-	-	-	-	-	-	-
Mr Andy Lydard ⁶	-	-	-	-	-	-	-	-
Key Management Personnel								
Mr Lonny Haugen ³	-	-	-	10,000	-	-	10,000	100%
	526,952	205,178	11,081	52,000	-	170,323	965,534	
2019	Short-term Benefits		Post employment	Equity-settled Share-based Payments			Total	% of Performance Based Remuneration
	Salary & Fees Paid	Other	Super-annuation Contributions	Performance Rights Accrued	Options	Shares		
Directors	\$	\$	\$	\$	\$	\$	\$	
Mr Timothy Hart ¹	275,080	-	-	40,500	-	48,000	363,580	11%
Mr Guy Goudy ²	252,613	-	-	40,500	-	48,000	341,113	12%
Mr Stuart Middleton	-	-	5,138	13,500	-	54,084	72,722	19%
Mr Samuel Jarvis	-	-	-	-	-	48,000	48,000	-%
Mr Andrew Blow	-	-	5,138	13,500	-	54,084	72,722	19%
Key Management Personnel								
Mr Lonny Haugen ³	-	-	-	21,000	-	-	21,000	100%
	527,693	-	10,276	129,000	-	252,168	919,137	

Amounts above are in AUD; however, Mr Timothy Hart and Mr Guy Goudy reside in the United States and are therefore paid in USD, the local currency. Mr Hart's and Mr Goudy's total 2020 USD salary, bonus and fees paid were USD \$128K and USD \$88K, respectively. Mr Goudy is to receive an ex-gratia payment of USD \$138K. Mr Hart's and Mr Goudy's total 2019 USD salary, bonus and fees paid were USD \$197K and USD \$181K, respectively. Peter Crown was appointed

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

5 December 2019. His 2020 earnings of \$206K are \$182K of contractor fees for service from a related entity prior to becoming a director and \$24,000 of director fees.

¹ Tim Hart salary and fees USD \$128K (2019: USD \$197K); Resigned from the Board 22 January 2020, retains title as President and CEO

² Guy Goudy salary and fees USD \$87,500 plus ex-gratia payment of USD \$138K (2019: USD \$181K); Resigned 22 January 2020

³ Lonny Haugen salary and fees USD \$0 (2019: USD \$0); Lonny Haugen is President of CFO Colorado Accounting & Tax services. The Company uses CFO Colorado for its accounting services. Fees paid to CFO Colorado for the year ended 30 June 2020 were USD \$84K (2019: USD \$117K)

⁴ Peter Crown appointed 5 December 2019; 2020 earnings of \$206K are \$182K of contractor fees for service from a related entity prior to becoming a director and \$24K of director fees.

⁵ Nigel Hartley appointed 5 December 2019; Resigned 22 January 2020

⁶ Andy Lydard appointed 4 February 2020; Resigned 23 March 2020

⁷ Andrew Blow resigned 5 December 2019

Share-based Compensation

Directors received a total of 7,000,000 of performance rights during the year ended 30 June 2020 as detailed below in the KMP Shareholdings table.

Directors fees of \$290K were issued in shares during the twelve months ending 30 June 2020. No options were issued as remuneration for the year ended 30 June 2020.

Shares Provided on Exercise of Remuneration Options

No options were exercised during the year ended 30 June 2020.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

Directors Interests in Shares and Options

KMP Shareholdings

The number of ordinary shares in Fremont Petroleum Corporation Limited held by each KMP of the Group during the financial year is as follows:

2020	Balance 01.07.2019	Granted	Purchased	Balance 30.06.2020
Mr P Crown	-		109,414,876	109,414,876
Mr T Hart	15,599,497	7,369,380		22,968,877
Mr A Blow	8,992,856	5,530,092		14,522,948
Mr G Goudy	16,270,781	7,369,380		23,640,161
Mr S Middleton	13,299,999	9,383,508		22,683,507
Mr S Jarvis	99,642,859	9,383,508		109,026,367
Mr L Haugen	3,611,447	1,250,000		4,861,447
Total	157,417,439	40,285,868	109,414,876	307,118,183

Tim Hart and Guy Goudy resigned from the Board 22 January 2020. Tim Hart retains his title as President and CEO. Andrew Blow resigned 5 December 2019.

2019	Balance 01.07.2018	Granted	Purchased	Balance 30.06.2019
Mr T Hart	6,242,355	7,928,571	1,428,571	15,599,497
Mr A Blow	3,349,999	4,928,571	714,286	8,992,856
Mr G Goudy	6,913,639	7,928,571	1,428,571	16,270,781
Mr S Middleton	6,228,571	4,928,571	2,142,857	13,299,999
Mr S Jarvis	74,785,716	3,428,571	21,428,572	99,642,859
Mr L Haugen	611,447	3,000,000	-	3,611,447
Total	98,131,727	32,142,855	27,142,857	157,417,439

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

KMP Options Holdings

KMP have listed options associated with Rights Issue at no cost. KMP have no outstanding unlisted performance options in place.

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

2020	Balance 01.07.2019	Options Purchased	Other	Balance 30.06.2020
Mr G Goudy	1,785,715	-	(1,785,715)	-
Mr A Blow	714,286	-	(714,286)	-
Mr T Hart	1,785,715	-	(1,785,715)	-
Mr S Middleton	2,142,858	-	(2,142,858)	-
Mr S Jarvis	47,535,715	-	(47,535,715)	-
Total	53,964,289	-	(53,964,289)	-

2019	Balance 01.07.2018	Options Purchased	Other	Balance 30.06.2019
Mr G Goudy	1,280,196	714,286	(208,767)	1,785,715
Mr A Blow	357,143	357,143	-	714,286
Mr T Hart	1,087,746	714,286	(16,317)	1,785,715
Mr S Middleton	1,071,429	1,071,429	-	2,142,858
Mr S Jarvis	36,821,429	10,714,286	-	47,535,715
Total	40,617,943	13,571,430	(225,084)	53,964,289

Other in 2020 and 2019 indicates expired options.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

Performance Rights Plan

The number of director and KMP performance rights accrued during the financial year, are as follows:

2020	Balance 01.07.2019	Performance Rights Accrued	Issued	Balance 30.06.2020
Mr S Middleton	500,000	500,000	(1,000,000)	-
Mr G Goudy	1,000,000	1,000,000	(2,000,000)	-
Mr T Hart	1,000,000	1,000,000	(2,000,000)	-
Mr A Blow	500,000	500,000	(1,000,000)	-
Mr S Jarvis	500,000	500,000	(1,000,000)	-
Mr L Haugen	625,000	625,000	(1,250,000)	-
Total	4,125,000	4,125,000	(8,250,000)	-

2019	Balance 01.07.2018	Performance Rights Accrued	Issued	Balance 30.06.2019
Mr S Middleton	1,000,000	1,000,000	(1,500,000)	500,000
Mr G Goudy	3,000,000	2,500,000	(4,500,000)	1,000,000
Mr T Hart	3,000,000	2,500,000	(4,500,000)	1,000,000
Mr A Blow	1,000,000	1,000,000	(1,500,000)	500,000
Mr S Jarvis	-	500,000	-	500,000
Mr L Haugen	1,000,000	2,625,000	(3,000,000)	625,000
Total	9,000,000	10,125,000	(15,000,000)	4,125,000

The Company's Performance Rights Plan ("Plan") was approved by shareholders at the General Meeting held on 20 December 2016. The Plan enables the Company to grant entitlements to shares ("Performance Rights") and issue shares on conversion of Performance Rights, without impacting on the Company's ability to issue up to 15% of its total ordinary securities without shareholder approval in any 3-year period. The Company is required to accrue for these performance rights during the year despite the rights requiring Shareholder approval.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

2020 Performance Rights

Directors performance rights were issued on 30 June 2020 at \$0.006 amounting to \$42K. for meeting one of the four targets in the 2019 plan. A Performance Rights Plan has not been approved for 2020.

2019 Plan Director Targets

- KPI#1 No safety LTA or Phase 1 environmental accidents
- KPI#2 Production boost of 25% year over year
- KPI#3 Achieve production of 200 Bopd for a minimum of 90 days
VWAP of \$0.02 over 20 consecutive trading days

KPI#4

2019 Performance Rights

Directors performance rights were issued on 21 March 2019 at \$0.009 amounting to \$108K for meeting three of four targets in the 2018 Plan. A performance rights accrual was recorded in 2019 based on the likelihood of achieving one of four targets of the 2019 plan agreed to 29 November 2018 and has been calculated at the then current share price of \$0.006.

2018 Director Targets

- KPI#1 No safety LTA or Phase 1 environmental accidents
- KPI#2 Production boost of 25% year over year for minimum of 90 consecutive days
- KPI#3 Achieve a cash flow positive position for a minimum of 90 consecutive days
- KPI#4 Share price of \$0.06 for 30 consecutive days

END OF AUDITED REMUNERATION REPORT

Retirement, Election and Continuation in Office of Directors

Directors are subject to retirement by rotation and election by shareholders at a general meeting. No director other than the Chief Executive Officer may remain on the Board for more than three years without re-election. Where a director is appointed during the year, the director will hold office until the next Annual General Meeting and then be eligible for election.

