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MARQUEE RESOURCES
LIMITED

Interim Financial Report
31 December 2020

CONTENTS

Page

Directors' Report	2
Auditor's Independence Declaration	5
Consolidated Statement of Profit or Loss and Other Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Interim Consolidated Financial Statements	10
Directors' Declaration	16
Independent Auditor's Review Report	17

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DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2020. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Charles Thomas	Managing Director appointed 30 November 2016 Executive Chairman appointed 24 Oct 2019
George Henderson	Non Executive Director
Daniel Moore	Non Executive Director

Review of Operations

Clayton Valley Project (USA)

The Company did not conduct any on ground exploration work on the project during the period however the Company has been in negotiations with parties who have shown interest in potentially acquiring this project. At this stage the negotiations remain incomplete.

Werner Lake Project Canada

The Company did not conduct any on ground exploration work on the project during the December 2020 half, however the JV parties continue to explore the best way to unlock value from this significant cobalt resource.

Redlings REE Project

The Redlings Project (formerly called Jungle Well) is 100% owned by Marquee and comprises exploration licences E 37/1311 and E 37/1376. The Project is located approximately 40km west of Leonora, and 77km north of Menzies. Lynas Corporation's Mt Weld Project lies approximately 150km east of the project.

Following on from the soil sampling program conducted at the project earlier in the 2020 calendar year alongside the renewed focus on REE as a strategic commodity for Australia, Marquee' is focused on further advancing the Redlings REE project located near Leonora in Western Australia.

Details of an internal desktop review of the Redlings Rare Earth Element Project ("Redlings" or "the Project") were provided in November 2020. The 100% owned project covers an area of approximately 108 square kilometres of prospective tenure with rock-chip samples up to 7.8% TREE comprising of 3.6% Ce, 648 ppm Dy, 331 ppm Er, 207 ppm Eu, 863ppm Gd, 2.28% La, 1.22% Nd, 0.39% Pr, 0.36% Y and 288 ppm Yb. Results of the desktop study form part of a comprehensive review of the Company's project portfolio and corporate strategy.

Due to the narrow nature of the REE bearing dykes and structures, the acquisition of high resolution magnetics data may be justified to target NW trending structures which may host REE bearing dykes. Following identification of prospective structures and demagnetised target zones, field mapping and further auger sampling will aim to test the hypothesis that demagnetized zones can be used to target REE bearing dykes within the Redlings Project area.

The Company will maximise the value of the Redlings REE Project, by undertaking targeted and well considered exploration campaigns.

West Spargoville Project (Gold & Nickel)

Marquee entered into an Option Agreement to acquire the West Spargoville gold project (refer ASX Release dated 7 July 2020) which consists of 80km² of prospective tenure with very limited drilling. Following the compilation of an extensive historical surface geochemical database and review of all available drilling, geophysical and geological data, a number of high-priority targets prospective for both Gold and Nickel have been delineated for follow-up work.

During December 2020 Marquee commenced and completed its maiden RC drilling campaign at the West Spargoville Project. 4,260m of RC drilling was completed with the initial focus to test for along-strike mineralisation of the West Larkinville deposit held by Maximus Resources Ltd (ASX:MXR), followed by reconnaissance drill testing of the Harolds North priority structural target.

DIRECTORS' REPORT

Review of Operations cont.

Results from the first 21 holes (2,322m) have failed to detect any significant zones of gold mineralisation. These initial results are disappointing and have down-graded the gold potential at the West Larkinville and Harolds North prospects within the West Spargoville Project.

Other gold exploration opportunities still exist within the project and will be carefully considered as part of Marquee's follow up exploration strategy at the West Spargoville Project. The Company will further assess the nickel prospectivity of the project, and will work through how best to proceed to test this potential.

Centenario Lithium Project

Marquee holds a 30% interest in a Lithium exploration project in the Centenario-Ratones, an area of the Andes in the north-west of Argentina. (ASX:LPI hold 70%). The "salar" (salt plain) has attracted global interest and exploration since 2010. The salar is within South America's "The Lithium Triangle" and located approximately 165km west of the City of Salta which is the capital of the mining friendly Salta Province. The tenements cover an area of ~68km² of lithium brine salar across seven adjoining properties. The basin surrounded by mountains and according to Independent Geologist Reports (IGA) is a closed drainage system.

The Company continues to be faced with the challenges of Covid-19 and the associated difficulty in advancing its overseas projects.

The Company did not conduct any on ground activities at Centenario during the December 2020 half. The Company in conjunction with its partners at this project continues to explore the best way to unlock the significant potential.

