Anson Resources Ltd

(ACN 136 636 005)

Half-Year Report
31 December 2018

COMPANY DIRECTORY

Directors

Mr Bruce Richardson
Executive Chairman and CEO

Mr Peter Gregory Knox
Non-Executive Director

Mr Michael van Uffelen
Non-Executive Director

Auditors

Stantons International
Level 2, 1 Walker Avenue
West Perth, WA 6005

Company Secretary

Mr Kim Hogg

Share Registry

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ASN

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DIRECTORS' REPORT

Your Directors submit the financial report of the Group being Anson Resources Limited ('Company') and the entities it controlled ('Group'), for the half-year ended 31 December 2018. 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 half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Bruce Richardson	Executive Chairman and CEO
Peter (Greg) Knox	Non-Executive Director
Michael van Uffelen	Non-Executive Director (appointed 18 October 2018)
Bruce McLeod	Non-Executive Chairman (deceased 11 September 2018)

Review of Operations

Paradox Brine Project, Utah, USA

During the half-year, the Company continued to progress its flagship lithium brine project in Utah, USA, including:

- Advancing the development of the lithium pilot plant, to be located on the Cane Creek 32-1 pad;
- Continuing metallurgical testwork, including assessment of Lilac Solutions' ion exchange process which has successfully produced a lithium hydroxide (LiOH) product with improving recovery rates, and recovery of other products including boron, bromine and iodine, by Hazen Research;
- Obtaining approval of the Company's Notice of Intent (NOI) application for re-entry drilling of historic oil wells Skyline Unit 1 and Long Canyon No;
- Staked 334 additional claims, increasing the total number of claims to 1,317 in the project area; and
- Appointed Hatch, a global engineering consultancy group with industry-leading lithium knowledge, to assist with project management.

Pilot Plant

The planned location of the pilot plant was finalised during the half-year and the design and construction of the pilot plant incorporating Lilac Solutions ion exchange (IX) process to extract lithium without the use of evaporation ponds was commenced. Finalisation of the location followed the granting of State leases covering the Cane Creek 32-1 pad area by the State of Utah School and Institutional Trust Lands Administration (SITLA). The granting of the leases allows the Group to produce salts of Li, B, Br, I, Mg, Na and Ca and also enables a pilot plant to be built on the existing oil well pad, saving valuable time in advancing the project. The fenced Cane Creek 32-1 well pad covers an area of 10.6 acres (approximately 43,000 square meters) which is considered more than adequate for the planned pilot plant. In addition to reducing the time required to build the pilot plant, significant costs will be also saved by utilizing the existing well pad which is construction-ready. In-situ buildings can be erected to contain the pilot plant equipment.

Metallurgical Test Work and Plant Development Program

Testing of the suitability of Lilac Solutions' IX Extraction Process to extract lithium from the brine at the Paradox Brine Project was undertaken. The process uses a newly developed technology that extracts only the lithium from the brine using an adsorption methodology. Test work on the Paradox Basin brine has been underway since July 2018. Other minerals including boron, bromide, iodine and magnesium are not recovered using this process.

During the half-year, the Lilac IX process successfully produced lithium hydroxide (LiOH) and lithium carbonate (Li2Co3). The supersaturated brine was passed through the Lilac IX process to produce a concentrated lithium sulphate solution at 10,000 – 15,000 mg/l Li with a molar purity of 70 - 75% (cation basis). The average recovery of Li from the brine to the eluate was approximately 80%.

A two-step purification process was used to remove impurities from the lithium eluate. The lithium eluate is then processed downstream into battery grade lithium carbonate or lithium hydroxide using conventional processes with a recovery of greater than 90%. After the downstream processing, it is estimated that the overall lithium recovery will be approximately 70%. This compares favourably with lithium recoveries below 50% for conventional operations in the South American salars with higher grades.

DIRECTORS' REPORT (continued)

The Lilac process extracts lithium from the brine resource with high recoveries, minimal costs, and rapid processing times. The removal of evaporation ponds is a significant environmental benefit, as the footprint of the operation is significantly reduced, and they are also expensive to build, slow to ramp up, and vulnerable to weather fluctuations.