Indemnifying Officers and Auditors

The Group has entered into Deeds of Indemnity with each of the Directors and Company Secretary and has taken out Directors and Officers Insurance (D&O) on behalf of each of the Directors and Company Secretary.

No liability has arisen under this indemnity as at the date of this report.

Shares Under Option

As at 30 June 2020, there were 12,500,000 unlisted options convertible to shares upon the payment of \$0.045 per share on or before 30 June 2021 issued as brokerage.

There were no listed options as at 30 June 2020.

FREMONT PETROLEUM CORPORATION LIMITED

AUDITOR'S INDEPENDENCE DECLARATION

Non-Audit Services

No non-audit services were performed by the auditor during the financial year ended 30 June 2020.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:



Peter Crown
Non-Executive Chairman

Dated this 7th day of December 2020

Auditor's Independence Declaration

To the Directors of Fremont Petroleum Corporation Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Fremont Petroleum Corporation Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B A Mackenzie
Partner – Audit & Assurance

Melbourne, 7 December 2020

FREMONT PETROLEUM CORPORATION LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2020

	Note	Consolidated Group	
		2020 \$	2019 \$
Revenues from operations	4	596,900	1,062,549
Lease operating expense		(455,051)	(504,913)
Share based payments	29	(88,000)	(165,650)
Employee benefits expense		(696,768)	(625,346)
Depreciation and amortisation expense	5	(232,533)	(403,934)
Professional fees		(598,303)	(678,902)
Other expenses	5	(571,018)	(570,473)
Travel and accommodation expense		(103,727)	(134,854)
Regulatory compliance		(289,174)	(518,695)
Impairment charge	15	(6,046,701)	-
Impairment of financial assets	13	(58,143)	(236,654)
Plug and abandon costs		(72,580)	-
Loss on disposal of asset		(7,597)	-
Interest expense		(535,311)	(32,814)
Loss before income tax		(9,158,006)	(2,809,686)
Income tax expense	6	-	-
Loss for the year		(9,158,006)	(2,809,686)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange rate differences on translation of foreign operations		418,513	461,818
Other comprehensive income for year net of tax		418,513	461,818
Total comprehensive loss for year		(8,739,493)	(2,347,868)
Loss for the year attributable to:			
Members of the parent entity		(9,158,006)	(2,809,686)
		(9,158,006)	(2,809,686)
Total comprehensive loss attributed to:			
Members of the parent entity		(8,739,493)	(2,347,868)
		(8,739,493)	(2,347,868)
Earnings per share for loss from continuing operations:			
Basic earnings per share	9	(\$0.0053)	(\$0.0024)
Diluted earnings per share	9	(\$0.0053)	(\$0.0024)

This statement should be read in conjunction with the notes to the financial statements.

FREMONT PETROLEUM CORPORATION LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2020

	Note	Consolidated Group	
		2020	2019
		\$	\$
Current Assets			
Cash and cash equivalents	10	1,291,081	1,558,697
Trade and other receivables	11	12,508	89,605
Total Current Assets		1,303,589	1,648,302
Non-Current Assets			
Property, plant and equipment	12	116,198	196,217
Development and producing assets	14	1,676,904	1,818,277
Exploration and evaluation assets	15	12,222,252	13,280,139
Other assets	16	486,343	406,852
Total Non-Current Assets		14,501,697	15,701,485
Total Assets		15,805,286	17,349,787
Current Liabilities			
Trade and other payables	17	3,879,015	1,543,166
Other short-term liabilities		26,035	-
Interest bearing liabilities	18	-	350,541
Common stock liability	19	417,084	-
Convertible note and accrued interest	18	3,357,373	-
Total Current Liabilities		7,679,507	1,893,707
Non-Current Liabilities			
Other long-term liabilities		23,337	93,933
Asset retirement obligations	20	1,174,525	1,062,626
Deferred tax liability	6	250,761	246,509
Total Non-Current Liabilities		1,448,623	1,403,068
Total Liabilities		9,128,130	3,296,775
Net Assets		6,677,156	14,053,012
Equity			
Issued Capital	21	92,101,477	90,747,407
Reserves	22	10,767,829	10,339,749
Retained earnings / (Accumulated losses)		(96,192,150)	(87,034,144)
Total Equity		6,677,156	14,053,012

This statement should be read in conjunction with the notes to the financial statements.

FREMONT PETROLEUM CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2020

Consolidated Group	Issued Capital \$	Convertible Notes \$	Performance Rights Reserve \$	Foreign Currency Reserve \$	Retained Profits/(Losses) \$	Total \$
Balance at 30 June 2018	82,302,080	-	67,500	9,711,531	(84,224,458)	7,856,653
Share issued during the year	9,047,236	-	-	-	-	9,047,236
Performance rights accrued	-	-	285,650	-	-	285,650
Performance rights issued	186,750	-	(186,750)	-	-	-
Share issue costs	(788,659)	-	-	-	-	(788,659)
Profit or loss	-	-	-	-	(2,809,686)	(2,809,686)
Movement in FX reserve	-	-	-	461,818	-	461,818
Balance at 30 June 2019	90,747,407	-	166,400	10,173,349	(87,034,144)	14,053,012
Share issued during the year	1,420,323	-	-	-	-	1,420,323
Convertible note	-	175,967	-	-	-	175,967
Performance rights accrued	-	-	88,000	-	-	88,000
Performance rights issued	254,400	-	(254,400)	-	-	-
Share issue costs	(320,653)	-	-	-	-	(320,653)
Profit or loss	-	-	-	-	(9,158,006)	(9,158,006)
Movement in FX reserve	-	-	-	418,513	-	418,513
Balance at 30 June 2020	92,101,477	175,967	-	10,591,862	(96,192,150)	6,677,156

This statement should be read in conjunction with the notes to the financial statements.

FREMONT PETROLEUM CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2020

		Consolidated Group	
	Note	2020	2019
		\$	\$
Cash Flow from Operating Activities			
Receipts from customers		664,010	1,097,844
Payments to suppliers and employees		(1,319,140)	(1,705,367)
Interest received		2,062	2,916
Interest paid		(26,971)	(32,814)
Regulatory compliance		(289,174)	(518,694)
Workers comp and other professional fees		(7,461)	(36,104)
Net cash used in operating activities	25	(976,674)	(1,192,219)
Cash Flow from Investing Activities			
Payments for plant and equipment		(2,422)	(31,917)
Loans to joint venture investment		(20,029)	(146,111)
Payments for development activities		-	(171,831)
Payments for exploration activities		(3,231,248)	(5,272,563)
Net cash used in investing activities		(3,253,699)	(5,622,422)
Cash Flow from Financing Activities			
Proceeds from borrowings	18	3,025,000	-
Repayment of borrowings		(391,067)	(41,439)
Proceeds of issue of shares	21	1,250,000	8,927,235
Receipt for shares to be issued	19	417,084	-
Share issue costs		(320,653)	(852,183)
Net cash provided by financing activities		3,980,364	8,033,613
Net (decrease) / increase in cash held		(250,009)	1,218,972
Cash at the beginning of the year		1,558,697	514,399
Effects of exchange rate changes on cash and cash equivalents		(17,607)	(174,674)
Cash at the end of the year	10	1,291,081	1,558,697

This statement should be read in conjunction with the notes to the financial statements.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

The financial report includes the consolidated financial statements and notes of Fremont Petroleum Corporation Limited and controlled entities (Group) of Fremont Petroleum Corporation Limited which is a listed public Group, incorporated and domiciled in Australia.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report of Fremont Petroleum Corporation Limited for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the directors on 30 October 2020.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

Fremont Petroleum Corporation Limited is a for-profit entity for the purpose of preparing the financial statements.

Reissued financial statements

The Company's previously issued consolidated financial statements for the year ended 30 June 2020, dated 30 October 2020 have been withdrawn and replaced by these consolidated financial statements.

The previously issued consolidated financial statements were issued with a disclaimer of opinion as the independent auditors considered they did not have sufficient evidence to support the Directors' view that the consolidated financial statements should be prepared on a going concern basis. Following the release of the consolidated financial statements to the Australian Securities Exchange (ASX), the Company's securities were suspended from official quotation. Subsequently, the ASX advised the Company that the securities would not be reinstated to official quotation until the Company was able to provide audited consolidated financial statements with an independent auditor's report that did not contain either a disclaimer of opinion or an adverse opinion.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Accordingly, the Board has provided additional evidence to support its view on going concern. In particular, the Board has negotiated deferred payment terms with Creditors and maintains is confident that the Company can raise new capital as required and as it has done post balance date. For further explanation of the assessment on going concern, refer to note 2.