Corporate Opportunities

The Company continues to review a vast amount of mineral acquisition opportunities with the objective of acquiring mature exploration assets with the potential to deliver long-term shareholder returns. The board believes the company is uniquely positioned to capitalise on some of the opportunity's that currently exist in the sector.

Corporate

The Company held its Annual General Meeting on the 26th November 2020. All resolutions were passed on a show via a poll.

Events subsequent to reporting date

Marquee Resources Limited completed a placement of 15,000,000 shares to Professional and sophisticated investors to raise gross proceeds of A\$750,000. Proceeds from the Placement will be used to rapidly accelerate the exploration at the Redlings REE Project and for general working capital.

The Company provided an update on the results of RC drilling completed at the West Spargoville Project. 36 reverse circulation (RC) drill holes were completed for 4,128m with the aim of the drilling to test for bedrock gold mineralisation associated with surface geochemical anomalies at the West Larkinville and Harolds North prospect.

Results from the first 21 holes (2,322m) have failed to detect any significant zones of gold mineralisation. The initial results were disappointing and have down-graded the gold potential at the West Larkinville and Harolds North prospects within the West Spargoville Project. Other gold exploration opportunities still exist within the project and will be carefully considered as part of Marquee's follow up exploration strategy at the West Spargoville Project.

No other matters or circumstances have occurred subsequent to reporting date that would have a material impact on the consolidated financial statements.

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

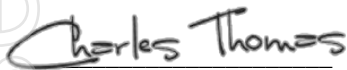
Financial Position

The cash balance at the end of the half-year was \$1,528,941 (30 June 2020: \$718,757). Net loss for the 6 months to December 2020 was \$2,193,665 (Dec 2019: \$1,265,053) which includes total impairment costs of \$1,299,879 (Dec 2019: \$789,800).

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 5 and forms part of this directors' report for the half-year ended 31 December 2020.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Charles Thomas
Executive Chairman
16 March 2021

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF MARQUEE RESOURCES LIMITED

As lead auditor for the review of Marquee Resources Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Marquee Resources Limited and the entities it controlled during the period.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 16 March 2021

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Notes	31 December 2020 \$	31 December 2019 \$
Continuing operations			
Interest income		687	1,541
ATO Cashflow boost		23,787	-
Administrative expenses		(217,140)	(248,472)
Staff expenses		(237,414)	(206,971)
Share based payment	8	(423,699)	-
Impairment Exploration	3	(989,801)	(789,800)
Impairment Investment in Associate	6	(310,078)	-
Finance cost lease		(952)	(2,862)
Share (30%) loss investment in associate	6	(20,474)	-
Depreciation and amortisation expense		(18,581)	(18,489)
Loss before income tax		(2,193,665)	(1,265,053)
Income tax expense		-	-
Net loss for the period		(2,193,665)	(1,265,053)
Other comprehensive income/(loss), net of income tax			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(241,045)	10,359
Other comprehensive income/(loss) for the period, net of income tax		(241,045)	10,359
Total Comprehensive loss attributable to owners of the parent		(2,434,710)	(1,254,694)
Basic and diluted loss per share (cents per share)		(2.31)	(2.22)

The accompanying notes form part of these consolidated financial statements

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Notes	31 December 2020 \$	30 June 2020 \$
Assets			
Current assets			
Cash and cash equivalents		1,528,941	718,757
Trade and other receivables		60,124	39,505
Total current assets		1,589,065	758,262
Non-current assets			
Property, plant and equipment		19,676	12,886
Right-of-use asset		72,244	24,507
Deferred exploration and evaluation expenditure	3	3,287,081	3,866,967
Investment in associate	6	389,234	770,491
Total non-current assets		3,768,235	4,674,851
Total assets		5,357,300	5,433,113
Liabilities			
Current liabilities			
Trade and other payables	7	410,731	80,928
Lease liability		31,342	25,960
Accruals		14,500	64,162
Total current liabilities		456,573	171,050
Non-Current Liabilities			
Lease liability		41,646	-
Total non-current liabilities		41,646	-
Total Liabilities		498,219	171,050
Net assets		4,859,081	5,262,063
Equity			
Issued capital	4	13,962,791	12,438,405
Reserves	5	4,145,318	3,879,022
Accumulated losses		(13,249,028)	(11,055,364)
Total Equity		4,859,081	5,262,063