Cost advantages come from reduced time, higher recoveries and a simplified extraction flow sheet, with fewer reagents. The technology is modular to suit various project sizes and integrates with conventional plant designs for production of battery-grade lithium carbonate and lithium hydroxide.

Exploration

Approval was received for the re-entry drilling of historic oil wells Skyline Unit 1 and Long Canyon No 2. The data expected to be obtained from the drilling will be used in the estimation of a JORC Resource.

The Paradox Brine Project now consists of 1,317 placer claims, for a total of 26,665 acres (10,791 hectares). In addition, there is one oil and gas lease and one approved industrial permit. The claims contain numerous drill holes close to oil wells with historically recorded lithium values.

The Ajana Project, Northampton, Western Australia

The Ajana Project is located in Northampton, Western Australia, adjacent to the North West Coast Highway and 130km north of Geraldton.

Minimal activity was undertaken on this Project during the half-year.

Hooley Well Cobalt-Nickel Laterite Project

The Hooley Wells Nickel-Cobalt Laterite Project is located 800km north of Perth and 300km north-east of Geraldton in Western Australia. The two tenements that comprise the Project contain historical shallow drilling which has intersected nickel and cobalt laterites.

Minimal activity was undertaken on this Project during the half-year.

Corporate

During the half-year a total of $1.41m was raised through the exercise of the Company's listed 2.5 cent options. In addition, the Company raised a further $2.5 million via a share placement at $0.11 per share.

Mr Bruce Richardson was appointed as Executive Chairman and CEO in October 2018, and Mr Michael van Uffelen was appointed as a Non-executive Director. The Board changes followed the sad passing of the Company's former Non-Executive Chairman, Mr Bruce McLeod, in September 2018.

The Company's Annual General Meeting was held in November 2018, and all resolutions passed.

Significant events after balance date

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group and the results of those operations.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Stantons International, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 6 and forms part of this Directors' report for the half-year ended 31 December 2018.

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

Mr Bruce Richardson
Executive Chairman and CEO

Dated this 12th day of March 2019

The information in this report related to geology is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

Stantons International Audit and Consulting Pty Ltd
trading as
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12 March 2019

The Directors
Anson Resources Limited
Suite 3.4, Level 3
1292 Hay Street
West Perth WA 6005

Dear Sirs

RE: ANSON RESOURCES LIMITED

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

As Audit Director for the review of the financial statements of Anson Resources Limited for the period ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