These reissued consolidated financial statements contain no other changes from the consolidated financial statements issued on 30 October 2020, apart from the update in note 2, and note 32 which updated going concern disclosures and detail capital raising post balance date, respectively

Changes in Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last consolidated annual financial statements for the year ended 30 June 2019, except as described below. Note that the changes in accounting policies specified below only apply to the current year. The accounting policies included in the Group's last consolidated annual financial statements for the year ended 30 June 2019 are the relevant policies for the purposes of comparatives.

AASB 16: Leases

Impact of Adoption of AASB 16

The Group has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets and an interest expense on the recognised lease liabilities.

In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of Transition to AASB 16

There was no effect on the financial statements of Fremont Petroleum Corporation Limited on adoption of AASB 16 Leases.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impact that the Coronavirus (COVID-19) pandemic has had, or may continue to have, on the consolidated entity based on known information and particularly with respect to extreme energy price volatility through April and May. As well as this, consideration extends to the nature of our supply chain, staffing and geographic regions in which the consolidated entity operates.

The COVID-19 pandemic has had significant impact on operations with the temporary shutting-in and temporary suspension of operations which has translated into a change in revenue stream and the prudent adoption of risk management measures to mitigate the risks.

The immediate mitigation measures implemented during the reporting period, and subsequently, have been to:

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

- Temporarily shut-in production;
- Furlough all but essential staff and ensure safe working conditions;
- Convert debt facility to equity;
- Complete Tranche 2 of the capital raise which was commenced in April 2020;
- Work with significant vendors to develop mutually satisfactory payment terms.

All remaining US staff are now working safely.

Subsequent to the reporting period, with the COVID-19 situation stabilising and concurrent with more stability in energy price markets, we have:

- Closed the Trey acquisition bringing on immediate additional production;
- Restarted production in Colorado and Kentucky;
- Developed well workover plans to bring wells back online at increased production levels;
- Maintained stringent cost control; and
- Raised additional working capital to strengthen the balance sheet and ensure adequate cash reserves.

Notwithstanding the above measures, it is yet not practicable to fully estimate the potential impact, positive or negative, after the reporting date of the Coronavirus (COVID-19) pandemic.

(b) Principles of Consolidation

A controlled entity is any entity over which Fremont Petroleum Corporation Limited, is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 24 to the financial statements. All controlled entities have a June financial year end.

As at the reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered/(left) the consolidated Group during the year, their operating results have been included/(excluded) from the date control was gained/(ceased).

All inter-Group balances and transactions between entities in the consolidated Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(c) Revenue

Revenue from contracts with customers is recognised in the income statement when or as the Group transfers control of goods or services to a customer at the amount the Group expects to be entitled.

Interest revenue is recognised on a proportional basis using the effective interest method taking into account the interest rates applicable to the financial assets.

Revenue from oil and gas is recognised at a point in time when the Group has transferred control of the assets to the customer. Control of the asset is considered to transfer to the buyer at the time of delivery of the oil or gas to the customer.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Revenue from interest is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

(d) Income Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted or are substantially enacted as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authorities.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability 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.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(e) Trade and Other Receivables

Trade receivables and other receivables are carried at amounts due less any allowance for expected credit losses.

(f) Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

(g) Interests in Joint Arrangements

The consolidated Group's share of the assets, liabilities, revenue and expenses of joint operations are included in the appropriate items of the consolidated financial statements. Details of the consolidated Group's interests are shown at Note 13.

The consolidated Group's interests in joint ventures are brought to account using the equity method of accounting in the consolidated financial statements.

Under the equity method, the share of the profit and losses of the joint venture is recognised in the profit or loss, and the share of post-acquisition movements in reserves recognised in other comprehensive income.

Unrealised gains and losses on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in those entities. Where unreleased losses are eliminated, the underlying asset is also tested for impairment.

(h) Exploration, Evaluation and Development Expenditure and Restoration Provisions

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable 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 that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Development and producing assets are accounted for under AASB 116 Property, Plant and Equipment.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

(i) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not more than the recoverable amount from these assets. The recoverable amount is assessed based on the expected net cash flows that will be received from the asset's employment and subsequent disposal. The net expected cash flows have been discounted to their present values in determining recoverable amounts.

(j) Depreciation

Items of property, plant, and equipment, are depreciated over their estimated useful lives ranging from 3 to 40 years to write off the net cost of each asset during its expected useful life to the Group. The straight-line method of depreciation is used.

The assets residual values and useful lives are reviewed and adjusted if appropriate at each reporting date. An asset's carrying amount is written down immediately from its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses are determined by comparing proceeds received with the asset's carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(k) Leases

(i) Right-of-use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(ii) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(I) Foreign Currency Transactions and Balances

(i) Functional and Presentation Currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year-end exchange rate. Exchange differences arising on the translation of monetary items are recognised in statement of profit or loss and other comprehensive income.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

(iii) Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date; and
- Income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

(m) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date in respect of wages and salaries, annual leave and long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be payable later than one year are measured as the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity which match the expected timing of cash flows.

Contributions made by the Group to employee superannuation funds are charged to expenses as incurred.

(n) Equity-Settled Compensation

The Group operates equity-settled share-based payment employee option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase in an equity account. The fair value of options is determined by an independent valuer using a Black-Scholes option pricing model which incorporates all vesting conditions. In determining fair value, no account is taken of any performance conditions other than those related to market conditions. The cumulative expense recognised between grant date and vesting date is adjusted to reflect the directors' best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the Group until vesting date, or such that employees are required to meet internal sales targets. No expense is recognised for options that do not ultimately vest because internal conditions were not met. An expense is still recognised for options that do not ultimately vest because a market condition was not met.

(o) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group.

(p) Financial Assets and Liabilities

Classification

The Group classifies its financial assets and liabilities in the following categories: financial assets at fair value through profit and loss and amortised cost. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and 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 assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Amortised Cost

The Group classifies its financial assets as at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest.

(iii) Classification and Subsequent Measurement of Financial Liabilities

The Group's financial liabilities including borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss. All derivative financial instruments that are not designated and effective as hedging instruments are accounted for at FVTPL.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are including within finance costs or finance income.

Recognition and Derecognition

Regular purchases and sales of financial assets are recognised as trade-date — the date on which the Group commits to purchase or sell an asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Subsequent Measurement

Changes in the value of monetary securities denominated in a foreign currency and classified as financial assets at fair value through profit and loss 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 related to changes in the amortised cost are recognised in profit or 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.

Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or Group of financial assets is impaired. In the case of equity securities a significant or prolonged decline in the fair value below its cost is considered as an indicator that the securities are impaired. If any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss is recognised in the statement of profit or loss and other comprehensive income.

(q) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalent includes cash on hand and at call in banks net of overdrafts.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

(r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

(s) Issued Capital

Ordinary share capital is recognised at the fair value of the consideration received. Any transaction costs arising on the issue of shares are recognised (net of tax) directly in equity as a reduction in the share proceeds received.

(t) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(u) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets, such as outcomes of drilling projects, the Company's portfolio priorities and leasing requirements. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Exploration and Evaluation

The Group's policy for exploration and evaluation is discussed at Note 1(h). The application of this policy requires management to make certain estimates and assumptions as to future events and circumstances.

Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sales or exploitation, then the relevant capitalised amount will be written off through the statement of profit or loss and other comprehensive income.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

(v) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(w) Segment Reporting

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

(x) Parent Entity Financial Information

The financial information for the parent entity, Fremont Petroleum Corporation Limited, disclosed in Note 3 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 financial statements of Fremont Petroleum Corporation Limited.

(y) Business Combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of: (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

NOTE 2: GOING CONCERN

The financial report has been prepared on the basis of a going concern. The Group had net operating cash outflows for the year of \$977K and a closing cash position of \$1.29M and a deficit of working capital of 6.38M (including \$3.36M of convertible notes), as at 30 June 2020. As per Subsequent Events Note 32, the Company received approval to issue shares to complete the debt for equity conversion at the General Meeting held 31 August 2020. On 3 September 2020, the Company announced the conversion of its \$3.03M note plus accrued interest into 1,243,058,600 shares at \$0.003 share. Excluding the convertible note, the deficit of working capital amounts to \$3.02M.

The Group's ability to continue as a going concern is contingent on the restructuring of current trade payables and raising additional equity to provide working capital. Post period end, the Group has been working with creditors to restructure payment obligations and has successfully deferred 75% of current payables and is continuing to work with vendors to obtain additional deferrals. It has also raised since August 2020 an additional \$3.55M in Equity as detailed below.

The Group's ability to continue as a going concern is also contingent upon further successful production enhancements, field development and raising capital, via debt, equity, farm-outs, joint ventures, or a combination of these. If the Company is not successful in these matters, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities. No allowance for such circumstances has been made in the financial report.

The Company raised a total of \$1.25M in May 2020 and has received an additional \$417K toward a future stock purchase (see Common Stock Liability Note 19 for additional details) to fund additional development through drilling. This demonstrates the Company's ability to raise capital.