The accompanying notes form part of these consolidated financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Issued capital	Option reserve	Share-based payment reserve	Foreign currency translation reserve	Accumulated losses	Total Equity
Note	\$	\$	\$	\$	\$	\$
Balance at 1 July 2019	10,356,226	1,471,000	2,548,000	107,692	(9,338,181)	5,144,736
Loss for the period	-	-	-	-	(1,265,053)	(1,265,053)
Exchange differences arising on translation of foreign operations	-	-	-	10,359	-	10,359
Total comprehensive loss for the period	-	-	-	10,359	(1,265,053)	(1,254,694)
Issue of Shares	2,147,875	-	-	-	-	2,147,875
Share issue costs	(65,696)	-	-	-	-	(65,696)
Balance at 31 December 2019	12,438,405	1,471,000	2,548,000	118,051	(10,603,234)	5,972,222
Balance at 1 July 2020	12,438,405	1,471,000	2,548,000	(139,977)	(11,055,364)	5,262,063
Loss for the period	-	-	-	-	(2,193,665)	(2,193,665)
Exchange differences arising on translation of foreign operations	-	-	-	(241,045)	-	(241,045)
Total comprehensive loss for the period	-	-	-	(241,045)	(2,193,665)	(2,434,710)
Issue of shares	1,704,027	-	-	-	-	1,704,027
Issue of options	-	507,340	-	-	-	507,340
Share issue costs	(179,641)	-	-	-	-	(179,641)
Balance at 31 December 2020	13,962,791	1,978,340	2,548,000	(381,022)	(13,249,028)	4,859,081

The accompanying notes form part of these consolidated financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	31 December 2020	31 December 2019
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(503,943)	(439,397)
Interest received	687	1,541
ATO cashflow boost	23,787	-
Net cash outflow from operating activities	(479,469)	(437,856)
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(291,343)	(59,714)
Payment for plant and equipment	(9,031)	-
Net cash outflow from investing activities	(300,374)	(59,714)
Cash flows from financing activities		
Proceeds from issue of equity securities	1,704,027	1,000,000
Payment for share issue costs	(96,000)	(65,696)
Repayment of lease	(18,000)	(18,000)
Net cash inflow from financing activities	1,590,027	916,304
Net increase in cash held	810,184	418,734
Cash and cash equivalents at the beginning of the period	718,757	782,086
Cash and cash equivalents at the end of the period	1,528,941	1,200,820

The accompanying notes form part of these consolidated financial statements

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**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Basis of preparation**

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

The interim report is a General Purpose Financial Report prepared in accordance with *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year ended 30 June 2020 and corresponding half-year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and amended Accounting Standards

For the half-year ended 31 December 2020 the Group has reviewed all of the new and revised Standards and interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2020

Statement of compliance

The interim financial statements were authorised for issue on 16 March 2021.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

Going Concern

For the six-month period ended 31 December 2020 the Group made a loss of \$2,193,665 and had cash outflows from operating activities of \$479,469.

The Board believe that the measures it has taken, enable the Company to prepare the financial reports on a going concern basis. Subsequent to 31 December 2020, the Company successfully completed a Placement issue of 15,000,000 fully paid ordinary shares at an issue price of \$0.05 per share to qualified sophisticated and professional investors, raising up to \$750,000 (before costs).

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2020.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

Functional and presentation currency

The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment that the parent operates.

NOTE 2: OPERATING SEGMENTS

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

Information reported to the Group's Board of Directors for the purposes of resource allocation and assessment of performance is more specifically focused on the exploration and development of mineral resource projects. The Group's reportable segments under AASB 8 are therefore as follows:

- Exploration and evaluation – USA
- Exploration and evaluation – Canada
- Exploration and evaluation – Argentina
- Exploration and evaluation – Australia
- Other sector

Exploration and evaluation – Nevada refers to the Clayton Valley Project Exploration licenses (EL's) held in Nevada USA. The Group holds a 100% interest in these licences through Sovereign Gold Nevada Inc, a wholly owned subsidiary of Marquee Resources Limited.

Exploration and evaluation – Canada refers to the 30% interest in the Werner Lake project in Canada.

Exploration and evaluation – Argentina refers to the 30% interest via its 100% subsidiary Centenario Lithium Ltd in a Lithium exploration project in the Centenario-Ratones, an area of the Andes in the north-west of Argentina.

Exploration and evaluation – Australia refers to Redlings and West Spargoville Projects in Western Australia.

The other sector relates to head office operations, including cash management. Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Segment information

The following table presents revenue and profit information and certain asset and liability information regarding business segments for the period ended 31 December 2019, 30 June 2020 and 31 December 2020.