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

Martin Michalik

Martin Michalik
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 December 2018 $	31 December 2017 $
Revenue from continuing operations			
Interest income		7,127	2,352
Foreign exchange gain		7,079	520
Gain on sale of plant and equipment		-	4,583
Other income		-	18,350
		14,206	**25,805**
Expenses			
Depreciation expense		(8,325)	(7,299)
Directors fees		(220,969)	(197,500)
Consultants and professional services		(215,420)	(145,413)
ASX fees		(49,028)	(33,972)
Exploration and development costs		(1,113,033)	(618,300)
Project acquisition costs		(195,341)	(23,099)
Interest expense		(26)	(379)
Loss on sale of investments		-	(1,497)
Office expenses		(38,632)	(33,833)
Other expenses		(104,380)	(144,147)
Share-based payments	10	(88,565)	(61,312)
Travel and accommodation		(172,488)	(39,323)
Total Expenses		**(2,206,207)**	**(1,306,074)**
Loss from continuing operations before income tax		(2,192,001)	(1,280,269)
Income tax expense		-	-
Loss from continuing operations after income tax		**(2,192,001)**	**(1,280,269)**
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		8,443	-
Items that cannot be reclassified subsequently to profit or loss			
Changes in fair value of available-for-sale financial assets		54,450	151,852
Total other comprehensive income for the period		62,893	151,852
Total comprehensive loss for the period		**(2,129,108)**	**(1,128,417)**
Loss attributable to:			
Owners of the parent		**(2,192,001)**	**(1,280,269)**
Total comprehensive loss attributable to:			
Owners of the parent		**(2,129,108)**	**(1,128,417)**
Net loss per share (in cents)			
Basic and diluted loss per share for the period		(0.45)	(0.46)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	31 December 2018 $	30 June 2018 $
CURRENT ASSETS			
Cash and cash equivalents		2,898,209	1,656,320
Trade and other receivables		20,684	21,366
Available for sale investments	4	-	117,373
Other current assets		41,063	2,230
Total Current Assets		**2,959,956**	**1,797,289**
NON-CURRENT ASSETS			
Trade and other receivables		734,244	376,997
Available for sale investments	4	171,823	-
Property, plant & equipment		130,779	152,550
Total Non-Current Assets		**1,036,846**	**529,547**
TOTAL ASSETS		**3,996,802**	**2,326,836**
CURRENT LIABILITIES			
Trade and other payables		194,504	298,648
Lease liability		4,623	3,354
Total Current Liabilities		**199,127**	**302,002**
NON-CURRENT LIABILITIES			
Lease liability		2,259	3,627
Total Non-Current Liabilities		2,259	3,627
TOTAL LIABILITIES		**201,386**	**305,629**
NET ASSETS		**3,795,416**	**2,021,207**
EQUITY			
Issued capital	5	16,662,331	13,817,200
Reserves	6	1,842,386	721,307
Accumulated losses		(14,709,301)	(12,517,300)
TOTAL EQUITY		**3,795,416**	**2,021,207**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Ordinary Shares $	Share Based Payment Reserve $	AFS Investment Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2018	**13,817,200**	**722,399**	**44,624**	**(45,716)**	**(12,517,300)**	**2,021,207**
Loss for the period	-	-	-	-	(2,192,001)	(2,192,001)
Change in value of available-for-sale investments	-	-	54,450	-	-	54,450
Exchange differences on translation of foreign subsidiaries	-	-	-	8,443	-	8,443
Total comprehensive gain/(loss) for the period	**-**	**-**	**54,450**	**8,443**	**(2,192,001)**	**(2,129,108)**
Transactions with shareholders in their capacity as owners, and other transfers						
Shares issued	3,998,761	-	-	-	-	**3,998,761**
Share issue expenses	(1,153,630)	-	-	-	-	**(1,153,630)**
Issue of performance rights	-	88,565	-	-	-	**88,565**
Share-based payment for services	-	969,621	-	-	-	**969,621**
Balance at 31 December 2018	**16,662,331**	**1,780,585**	**99,074**	**(37,273)**	**(14,709,301)**	**3,795,416**

	Ordinary Shares $	Share Based Payment Reserve $	AFS Investment Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2017	**8,622,496**	**153,886**	**(3,637)**	**1,007**	**(8,171,025)**	**602,727**
Loss for the period	-	-	-	-	(1,280,269)	**(1,280,269)**
Change in value of available-for-sale investments	-	-	151,852	-	-	**151,852**
Total comprehensive gain/(loss) for the period	**-**	**-**	**151,852**	**-**	**(1,280,269)**	**(1,128,417)**
Transactions with shareholders in their capacity as owners, and other transfers						
Shares issued	4,050,396		-	-	-	**4,050,396**
Share issue expenses	(470,864)		-	-	-	**(470,864)**
Issue of performance rights	-	61,312	-	-	-	**61,312**
Performance rights vested	71,735	(71,735)	-	-	-	**-**
Share-based payment for services	168,800	200,000	-	-	-	**368,800**
Payment by employee for loan funded shares	21,931	-	-	-	-	**21,931**
Balance at 31 December 2017	**12,464,494**	**343,463**	**148,215**	**1,007**	**(9,451,294)**	**3,505,885**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	31 December 2018 $	31 December 2017 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(2,140,897)	(1,098,298)
Payments for refundable exploration bonds	(333,402)	(201,365)
Interest received	7,127	2,353
Interest paid	(26)	(379)
R&D tax incentive received	-	18,350
Net cash used in operating activities	**(2,467,198)**	**(1,277,339)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of plant and equipment	-	20,000
Purchase of plant and equipment	(3,672)	(7,823)
Proceeds from sale of investments	-	17,501
Investments made	-	(2,824)
Net cash (used in)/provided by investing activities	**(3,672)**	**26,854**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity	3,738,859	4,072,726
Costs of raising equity	(10,224)	(71,111)
Proceeds from borrowings	1,697	-
Repayment of borrowings	(1,864)	-
Net cash provided by financing activities	**3,728,468**	**4,001,615**
Net increase in cash and cash equivalents	**1,257,598**	**2,749,130**
Foreign currency gain	(15,709)	521
Cash and cash equivalents at beginning of the period	1,656,320	521,786
Cash and cash equivalents at end of the period	**2,898,209**	**3,271,437**