As per Subsequent Events Note 32, the Company received approval to issue Tranche 2 of The Placement announced 29 April 2020 at the General Meeting Held 31 August 2020. Tranche 2 is comprised of 582,916,147 of shares to be issued at \$0.003 per share with a one-for-one attaching option exercisable at \$0.003 expiring 12 months from the issue date. The fund raise totals \$1.75M, which includes the \$417K common stock receipt recorded as a liability as of 30 June 2020. As of the date of this report, the Company has issued \$1.75M of the approved securities. A further \$1.8M in Equity has been raised using the Company's LR7.1 capacity to the date of this report. These fund raises demonstrate the Company's continued ability to raise capital.

Funds are being raised for working capital purposes and to give the Company the financial flexibility to pursue opportunistic conventional oil and gas acquisitions focused on onshore USA.

As also noted in Subsequent Events Note 32, on 8 September 2020, the Company announced it expects to complete the Asset Purchase Agreement to acquire the portfolio of producing oil and gas leases located in the Illinois Basin from Indiana based Trey Exploration, Inc using existing cash reserves. Trey holds highly prospective production leases and a portfolio of conventional wells that are currently producing approximately 71 barrels of oil per day in the states of Indiana, Illinois and Kentucky. Production can be enhanced through low-cost workovers and other field activities, and they add scale to the Company's Kentucky operations that are also being worked over for enhanced production.

Fremont finalised the Trey acquisition in early October with an initial payment of USD \$1M and will make a payment of the USD \$900K balance in April 2021.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

As per its announcement 15 October 2020, Fremont is tracking at 126 barrels of oil per day. Trey leases are contributing 75 barrels per day, up from 71. 16 low-cost workovers are scheduled to deliver further production gains. 13 of the 26 scheduled workovers in Colorado and Kentucky have been completed yielding 51 barrels of oil per day, up from 45. Fremont's total well count now sits at 170 wells and a comprehensive field development program is being designed to enhance production on all wells.

NOTE 3: PARENT ENTITY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	2020	2019
	\$	\$
Statement of financial position		
Total current assets	1,205,474	119,618
Total non-current assets	50,000	50,000
Total assets	1,255,474	169,618
Total current liabilities	3,978,542	81,437
Total liabilities	3,978,542	81,437
Share capital	13,011,448	14,564,482
Reserve for performance rights	-	166,400
Reserve for convertible notes	175,967	-
Accumulated losses	(15,910,483)	(14,642,701)
Total Equity	(2,723,068)	88,181
Statement of profit or loss and other comprehensive income		
Profit/(Loss) for the year after tax	(1,267,782)	(1,024,398)
Total comprehensive income/loss	(1,267,782)	(1,024,398)

The parent entity has not provided any financial guarantees on behalf of its subsidiary.

The parent entity accounts for Joint Ventures at cost.

The parent entity did not have any contingent liabilities as at 30 June 2020 (2019 Nil).

The parent entity had no contractual commitments as at 30 June 2020 (2019: Nil).

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 4: REVENUE

From continuing operations:

	2020	2019
	\$	\$
Gas and Oil Sales	596,668	1,059,633
Interest received	232	2,916
Total Revenue	596,900	1,062,549

NOTE 5: LOSS FOR THE YEAR

Losses before income tax have been determined after:

	2020	2019
	\$	\$
Depreciation expense	57,003	87,880
Amortisation expense	175,530	316,054
	2020	2019
	\$	\$
Other Expenses:		
Insurance	172,785	167,861
Telephone	17,169	19,251
Rent on land & buildings	22,927	21,975
Property tax	66,139	45,406
Annual surface use agreements	76,597	61,002
Accretion	96,326	64,377
Repairs and maintenance	18,141	16,665
GST Expense	24,382	61,575
Other Expenses	75,410	94,015
Office Supplies	1,142	18,346
	571,018	570,473

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 6: INCOME TAX EXPENSE

	2020	2019
	\$	\$
(a) The components of income tax expense comprise:		
Current Tax	-	-
Deferred Tax	-	-
	-	-
(b) The prima facie tax benefit on loss from ordinary activities is reconciled to the income tax as follows:		
Net Loss	(9,158,006)	(2,809,686)
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	(2,747,402)	(842,906)
Add/(less) the tax effect of:		
- Differences in tax rate for US	(80,492)	(61,629)
- Other allowable / (non-allowable) items		
- Impairment and write down	1,831,453	70,996
- Amortisation	52,659	94,816
- Share based payment	26,400	49,695
Tax effect of tax losses and temporary differences not brought to account as they do not meet the recognition criteria	917,382	689,028
Income tax attributable to operating loss	-	-
(c) Unused tax losses and temporary differences for which no deferred tax asset has been recognised:		
- In Australia at 27.5%	9,998,909	8,819,127
- In USA at 35%	9,727,585	8,117,735
	19,726,494	16,936,862
(d) Deferred liability arising from temporary differences		
- In USA at 35%	250,761	246,509
	250,761	246,509

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 7: INTEREST OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2020.

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

	2020	2019
	\$	\$
Short term employee benefits	732,130	527,693
Post-employment benefits	11,081	10,276
Share based payments	222,323	381,168
	965,534	919,137

NOTE 8: AUDITORS' REMUNERATION

	2020	2019
	\$	\$
Remuneration of auditor of consolidated Group for:		
Auditing the financial report		
Australia	65,000	77,650

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 9: EARNINGS PER SHARE & DILUTED EARNINGS PER SHARE

	2020	2019
	\$	\$
Net loss attributed to ordinary equity holders	(9,158,006)	(2,809,686)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	1,735,271,838	1,153,668,662
Basic Earnings per share	(\$0.0053)	(\$0.0024)
Diluted Earnings per share	(\$0.0053)	(\$0.0024)

The options held by option holders have not been included in the weighted average number of ordinary shares for the purpose of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 "Earnings per Share". The options are non-dilutive as the consolidated entity is loss generating. See Note 21 for option details.

NOTE 10: CASH AND CASH EQUIVALENTS

	2020	2019
	\$	\$
Cash at bank and on hand	1,291,081	1,558,697

The effective annual interest rate on cash at bank was 0.02% (2019: 0.28% pa.).

NOTE 11: TRADE AND OTHER RECEIVABLES

	2020	2019
	\$	\$
Trade and Other receivables	5,079	69,086
GST Receivable	7,429	20,519
	12,508	89,605

The Group uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. As all oil and gas sales are to a small number of customers, there is no expected credit loss allowance as at 30 June 2020.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	2020	2019
	\$	\$
Plant and equipment:		
- At cost	530,072	596,693
- Less: Accumulated depreciation	(413,874)	(400,476)
	116,198	196,217

Movement in Property, Plant and Equipment at Cost

	2020	2019
	\$	\$
Plant and equipment:		
- At cost	596,693	534,838
- Add: Additions	2,423	31,915
- Less: Assets sold during the year	(81,601)	-
- Add: Foreign currency difference	12,557	29,940
	530,072	596,693

Movement in Property, Plant and Equipment Accumulated Depreciation

	2020	2019
	\$	\$
Plant and equipment:		
- Opening: Accumulated depreciation	(400,476)	(294,783)
- Add: Depreciation	(57,003)	(87,880)
- Less: A/D for assets sold during the year	57,121	-
- Add: Foreign currency difference	(13,516)	(17,813)
	(413,874)	(400,476)

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 13: INTERESTS IN JOINT VENTURES

Kentucky Exploration LLC is the only joint venture within the Group and the ownership percentage is 50%. Kentucky Exploration LLC is domiciled in the United States of America and its principal activity is to develop and explore the subject prospect for oil and gas production. Its financial statements have been incorporated into the consolidated financial statements using the equity method of accounting.

	2020	2019
	\$	\$
Sales and other operating revenues	176,830	320,803
Finance costs and other finance expense	(277,260)	(1,209,298)
Profit/(Loss) before taxation	(100,430)	(888,495)
Taxation	-	-
Profit/(Loss) for the year	(100,430)	(888,495)
Interest profit/(loss) for the year	-	-
Non-current assets	229,890	215,836
Current assets	84,347	117,695
Total assets	314,237	333,531
Non-current liabilities	3,037,156	2,879,317
Current liabilities	221,651	141,022
Total liabilities	3,258,807	3,020,339

Impairment

At each year end, the Directors' review the carrying values of the Kentucky Exploration LLC exploration and evaluation and development and producing assets to determine whether there is any indication that those assets are impaired. For those prospects where the Directors believe such an indication exists at period end, they compare the asset's fair value less costs to sell and value in use to the asset's carrying value. Where it is not possible to estimate the recoverable amount of an individual asset, the Directors' estimate the recoverable amount of the cash-generating unit to which the asset belongs.

50% of Kentucky Exploration LLC's loss was recorded in Fremont's consolidated financials annually, except beginning the year ended 30 June 2017, in which only the portion of the loss that reduced the investment to \$0 was recorded. No loss was recorded in 2020 or 2019 as the investment was already reduced to \$0.