	E & E Canada	E&E USA	E&E Argentina	E & E Australia	Other	Consolidated
SEGMENT REPORTING						
Half Year ended 31 December 2020						
Segment Revenue	-	-	-	-	24,474	24,474
Segment net operating loss before tax	990,024	85	330,552	-	873,004	2,193,665
Half Year ended 31 December 2019						
Segment Revenue	-	-	-	-	1,541	1,541
Segment net operating loss before tax	792,949	-	-	-	472,104	1,265,053

NOTE 2: OPERATING SEGMENTS continued**Segment assets**

At 31 December 2020	1,653,446	929,564	389,235	261,590	2,123,467	5,357,300
At 30 June 2020	2,719,736	1,011,155	770,491	256,245	675,487	5,433,113

Segment liabilities

At 31 December 2020	-	-	-	-	498,219	498,219
At 30 June 2020	-	-	-	-	171,050	171,050

Segment results earned by each segment are without allocation of central administration costs and directors' salaries, share of profits from associates, investment revenue and finance costs, income tax expense, gains or losses of associates and discontinued operations. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

NOTE 3: EXPLORATION AND EVALUATION EXPENDITURE

	Six months to 31 December 2020	Year to 30 June 2020
	\$	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of period	3,866,967	4,381,721
Asset acquired (i)	205,890	100,000
Expenditure incurred	389,391	175,046
Impaired exploration expenditure (ii)	(989,801)	(789,800)
Foreign Exchange	(185,366)	-
Total exploration and evaluation expenditure	3,287,081	3,866,967

(i) West Spargoville option fee (includes stamp duty \$5,890)

(ii) The Board undertook a review of all Exploration and Evaluation assets and agreed that the value of Werner Lake project should be impaired by \$989,801.

The exploration assets satisfy AASB 6 and remain as exploration assets in the statement of financial position. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

NOTE 4: ISSUED CAPITAL

	31 December 2020	30 June 2020
	\$	\$
Ordinary shares		
Issued and fully paid	13,962,791	12,438,405

NOTE 4: ISSUED CAPITAL continued

	Six months to 31 December 2020		Year to 30 June 2020	
	Number	\$	Number	\$
<i>Movements in ordinary shares</i>				
Balance at beginning of period	63,610,102	12,438,405	42,744,284	10,356,226
Acquisition share Redlings Project			790,818	90,000
Centenario acquisition			10,075,000	1,057,875
Placement (i)	40,000,000	1,600,027	10,000,000	1,000,000
Option exercise	1,300,000	104,000	-	-
Equity Issue Costs (ii)	-	(179,641)	-	(65,696)
Balance at end of period	104,910,102	13,962,791	63,610,102	12,438,405

(i) Placement of 40 million shares at \$0.04 per shares completed in 2 tranches.

(ii) Includes Share based payments of \$83,641. Refer note 8

NOTE 5: RESERVES

Movements in reserves were as follows:

Consolidated	Option reserve	Equity based payment reserve	Foreign currency translation reserve	Total
31 December 2020	\$	\$	\$	\$
Balance at beginning of period	1,471,000	2,548,000	(139,977)	3,879,023
Equity based payment (note 8)	507,340	-	-	507,340
Currency translation differences	-	-	(241,045)	(241,045)
Balance at end of period	1,978,340	2,548,000	(381,022)	4,145,318

Consolidated	Option reserve	Share based payment reserve	Foreign currency translation reserve	Total
30 June 2020	\$	\$	\$	\$
Balance at beginning of period	1,471,000	2,548,000	107,692	4,126,692
Equity based payment (shares)	-	-	-	-
Currency translation differences	-	-	(247,669)	(247,669)
Balance at end of year	1,471,000	2,548,000	(139,977)	3,879,023

NOTE 6: INVESTMENT IN ASSOCIATE

	31 December 2020	30 June 2020
Reconciliation to carrying amounts:		
	\$	\$
Opening net assets	770,491	1,081,411
Foreign Exchange movement during the period	(50,705)	(231,048)
Impairment expense (i)	(310,078)	-
Loss for the period (30% share)	(20,474)	(79,782)
Closing Net assets	389,234	770,491

(i) Board assessment has resulted in the impairment expense of \$310,078 to reflect investment at fair value.

NOTE 7: TRADE AND OTHER PAYABLES

	31 December 2020	30 June 2020
	\$	\$
AL provision and payroll payables	44,292	49,384
Credit Card	16,297	6,804
Trade Creditors (i)	350,142	24,740
Total trade and other payables	410,731	80,928

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. The majority of this payable amount (\$314,506) relates to exploration expenditure incurred on the West Spargoville project in December 2020, which was subsequently paid in January 2021.