The accompanying notes form part of this financial report

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

1. CORPORATE INFORMATION

The financial report of Anson Resources Limited (the "Group") for the half-year ended 31 December 2018 was authorised for issue in accordance with a resolution of the directors on 12 March 2019.

Anson Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activity of the Group during the half-year was exploration and evaluation of mineral licences and the development of a mineral project.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

These general purpose condensed consolidated financial statements for the half-year ended 31 December 2018 have been prepared in accordance with AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of the Group as at 30 June 2018.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Company during the half-year ended 31 December 2018 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

Amendments to AASBs and new interpretations that are mandatorily effective for the current period

AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments (2014)* became mandatorily effective on 1 January 2018. Accordingly, the Group has adopted the mandatory standards for the current reporting period as these standards apply for the first time to this set of financial statements. Any other new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Group has considered the implications of these new and amended Accounting Standards. Their adoption did not have any impact on the Group's disclosures and no retrospective adjustments were required. The Group's accounting policies have been revised as follows:

AASB 9 Financial Instruments

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Measurement of Financial Assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories: financial assets at amortised cost; financial assets at fair value through profit or loss (FVTPL); debt instruments at fair value through other comprehensive income (FVTOCI); and equity instruments at FVTOCI. All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Financial Assets at Amortised Cost

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of ‘hold to collect’ contractual cash flows are accounted for at amortised cost using the effective interest method. The Group’s trade and most other receivables fall into this category of financial instruments as well as bonds that were previously classified as held-to-maturity under AASB 139.

Impairment of Financial Assets

AASB 9 new forward-looking impairment model applies to Group’s investments at amortised cost and debt instruments at FVTOCI. The application of the new impairment model depends on whether there has been a significant increase in credit risk.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group allows 1% for amounts that are 30 to 60 days past due, 1.5% for amounts that are between 60 and 90 days past due and writes off fully any amounts that are more than 90 days past due.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Anson Resources Limited) and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 7.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

Financial Assets

Financial assets are carried at fair value. Financial assets are derecognised when the rights to receive the cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

3. SEGMENT REPORTING

The Group operates predominantly in the mineral exploration industry in Australia and USA. The Board has determined that the Group has three reportable segments, being mineral exploration Australia, mineral exploration USA and corporate.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

3. SEGMENT REPORTING (continued)

	Mineral Exploration Australia $	Mineral Exploration USA $	Corporate $	Group $
31 December 2018				
Segment income	-	-	14,206	14,206
Segment result	(19,353)	(1,387,917)	(784,731)	(2,192,001)
Segment assets	-	800,467	3,196,335	3,996,802
Segment liabilities	-	(105,158)	(96,228)	(201,386)
31 December 2017				
Segment income	4,583	-	21,222	25,805
Segment result	(27,529)	(679,932)	(572,808)	(1,280,269)
Segment assets	-	-	3,827,227	3,827,227
Segment liabilities	-	-	(321,342)	(321,342)

Geographical information

	Income		Geographical non-current assets	
	31 December 2018 $	31 December 2017 $	31 December 2018 $	31 December 2017 $
Australia	14,206	25,805	219,204	529,547
USA	-	-	817,642	-
	14,206	25,805	1,036,846	529,547

4. AVAILABLE FOR SALE INVESTMENT

	31 December 2018 $	30 June 2018 $
Non-current		
Investment available-for-sale	171,823	-
	171,823	**-**
Current		
Investment available-for-sale	-	117,373
	-	**117,373**

The Group has an investment in a Canadian listed company. The investment has been revalued at fair value (being the quoted price in an active market for identical assets) at balance date.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	31 December 2018 $	30 June 2018 $
5. ISSUED CAPITAL		
495,362,331 (30 June 2018: 415,204,623) fully paid ordinary shares	**16,662,331**	**13,817,200**