During the twelve months ended 30 June 2020 and 30 June 2019, equity contributions of \$58K and \$237K, respectively, were made to the Company's joint venture Kentucky Exploration LLC. The corresponding loan receivable was written down by these amounts as of 30 June 2020 and 30 June 2019, respectively.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 14: DEVELOPMENT AND PRODUCING ASSETS

	2020	2019
	\$	\$
Producing assets at cost	2,627,090	2,584,735
Accumulated amortisation	(950,186)	(766,458)
	1,676,904	1,818,277

Movement in Carrying Amounts

	2020	2019
	\$	\$
Balance at beginning of year	1,818,277	1,862,984
Additions	-	171,831
Exchange rate difference	34,157	81,703
Amortisation expense	(175,530)	(298,241)
	1,676,904	1,818,277

At each period end, the Directors' review the carrying values of its development and producing assets to determine whether there is any indication that those assets have been impaired. For those prospects where the Directors believed such an indication existed at period end, they compared the asset's fair value less costs to sell and value in use to the asset's carrying value. Where it was not possible to estimate the recoverable amount of an individual asset, the Directors' estimated the recoverable amount of the cash-generating unit to which the asset belongs.

There was no impairment in the carrying amounts of developing and producing assets during the years ending 30 June 2020 and 30 June 2019.

NOTE 15: EXPLORATION AND EVALUATION ASSETS

	2020	2019
Exploration and evaluation assets at cost	12,222,252	13,280,139

Movement in Carrying Amounts:

	2020	2019
	\$	\$
Balance at beginning of year	13,280,139	6,934,387
Additions	4,694,787	5,858,739
Exchange rate difference	294,027	487,013
Exploration expenditure impairment	(6,046,701)	-
	12,222,252	13,280,139

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

During the year ended 30 June 2020 and 30 June 2019, revenues from exploration assets have been offset against the Company's capitalised exploration asset balance.

Impairment

The Company's exploration and evaluation assets were impaired by \$6.00M during the twelve months ended 30 June 2020. This reflects the write down of the Powell and Vespucci wells to their projected cost and the write down of all non-producing Ausco Petroleum Inc. wells, excluding Seismic and Cimarex, to \$0.

The Cimarex sublease has not been written down at this time as a result of its current suspension and the basis for recognising the sublease being at the lower end of the R&R valuation. The sublease remains viable with respect to future gas off-take agreements. The sublease remains valid as existing wells are held by production or pending production, and applications are logged and pending for future drilling. The Cimarex lease will be reconsidered with regard to the change in supply and demand and the prevailing oil and gas prices resulting from the global pandemic as the energy market stabilises and Fremont County emerges from Level 2 status.

The Company continues to pursue oil and gas opportunities and if in the future there is found to be an estimable increase in the recoverable value of written down projects, then impairments previously recognised may be reversed.

There was no exploration and evaluation asset impairment during the twelve months ended 30 June 2019.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 16: OTHER ASSETS

	2020	2019
	\$	\$
Bond deposits	486,343	406,852

NOTE 17: TRADE AND OTHER PAYABLES

	2020	2019
	\$	\$
Trade payables	3,669,958	1,394,942
Other payables	57,967	16,380
PTO accrual	7,317	31,743
Ad valorem	123,172	87,933
PAYG withholding	20,601	12,168
	3,879,015	1,543,166

NOTE 18: INTEREST BEARING

	2020	2019
	\$	\$
Line of credit	-	350,541

The Group obtained a \$650K USD line of credit from ANB Bank in April 2017. The line of credit had a maximum borrowing amount of USD \$250K, of which \$246K USD was drawn at 30 June 2019. Interest only monthly payments are required under the line of credit agreement. The interest rate was 7.5% at 30 June 2019. The line of credit was secured by oil and gas wells and was paid off and closed in November 2019.

	2020	2019
	\$	\$
Convertible note	2,849,033	-
Accrued interest	508,340	-
	3,357,373	-

The Company entered into secured convertible notes of USD \$3.03M in October and November of 2019. Each convertible note has a face value of \$0.007 and an interest rate of 1.5% during the initial term, a period of four months commencing on the issue date. The notes were to mature four months from the issue date. As the notes were not repaid or converted at that

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

time, interest accrued at 2.5% thereafter. The notes were determined to be convertible into shares at the face value of the convertible note plus accrued interest divided by the renegotiated conversion rate of \$0.003. The renegotiated rate enabled the extension of the conversion. The convertible note of \$3.03M and accrued interest of \$505K are expected to be converted to shares pending shareholder approval at the General Meeting to be held 31 August 2020. See Subsequent Events Note 32 for details.

The Company has accounted for the convertible note as a compound financial instrument, in which the loan, including accrued interest, is valued at \$3.36M and the equity is valued at \$176K as of 30 June 2020.

NOTE 19: COMMON STOCK LIABILITY

	2020	2019
	\$	\$
Common stock liability	417,084	-

On 29 April 2020, Fremont announced that it secured \$3M of funding commitments through the direct placement of new shares at \$0.003 per share. Shares are to be issued in two tranches under the placement. Fremont issued 416,666,667 shares at \$0.003 per share totalling \$1.25M under Tranche 1 of the placement in May 2020. Fremont received \$417K over and above the \$1.25M, for shares that could not be issued as a result of Listing Rule 7.1, which stipulates a maximum percentage of total shares to be issued. The \$417K receipt is a deposit for which Fremont issued shares for on 9 September 2020 upon shareholder approval 31 August 2020. See Subsequent Event Note 32 for further details.

NOTE 20: ASSET RETIREMENT OBLIGATIONS

	2020	2019
	\$	\$
Asset retirement obligations	1,174,525	1,062,626

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas.

A restoration provision is recognised and updated at different stages of the development and construction of a facility and then reviewed on an annual basis. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related exploration and evaluation assets. Over time, the liability is increased for the change in the present value based on a pre-tax discount rate appropriate to the risks inherent in the liability. The unwinding of the discount is recorded as accretion charge within lease operating expense.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 21: ISSUED CAPITAL

a. **Ordinary Shares**

	2020	2019
	\$	\$
At the beginning of reporting period	90,747,407	82,302,080
Shares issued during the year		
- Issued 14 September 2018	-	1,209,848
- Issued 14 November 2018	-	1,802,861
- Issued 22 November 2018	-	80,291
- Issued 3 December 2018	-	697,000
- Issued 21 March 2019	-	306,750
- Issued 29 March 2019	-	4,137,275
- Issued 21 May 2019	-	873,447
- Issued 22 May 2019	-	126,514
- Issued 4 May 2020	1,250,000	-
- Issued 2 June 2020	236,521	-
- Issued 30 June 2020	188,202	-
	<u>92,422,130</u>	<u>91,536,066</u>
- Less: Cost of capital raising	(320,653)	(788,659)
	<u>92,101,477</u>	<u>90,747,407</u>

	2020	2019
	Number	Number
At the beginning of reporting period	1,668,335,412	691,341,981
Shares issued during the year		
- Issued 14 September 2018	-	172,835,425
- Issued 14 November 2018	-	257,551,594
- Issued 22 November 2018	-	11,470,130
- Issued 3 December 2018	-	99,571,429
- Issued 21 March 2019	-	40,392,855
- Issued 29 March 2019	-	318,251,953
- Issued 21 May 2019	-	67,188,217
- Issued 22 May 2019	-	9,731,828
- Issued 4 May 2020	416,666,667	-
- Issued 2 June 2020	24,349,840	-
- Issued 30 June 2020	26,236,028	-
At the end of the reporting period	<u>2,135,587,947</u>	<u>1,668,335,412</u>

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

At shareholder meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Options

	Class	2020 Number	2019 Number
At the beginning of the reporting period		531,414,308	272,271,838
- Issued 16 July 2018	FPLOB	-	17,000,000
- Issued 11 January 2019	FPLOB	-	321,071,433
- Expired 30 June 2019	FPLOA	-	(74,088,963)
- Expired 30 June 2019		-	(4,840,000)
- Expired 31 March 2020		(518,914,308)	-
At the end of the reporting period		12,500,000	531,414,308

Options Outstanding by Class

		2020 Number	2019 Number
		FPLAB	FPLOA
Unlisted Options			
- \$0.045 expire 30 Jun 2021		12,500,000	12,500,000
At the end of the reporting period		12,500,000	12,500,000

c. Convertible Notes

	Class	2020 Number	2019 Number
At the beginning of the reporting period			
- Issued 9 January 2020	FPLAC	432,142,856	-
At the end of the reporting period		432,142,856	-

See Convertible Note and Accrued Interest Note 18 for details.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

d. Management

Management controls the capital of the Group to maintain a good debt to equity ratio, provide the shareholders with adequate returns, and ensure the Group continues as a going concern.

The Group's debt and capital includes ordinary share capital, share options, drilling advances payable and bank debt. Management effectively manages the Group's capital by assessing the financial risks and adjusting the capital structure in response to those risks. These responses include share issues.