NOTE 8: SHARE BASED PAYMENTS**8.a Expenses arising from share based payments**

There were expenses arising from share based payments transactions recognised during the period as follows:

	Dec 2020	Dec 2019
	\$	\$
Series 1 Options issued to consultants in lieu of fees, offset to equity (i)	83,641	-
Series 1 Options issued to Directors and officers of the Company (ii)	334,566	-
Series 1 and 2 Options issued to Technical officer	89,133	-
Total Share based payment	423,699	-

(i) 1 million options (series 1) were issued each to GTT Ventures Pty and Jindabyne Capital Pty Ltd for advisory services in relation to Capital Raising activities. C Thomas is a Director and shareholder of GTT Ventures Pty Ltd. The valuation basis for the Series 1 Options are provided in Note 8b.

(ii) 8 million options (series 1) were granted to Directors and other officers of the Company. Refer Note 8b also.

(iii) 1 million (series 1) and 1 million (series 2) options were granted to the Chief Technical Officer. Refer Note 8b also.

8.b Employee Share Options

Options issued to Directors/Management are not issued under an Employee Share Option Plan and are subject to approval by shareholders. Shareholder approval was granted on 28 August 2020

The following share-based payment arrangements were put in place during the December 2020 half year:

Series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Directors					
1. Options issued 1/9/2020	7,250,000	28/8/2020	30/6/2023	\$0.08	\$0.0418
Company Secretary and executive Assistant					
1. Options issued 1/9/2020	750,000	28/8/2020	30/6/2023	\$0.08	\$0.0418
Chief Technical Officer					
2. Options issued 23/2/2021	1,000,000	26/11/2020	30/6/2023	\$0.08	\$0.0492
3. Options issued 23/2/2021	1,000,000	26/11/2020	30/6/2023	\$0.16	\$0.0399

8.b Employee Share Options continued

The fair value of the unlisted options was determined using the Black Scholes Method. Inputs used to determine the valuation were:

Series 1	Series 2	Series 3
Number of Options: 8,000,000	Number of Options: 1,000,000	Number of Options: 1,000,000
Share Price: \$0.064	Share Price: \$0.075	Share Price: \$0.075
Exercise Price: \$0.08	Exercise Price: \$0.08	Exercise Price: \$0.16
Expected Volatility: 120%	Expected Volatility: 120%	Expected Volatility: 120%
Expiry date (years): 2.8	Expiry date (years): 2.6	Expiry date (years): 2.6
Expected dividend yield: nil	Expected dividend yield: nil	Expected dividend yield: nil
Risk free rate: 0.27%	Risk free rate: 0.27%	Risk free rate: 0.27%

NOTE 9: RELATED PARTY TRANSACTIONS

During the period, unlisted options (exercise price \$0.08, expiry 30 June 2023) were granted to Key Management Personnel as disclosed in Note 8(b)

	Number
C Thomas – Executive Chairman	6,250,000
G Henderson – Non executive Director	500,000
D Moore – Non executive Director	500,000

The issue of the 7.25 million options were approved by shareholders at a meeting held 28 August 2020. These options were valued at \$0.0418 per option using the Black-Scholes method. See Note 8(b).

One million unlisted options (exercise price \$0.08, expiry 30 June 2023) were issued to GTT Ventures Pty Ltd, a company of which C Thomas is a Director and shareholder. See Note 8a.

The Company entered into a lease agreement with 19808283 Pty Ltd, a Company of which C Thomas is a Director and shareholder.

Other than above there has been no change in the nature of related party transactions since the last annual reporting date.

NOTE 10. COMMITMENTS

There has been no changes in commitments since the last annual reporting date

NOTE 11: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

Marquee Resources Limited completed a placement of 15,000,000 shares to Professional and sophisticated investors to raise gross proceeds of A\$750,000 In January 2021. Proceeds from the Placement will be used to rapidly accelerate the exploration at the Redlings REE Project and for general working capital.

The Company provided an update on the results of RC drilling completed at the West Spargoville Project. 36 reverse circulation (RC) drill holes were completed for 4,128m with the aim of the drilling to test for bedrock gold mineralisation associated with surface geochemical anomalies at the West Larkinville and Harolds North prospect.

Results from the first 21 holes (2,322m) have failed to detect any significant zones of gold mineralisation. The initial results were disappointing and have down-graded the gold potential at the West Larkinville and Harolds North prospects within the West Spargoville Project. Other gold exploration opportunities still exist within the project and will be carefully considered as part of Marquee's follow up exploration strategy at the West Spargoville Project.

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

There are no other events subsequent to reporting date to report.

DIRECTORS' DECLARATION

In the opinion of the directors of Marquee Resources Limited ('the company'):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year then ended; and
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Charles Thomas
Executive Chairman
16 March 2021

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Marquee Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Marquee Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Dean Just', is written over the printed name.

Dean Just

Director

Perth, 16 March 2021

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