(a) Ordinary shares

The following movements in ordinary share capital occurred during the half-year:

	31 December 2018 No. of shares	31 December 2018 $
Balance at beginning of the half-year	415,204,623	13,817,200
Exercise of options at $0.025 each	56,430,434	1,410,761
Issue of shares in a private placement at $0.11 each (i)	21,363,638	2,350,000
Issue of shares to broker@ $0.11 each in lieu of cash payment for fees	1,363,636	150,000
Issue of shares to consultants for services rendered (see Note 10 (d))	1,000,000	88,000
Share issue costs – share placement	-	(184,009)
Share issue costs – broker options	-	(969,621)
Balance at the end of the half-year	495,362,331	16,662,331

(i) Each 4 participating shares received one free attaching option exercisable at $0.20 each on or before 18 July 2020. A total of 5,681,819 options were issued.

(b) Share options

The following movements in share options occurred during the half-year:

	Listed options exercisable at $0.025 and expiring on 10 August 2018	Unlisted options exercisable at $0.20 and expiring on 18 July 2020
Balance at 1 July 2018	56,554,285	-
Issued during the period (i)	-	15,681,819
Exercised during the period	(56,430,434)	-
Lapsed during the period	(123,851)	-
Balance at 31 December 2018	-	15,681,819

(i) See Note 10(b) for details of 10,000,000 broker options and Note 5(a)(i) for details of options attaching to a share placement.

(c) Performance rights

The following movements in performance rights occurred during the half-year:

	No.
Balance at 1 July 2018	10,000,000
Approved during the period	1,400,000
Lapsed during the period	(2,000,000)
Balance at 31 December 2018	9,400,000

Refer to Note 10(c) for details of performance hurdles on these performance rights.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

6. RESERVES

	Half-year ended 31 December 2018 $	Half-year ended 31 December 2017 $
Value of reserves:		
Balance as at 1 July	721,307	151,256
Transfer of vested Performance Rights to issued capital (i)	-	(71,735)
Vesting of Performance Rights (ii)	88,565	61,312
Issue of broker options (iii)	969,621	200,000
Change in value of available-for-sale investments (iv)	54,450	151,852
Foreign currency translation for subsidiary	8,443	-
Balance as at 31 December	**1,842,386**	**492,685**

(i) The vesting conditions of the Tranche B Performance Rights were achieved during the period to 31 December 2017 and fully paid ordinary shares were issued.

(ii) Shareholders approved the issue of 1,400,000 Performance Rights at the Company's Annual General Meeting held on 28 November 2018 (see Note 10(c)). The vesting of the Performance Rights is conditional upon the achievement of various performance hurdles. The value of the Performance Rights is amortised over the period during which the respective performance hurdles may be achieved. In the event a performance hurdle is achieved before the end of the vesting period, the remaining unamortised value is immediately expensed.

(iii) The Company issued 10,000,000 options to a broker upon the successful conclusion of a capital raising. Options issued were valued using the Black Scholes Option Pricing Model.

(iv) Investments designated as available-for-sale were revalued to their market value.

7. INTEREST IN SUBSIDIARIES

		Ownership Held by the Company	
Name of Subsidiary	**Principal Place of Business**	**31 Dec 2018**	**30 Jun 2018**
Tikal Minerals SA	Guatemala	100%	100%
Rhodes Resources Pty Ltd	Australia	100%	100%
Western Cobalt Pty Ltd	Australia	100%	100%
A1 Lithium Inc.	USA	100%	100%
Blackstone Resources Inc	USA	100%	-

8. COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies remain consistent with those disclosed in the 2018 annual report.

9. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group and the results of those operations.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

10. SHARE BASED PAYMENTS

(a) Loan Funded Share Plan Shares

The Company operates a Loan Funded Share Plan (“Plan”) as a means of attracting and retaining Directors and employees of a high calibre.

No shares were issued under the Plan during the half-year ended 31 December 2018.