	2020	2019
	\$	\$
Total borrowings	3,357,373	350,541
Less: cash and cash equivalents	1,291,081	1,558,697
Net debt	2,066,292	(1,208,156)
Total equity	6,677,156	14,053,012
Total capital	92,101,477	90,747,407
Gearing ratio	50.3%	2.5%

Gearing ratio calculated as total interest-bearing debt divided by total shareholder's equity.

NOTE 22: RESERVES

	2020	2019
	\$	\$
- Foreign currency reserve	10,591,862	10,173,349
- Performance rights reserve	-	166,400
- Convertible note reserve	175,967	
	10,767,829	10,339,749

Foreign Currency Reserve

This reserve is used to record foreign currency translation differences arising on the translation of financial statements of the Group's foreign entities into Australian dollars.

Performance Rights Reserve

This reserve is used to record the fair value of performance rights.

Convertible Note Reserve

The Company has accounted for its convertible note as a compound financial instrument, in which the loan, including accrued interest, is valued at \$3.36M and the equity is valued at \$176K as of 30 June 2020. See Interest Bearing Liabilities Note 18 and Subsequent Events Note 32 for further details regarding the convertible note.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 23: SEGMENT REPORTING

Identification of Reportable Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of geographical location since the diversification of the Group's operations has notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Basis of Accounting for Purposes of Reporting by Operating Segments

Accounting Policies Adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Segment Assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment Liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment

(i) Segment Performance

	Australia 2020	US Sub 2020	US JV 2020	Total 2020
	\$	\$	\$	\$
Total segment revenue	231	596,669	-	596,900
Segment net loss before tax	(1,267,782)	(7,890,224)	-	(9,158,006)

	Australia 2019	US Sub 2019	US JV 2019	Total 2019
	\$	\$	\$	\$
Total segment revenue	2,175	1,060,374	-	1,062,549
Segment net loss before tax	(1,024,398)	(1,785,288)	-	(2,809,686)

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

(ii) Segment assets

	Australia 2020	USA 2020	Total 2020
	\$	\$	\$
Segment assets	70,626,021	14,549,812	85,175,833
Inter-segment elimination	(69,370,547)	-	(69,370,547)
	1,255,474	14,549,812	15,805,286

	Australia 2019	USA 2019	Total 2019
	\$	\$	\$
Segment assets	66,633,061	17,180,169	83,813,230
Inter-segment elimination	(66,463,443)	-	(66,463,443)
	169,618	17,180,169	17,349,787

(iii) Segment liabilities

	Australia 2020	USA 2020	Total 2020
	\$	\$	\$
Segment liabilities	3,978,542	108,560,208	112,538,750
Inter-segment elimination	-	(103,410,620)	(103,410,620)
	3,978,542	5,149,588	9,128,130

	Australia 2019	USA 2019	Total 2019
	\$	\$	\$
Segment liabilities	81,437	102,062,000	102,143,437
Inter-segment elimination	-	(98,846,662)	(98,846,662)
	81,437	3,215,338	3,296,775

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 24: CONTROLLED ENTITIES

Controlled Entities	Country of Incorporation	Equity Holding	
		2020	2019
Parent Entity:			
Fremont Petroleum Corporation Limited	Australia		
Subsidiaries of Fremont Petroleum Corporation Limited:			
AusCo Petroleum Inc (Formerly Aus-Tex Exploration Inc)	USA	100%	100%
AusCo Petroleum Florence, LLC	USA	100%	100%

NOTE 25: CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Loss from Ordinary Activities after Income Tax	2020 \$	2019 \$
Loss from ordinary activities after income tax	(9,158,006)	(2,809,686)
Non-cash flows in loss from ordinary activities		
Share based payments	88,000	165,650
Directors fees paid in shares	170,323	240,000
Loss on disposal of asset	7,597	-
Depreciation	57,003	87,880
Amortisation	175,530	316,054
Accretion	96,326	90,051
Accrued interest expense	508,116	-
Impairment and write down	6,104,844	236,654
Changes in assets and liabilities		
(Increase)/decrease in receivables	80,432	30,315
Increase/(decrease) in trade payables	893,161	450,863
Cash flow from operations	(976,674)	(1,192,219)

NOTE 26: FINANCIAL INSTRUMENTS

Financial Risk Management Policies

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

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

Risk management is carried out by the finance department under policies approved by the board of directors.

The Group holds the following financial instruments:

	2020	2019
	\$	\$
Financial Assets		
Cash and cash equivalents	1,291,081	1,558,697
Trade and other receivables	12,508	89,605
	1,303,589	1,648,302
Financial Liabilities		
Trade and other payables	3,879,015	1,543,166
Line of credit	-	350,541
Other short-term liabilities	26,035	-
Convertible note and accrued interest	3,357,373	-
Common stock liability	417,084	-
Other long-term liabilities	23,337	93,933
	7,702,844	1,987,640

(a) Market Risk

Foreign Currency Risk

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

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in US dollars, was as follows:

	2020	2019
	USD	USD
	\$	\$
Cash and cash equivalents	64,107	1,024,266
Trade Receivables	3,504	48,484
Trade Payables	2,437,685	941,736

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

Foreign Currency Sensitivity

Based on the financial instruments held at 30 June 2020, had the Australian dollar weakened/strengthened by 10% against the US dollar with all other variables held constant, the Group's post-tax profit and equity for the year would have been the following:

	2020	2019
	\$	\$
Change in profit		
Improvement in AUD to USD by 10%	(789,022)	(178,529)
Decline in AUD to USD by 10%	789,022	178,529
Change in equity		
Improvement in AUD to USD by 10%	(789,022)	(178,529)
Decline in AUD to USD by 10%	789,022	178,529

Interest Rate Sensitivity Analysis

At 30 June 2020, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2020	2019
	\$	\$
Change in profit		
Increase in interest rate by 2%	464	5,833
Decrease in interest rate by 2%	-	-
Change in equity		
Increase in interest rate by 2%	464	5,833
Decrease in interest rate by 2%	-	-

(b) Credit Risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, revenue and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management. Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group obtained a \$650K USD line of credit from ANB Bank in April 2017. The line of credit had a maximum borrowing amount of USD \$250K, of which

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

\$246K USD was drawn at 30 June 2019. Interest only monthly payments are required under the line of credit agreement. The interest rate was 7.5% at 30 June 2019. The line of credit was secured by oil and gas wells and was paid off and closed in November 2019.

The Company entered into secured convertible notes of USD \$3.03M in October and November of 2019. Each convertible note has a face value of \$0.007 and an interest rate of 1.5% during the initial term, a period of four months commencing on the issue date. The notes were to mature four months from the issue date. As the notes were not repaid or converted at that time, interest accrued at 2.5% thereafter. The notes were determined to be convertible into shares at the face value of the convertible note plus accrued interest divided by the renegotiated conversion rate of \$0.003. The renegotiated rate enabled the extension of the conversion. The convertible note of \$3.03M and accrued interest of \$505K are expected to be converted to shares on 31 August 2020 upon shareholder approval.

(d) Fair Value Measurements

The carrying value monetary financial assets and financial liabilities of the Group approximate their fair value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

AASB 13 'Fair Value Measurement' requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTE 27: RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

i. Directors and executives

Disclosures relating to key management personnel are set out in Note 7.

ii. Transactions with Director-related entities

During the year, the Group utilised the services of CFO Colorado Accounting & Tax Services for the provision of accounting and taxation services at commercial rates. To the reporting date the costs of these services was \$125K excluding GST (USD \$84K). Mr Lonny Haugen is President of CFO Colorado Accounting & Tax Services.

FREMONT PETROLEUM CORPORATION LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2020

NOTE 28: CAPITAL COMMITMENTS RELATING TO JOINT VENTURES AND TENEMENTS

The Group is required to meet minimum expenditure requirements of various Government bodies and joint venture agreements.

These obligations may be subject to re-negotiation, may be farmed out or may be relinquished and have not been provided for in the financial statements.

	2020	2019
	\$	\$
- Due within one year	-	3,357,120
- Due between 2 and 5 years	-	10,071,360
- Due between 6 and 10 years	-	12,589,200
	<u>-</u>	<u>26,017,680</u>

There are no commitments as of 30 June 2020 as the Cimarex sublease is being renegotiated and there are no other drilling requirements.

The sublease has not been written down at this time as a result of its current suspension and the basis for recognising the sublease being at the lower end of the R&R valuation and the sublease remains viable with respect to future gas off-take agreements. The sublease remains valid as existing wells are held by production or pending production, and applications are logged and pending for future drilling. The Cimarex lease will be reconsidered with regard to the change in supply and demand and the prevailing oil and gas prices resulting from the global pandemic as the energy market stabilises and Fremont County emerges from Level 2 status.

See Subsequent Event Note 32 for discussion regarding the Trey Asset Purchase Agreement in which Fremont will acquire the portfolio of producing oil and gas leases from Indiana based Trey Exploration, Inc. using existing cash reserves. The Company paid USD \$1M in October 2020 for the Trey asset purchase and will make a final payment USD \$900K in April 2021.

NOTE 29: SHARE BASED PAYMENTS

Performance Rights

The number of performance rights accrued during the financial year, are as follows:

	2020	2019
Beginning of year	6,675,000	12,500,000
Accrued	11,875,000	17,425,000
Issued	(18,550,000)	(23,250,000)
End of year	<u>-</u>	<u>6,675,000</u>

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Included under employee benefits expense and share based payments in the statement of profit and loss and other comprehensive income is \$88K (2019: \$166K) and relates, in full, to the equity-settled share-based payment transactions.

The Company's Performance Rights Plan ("Plan") was approved by shareholders at the General Meeting held on 20 December 2016. The Plan enables the Company to grant entitlements to shares ("Performance Rights") and issue shares on conversion of Performance Rights, without impacting on the Company's ability to issue up to 15% of its total ordinary securities without shareholder approval in any 3-year period. The Company is required to accrue for these performance rights during the year despite the rights requiring Shareholder approval.

2020 Performance Rights

Directors performance rights were issued on 30 June 2020 at \$0.006 amounting to \$42K for meeting one of the four targets in the 2019 plan. A Performance Rights Plan has not been approved for 2020.

2019 Plan Director Targets

- KPI#1 No safety LTA or Phase 1 environmental accidents
- KPI#2 Production boost of 25% year over year
- KPI#3 Achieve production of 200 Bopd for a minimum of 90 days
VWAP of \$0.02 over 20 consecutive trading days
- KPI#4

2019 Performance Rights

Directors performance rights were issued on 21 March 2019 at \$0.009 amounting to \$108K for meeting three of four targets in the 2018 Plan. A performance rights accrual was recorded in 2019 based on the likelihood of achieving one of four targets of the 2019 plan agreed to 29 November 2018 and has been calculated at the then current share price of \$0.006.

2018 Director Targets

- KPI#1 No safety LTA or Phase 1 environmental accidents
- KPI#2 Production boost of 25% year over year for minimum of 90 consecutive days
- KPI#3 Achieve a cash flow positive position for a minimum of 90 consecutive days
- KPI#4 Share price of \$0.06 for 30 consecutive days

NOTE 30: CONTINGENT LIABILITIES

There are no material contingent liabilities that exist at reporting date (2019: Nil).

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

NOTE 31: COVID-19 IMPACT

During the past year, Fremont Petroleum Corporation Ltd has been significantly impacted by the COVID-19 pandemic. The rapid rise of the virus saw an increasing level of restrictions on social gathering, "stay at home" orders in Australia and the US, and impacted United States of America's ability to operate amid significant volatility and instability in financial and commodity markets. - delayed strategic planned measures of the Group which have delayed certain activities beyond 30 June 2020; as listed in Notes 1 and 2.

For the year ended 30 June 2020 COVID-19 has impacted Fremont Petroleum Corporation specifically as follows:

- Slowing of global economies dramatically reduced demand for oil
- Resulting demand reduction dramatically impacted the market price for oil
- Result was the shut-in of wells in Colorado and Kentucky as wells were no longer economic to produce – no generation of monthly revenue
- Result was lack of operating income, even though some expenses/obligations continued (i.e. insurance, rent, salaries, fixed asset payments)
- Headcount reduced to two employees
- Even with "stay at home" orders, monitoring of wells remained essential
- State and Federal regulatory requirements were still in full force necessitating that the Company continue to undertake full compliance measures
- Government assistance programs for US businesses were not available if the owner of the US operations was a foreign entity
- delayed strategic planned measures of the Group which have delayed certain activities beyond 30 June 2020; as listed in Notes 1 and 2.
- Now that prices are on the rise, work overs on wells are required as down hole pumps often get stuck when wells are shut-in. In addition to this water flooded fields lose pressure and can take months to build back up to pre-shut in production levels causing massive loss of revenues. Work is commencing
- Currently working to recover well production

The COVID-19 pandemic continues to evolve and will impact operations over the next 12 months, however the full extent of the impacts cannot be quantified at this time.

NOTE 32: SUBSEQUENT EVENTS

Convertible Note

The Company received approval to issue shares to complete the debt for equity conversion at the General Meeting held 31 August 2020. On 3 September 2020, the Company announced the conversion of its \$3.03M note plus accrued interest of \$0.33M into 1,243,058,600 shares at \$0.003 share. This converted all the \$3,357,373 detailed in Note 18 – Interest Bearing at 30 June 2020 into equity.

FREMONT PETROLEUM CORPORATION LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2020

Fund Raising

The Company received approval to issue Tranche 2 of the placement announced 29 April 2020 at the General Meeting Held 31 August 2020. Tranche 2 is comprised of 582,916,147 of shares to be issued at \$0.003 per share raising \$1.75M (with a one-for-one attaching option exercisable at \$0.003 expiring 12 months from the issue date).

As part of the Tranche 2 equity raising the funds received in advance (refer to Note 19 - Common Stock Liability of \$417,084 at 30 June 2020) were applied to equity issued under Tranche 2.

On 15 October, 2020, the Company announced the issue of 849,999,998 Unlisted Options (exercisable at \$0.003 on or before 30 September 2021), as approved by Shareholders at the General Meeting held 31 August 2020, to investors who have subscribed to Tranche 1 and Tranche 2 as announced to the market on 29 April 2020. The issue of the balance of 150,000,000 Unlisted Options (exercisable at \$0.003 on or before 30 November 2021) was completed on 30 November 2020 with the Tranche 2 raising finalised.

In December 2020 a further \$1.8m was raised by the issue of 600,000,000 shares at \$0.003 with an attaching Option (exercisable at \$0.005 expiring 18 months after issue) for each 2 shares allotted.

These fund raises demonstrate the Company's continued ability to raise capital. Funds are for working capital purposes and to give the Company the financial flexibility to pursue opportunistic conventional oil and gas acquisitions onshore USA.

Trade and Other Payables

The Company has entered into structured payment plans with a number of its major suppliers to defer payments over an agreed period. Of the \$3,879,015 recorded as Trade and other Payables in Note 17 at 30 June 2020, \$1,966,380 of current trade payables at 30 June 2020 have been renegotiated deferring settlement until post 30 June 2021.

Workover Program

On 5 August 2020, the Company announced a workover program to enhance the performance of an initial 26 wells in Colorado and Kentucky and deliver more consistent daily oil production and revenue.

Trey Acquisition

On 8 September 2020, the Company announced it expects to complete the Asset Purchase Agreement to acquire the portfolio of producing oil and gas leases located in the Illinois Basin from Indiana based Trey Exploration, Inc using existing cash reserves. Trey holds highly prospective production leases and a portfolio of conventional wells that are currently producing approximately 71 barrels of oil per day in the states of Indiana, Illinois and Kentucky. Production can be enhanced through low-cost workovers and other field activities, and they add scale to the Company's Kentucky operations that are also being worked over for enhanced production.

Fremont finalised the Trey acquisition in early October with an initial payment of USD \$1M and will make a payment of the USD \$900K balance in April 2021.

FREMONT PETROLEUM CORPORATION LIMITED

DIRECTORS' DECLARATION

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 26 to 65 are in accordance with the *Corporations Act 2001*:
 - a comply with Australian Accounting Standards including the Australian Accounting Interpretations and the *Corporations Regulations 2001*; and
 - b giving a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date; and
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The directors have been given the declarations by the Chief Executive Officer, Chief Financial Officer and Company Secretary required by Sec 295(a) of the Corporations Act 2001.
4. The consolidated financial statements comply with International Financial Reporting Standards as stated in Note 1(a).

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



Peter Crown
Non-Executive Chairman

Dated this 7th day of December 2020

Independent Auditor's Report

To the Members of Fremont Petroleum Corporation Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Fremont Petroleum Corporation Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, 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:

- a giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- b 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards) (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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 2 in the financial report, which notes net operating cash outflows of \$976,674 and closing cash balance of \$1,291,891 for the year ended 30 June 2020. This conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty which may cast doubt on the Group's ability to continue as a going concern.. 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* and *Other Matter paragraph* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="113 593 782 638">Exploration and evaluation assets valuation Note 15</p> <p data-bbox="113 649 782 728">At 30 June 2020 the carrying value of exploration and evaluation assets was \$12,222,252.</p> <p data-bbox="113 728 782 896">In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group is required to assess if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value at each reporting date.</p> <p data-bbox="113 896 782 1008">During the year the Group recognised an impairment of \$6,046,701 relating to the carrying value of Exploration expenditure.</p> <p data-bbox="113 1008 782 1120">The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p data-bbox="113 1120 782 1232">This area is a key audit matter due to the valuation of exploration and evaluation assets being a key estimate for management.</p>	<p data-bbox="782 649 1461 694">Our procedures included, amongst others:</p> <ul data-bbox="782 694 1461 1576" style="list-style-type: none"> <li data-bbox="829 694 1461 795">• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger; <li data-bbox="829 795 1461 862">• reviewing management’s area of interest considerations against AASB 6; <li data-bbox="829 862 1461 1344">• conducting a detailed review of management’s assessment of trigger events prepared in accordance with AASB 6 including; <ul style="list-style-type: none"> <li data-bbox="877 963 1461 1075">○ tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed; <li data-bbox="877 1075 1461 1209">○ enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management’s budgeted expenditure; <li data-bbox="877 1209 1461 1344">○ understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; <li data-bbox="829 1344 1461 1411">• assessing the accuracy of impairment recorded for the year as it pertained to exploration interests; <li data-bbox="829 1411 1461 1512">• evaluating the competence, capabilities and objectivity of management’s experts in the evaluation of potential impairment triggers; and <li data-bbox="829 1512 1461 1576">• assessing the appropriateness of the related financial statement disclosures.

Other Matter

Without qualification to the opinion expressed above, attention is drawn to the following matter. Subsequent to the finalisation of the original financial statements and the issue of our original audit report which included a disclaimer opinion thereon dated 30 October 2020, the group sourced \$1,892,000 of cash over November and December 2020 via a capital raise and further extended creditor payments terms. These events have provided sufficient evidence to reissue the audit opinion.

Information other than the financial report and auditor’s report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2020, but does not include the financial report and our 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have 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_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

In our opinion, the Remuneration Report of Fremont Petroleum Corporation Limited, for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



B A Mackenzie
Partner – Audit & Assurance

Melbourne, 7 December 2020

FREMONT PETROLEUM CORPORATION LIMITED

SHAREHOLDER INFORMATION

For the year ended 30 June 2020

Additional Information required by the ASX Limited Listing Rule 4.17 and not disclosed elsewhere in this report is set out below.

Shareholdings

a. Distribution of Shareholders as at 25 October 2020

Category	Holders of Ordinary Shares	Total Shares	% of Issued Capital
1 – 1000	186	58,018	0.00%
1,001 – 5,000	151	406,118	0.01%
5,001 – 10,000	90	691,260	0.02%
10,001 – 100,000	680	30,287,042	0.76%
100,001 – and over	808	3,977,070,082	99.22%
Total number of security holders	1,915	4,008,512,520	100.00%

b. Unmarketable Parcels as of 25 October 2020

	Minimum Parcel Size	Total Unmarketable Parcel Shares	Number of Holders	UMP%
Ordinary Shares	166,667	47,362,482	1,226	1.18155

c. Substantial shareholders

There are three substantial shareholders owning more than 5% of shares listed in the holding Group's register as at 25 October 2020.

Regal Funds Management Pty Ltd	690,093,725	17.22%
Jetan Pty Ltd	100,972,401	10.18%
Ms Margaret Lynette Harvey	90,602,532	8.32%

*Merrill Lynch (Australia) Nominees Pty Ltd holds 649,234,250 FPL shares for Regal Funds Management Pty Ltd.

d. Voting Rights

Fully paid ordinary shares

Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

Options

Options do not carry a right to vote.

FREMONT PETROLEUM CORPORATION LIMITED

SHAREHOLDER INFORMATION

For the year ended 30 June 2020

Twenty largest shareholders

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the Australian Securities Exchange Limited including the number and percentage held by those at 25 October 2020 are as follows:

Name	Number of Fully Paid Ordinary Shares Held	% held
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	650,113,035	16.218%
JETAN PTY LTD	408,210,445	10.184%
MS MARGARET LYNETTE HARVEY	333,333,333	8.316%
MR VICTOR LORUSSO	171,442,114	4.277%
WFC NOMINEES AUSTRALIA PTY LTD <WFC NOMINEES AUSTRALIA A/C>	151,666,667	3.784%
MR BRUCE KENRIC GLOVER CROSSLEY	104,900,000	2.617%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	104,610,316	2.610%
BOND STREET CUSTODIANS LIMITED <LL3 - D76328 A/C>	100,000,000	2.495%
MR BRIAN LAURENCE EIBISCH	83,403,785	2.081%
B & C INVESTMENTS PTY LTD <MCINTOSH FAMILY S/F A/C>	83,333,333	2.079%
LOLOMA HOLDINGS PTY LTD <THE LEVUKA A/C>	83,333,333	2.079%
MR JOHN MACQUARIE CAPP	79,942,857	1.994%
MORYTON PTY LTD	70,000,000	1.746%
MR SAMUEL MCCANN JARVIS	48,780,488	1.217%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	40,859,475	1.019%
MR WILLIAM LESLIE KELSO	38,356,667	0.957%
MORYTON PTY LIMITED	29,500,000	0.736%
MR NATHAN SCOTT JOHNSON	24,999,513	0.624%
MR TIMOTHY HART	22,968,877	0.573%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	20,798,801	0.519%
TOTAL	2,650,553,039	66.12%

Unquoted Securities

Options over Unissued Shares - Exercisable on payment of \$0.045 on or before 15 July 2021

The names of all holders of unlisted options including the number and percentage held by those at 25 October 2020 are as follows:

Name	Number of Unlisted Options Held	% held
XCEL CAPITAL PTY LTD	7,096,151	56.769%
JP SECURITY HOLDINGS PTY LTD <CJ SECURITY HOLDINGS A/C>	2,903,849	23.231%
ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	2,500,000	20.000%
TOTAL	12,500,000	100.0%

FREMONT PETROLEUM CORPORATION LIMITED
SHAREHOLDER INFORMATION
For the year ended 30 June 2020

Options over Unissued Shares - Exercisable on payment of \$0.003 on or before 30 September 2021

The names of the 20 largest holders of unlisted options including the number and percentage held by those at 25 October 2020 are as follows:

Name	Number of Unlisted Options Held	% held
MS MARGARETTA LYNETTE HARVEY	333,333,333	39.216%
WFC NOMINEES PTY LTD <WFC NOMINEES AUSTRALIA A/C>	151,666,667	17.843%
B & C INVESTMENTS PTY LTD <MCINTOSH FAMILY S/F A/C>	83,333,333	9.804%
LOLOMA HOLDINGS PTY LTD <THE LEVUKA A/C>	83,333,333	9.804%
MR BRUCE KENRIC GLOVER CROSSLEY	25,000,000	2.941%
MR JOHN MACQUARIE CAPP	25,000,000	2.941%
COVE STREET PTY LTD <THE COVE STREET A/C>	20,000,000	2.353%
MR WILLIAM LESLIE KELSO	16,666,667	1.961%
ROBBIE HUNT PTY LTD <ROBBIE HUNT FAMILY SUPER A/C>	16,666,667	1.961%
MR JOHN COLIN LOOSEMORE & MRS SUSAN MARJORY LOOSEMORE <LOOSEMORE SUPER FUND A/C>	16,666,667	1.961%
MX NOMINEES PTY LTD	16,666,666	1.961%
MR JAMES WILLIAM HERMISTON	16,666,666	1.961%
ATLANTIC CAPITAL HOLDINGS PTY LTD	10,000,000	1.176%
AJM SUPER CO PTY LTD <AJM SUPER A/C>	8,333,333	0.980%
DANLAMB PTY LTD	5,833,333	0.686%
TAPP FAMILY INVESTMENTS PTY LTD <TAPP FAMILY INVESTMENTS A/C>	5,000,000	0.588%
BHAVDIP SANGHAVI	3,333,334	0.392%
MOZAIK ASSET MANAGEMENT PTY LTD	3,333,333	0.392%
REGGID CAPITAL PTY LTD	3,333,333	0.392%
RIVACRE INVESTMENTS PTY LTD <COLIN MARLAND FAMILY NO2 A/C>	3,333,333	0.392%
TOTAL	847,499,998	99.71%

FREMONT PETROLEUM CORPORATION LIMITED CORPORATE DIRECTORY

CORPORATE DIRECTORY

DIRECTORS

Mr Peter Crown	Non-Executive Chairman
Mr Stuart Middleton	Non-Executive Director
Mr Samuel Jarvis	Non-Executive Director

COMPANY SECRETARY

Mr Robert Lees

REGISTERED OFFICE AND PRINCIPAL ADMINISTRATIVE OFFICE

Fremont Petroleum Corporation Limited
CoySec Services Pty Limited
Suite 302
Level 3, 17 Castlereagh Street
Sydney, NSW 2000
Phone: 61 2 9299 9580
Website: www.fremontpetroleum.com

USA OFFICE

113 North Santa Fe
Florence, Colorado 81226
Phone +1 719 784 7616

SHARE REGISTRY

Boardroom Pty Limited
Grosvenor Place Level 12
225 George Street
Sydney, NSW 2000, Australia
Phone (inside Australia): 1300 737 760
Phone (outside Australia): 61 29290 9600

AUDITORS

Grant Thornton Audit Pty Ltd
Collins Square, Tower 5
727 Collins Street
MELBOURNE VIC 3008

AUSTRALIAN LEGAL ADVISORS

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

AUSTRALIAN SECURITIES EXCHANGE

The Company is listed on the Australian Securities Exchange. The home exchange is Sydney.

ASX Codes: Shares: FPL
 Options: FPLAB, FPLAD, FPLAE