The number of shares on issue under the Plan is as follows:

	6 months to 31 December 2018 No.	12 months to 30 June 2018 No.
Opening balance	11,000,000	12,250,000
Shares removed from Plan upon repayment of loan*	-	(1,250,000)
Closing balance	11,000,000	11,000,000

* The Company received $21,931 from the repayment of loan.

Loan funded share plan contingent asset

The Company has issued shares to key management personnel under a loan funded share plan. The grant of these securities is accounted for as a share based payment with the value having been calculated using a Black-Scholes option pricing model at the date of issue. Notwithstanding the accounting treatment of the loan funded share plan as an option, the shares are restricted and can only be released upon the holder paying the loan attached to the shares. The balance of the contingent asset was:

	31 December 2018 $	30 June 2018 $
Loan funded share plan contingent asset	182,235	175,022

(b) Options

During the period, the following options were granted to a broker in consideration for services provided in managing and assisting with a private placement.

Class	Grant Date	Expiry Date	Exercise Price	Number of Options Granted
Unlisted Options	20 July 2018	18 July 2020	$0.20	10,000,000

The following table illustrates the number and weighted average exercise prices of and movements in share options issued as compensation during the period:

	31 Dec 2018 No.	31 Dec 2018 weighted average exercise price	31 Dec 2017 No.	31 Dec 2017 weighted average exercise price
Outstanding at the beginning of the half-year	10,000,000	2.5 cents	500,000	5.5 cents
Granted during the half-year (as above)	10,000,000	20 cents	10,000,000	2.5 cents
Exercised during the half-year	(10,000,000)	2.5 cents	(500,000)	5.5 cents
Outstanding at the end of the half-year	10,000,000	20 cents	10,000,000	2.5 cents
Exercisable at the end of the half-year	10,000,000	20 cents	10,000,000	2.5 cents

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

10. SHARE BASED PAYMENTS (CONTINUED)

(c) Performance Rights

The following performance rights were issued under the Performance Rights Plan during the period:

	31 December 2018 No.	31 December 2017 No.
Opening balance	**10,000,000**	**5,885,000**
Issued during the period:		
Bruce McLeod	-	2,000,000
Bruce Richardson	1,000,000	6,000,000
Greg Knox	400,000	2,000,000
	1,400,000	**10,000,000**
Vested/lapsed during the period:		
Bruce McLeod (i)	(2,000,000)	(885,000)
Bruce Richardson	-	(2,350,000)
Greg Knox	-	(1,765,000)
Michael van Uffelen	-	(885,000)
	(2,000,000)	**(5,885,000)**
Closing balance	**9,400,000**	**10,000,000**

(i) 2,000,000 Performance Rights lapsed upon the death of Mr McLeod.

The Performance Rights issued during the period were issued for nil cash consideration and are subject to the following performance hurdles:

	No. of Performance Rights	
Performance Hurdles	**B. Richardson**	**P. Knox**
- the sale by the Company of the Paradox Lithium Project or a majority interest in the Project, where the sale consideration values the Project at a higher value than the sum of the acquisition cost of the Project and all money spent by the Company developing the Project; or - the farm-out by the Company of the Project where the sum of any consideration received by the Company in consideration of the farm-out and the value of the retained interest of the Company in the Project is higher than the sum of the acquisition cost of the Project and all money spent by the Company in developing the Project	1,000,000	400,000

The shares issued on vesting of the Performance Rights rank pari-passu in all respects with other fully paid ordinary shares in the Company. Any unvested Performance Rights will lapse 7 years after their date of issue.

The Performance Rights were valued at $0.08 each and are being expensed over the estimated vesting period.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

10. SHARE BASED PAYMENTS (CONTINUED)

(d) Share Issue to Consultant

During the half-year, 1,000,000 shares were issued to a consultant for services provided. The shares were valued at $0.088 each.

(e) Valuation of Share Plan Shares, Options, Performance Rights and Shares

The fair value of securities issued under the loan funded share plan as at the date of grant is estimated on the basis of equity-settled share options using the Black Scholes model taking into account the terms and conditions upon which the shares were issued.

The fair value of options issued as share-based payments is estimated on the basis of equity-settled share options using the Black Scholes model taking into account the terms and conditions upon which the options were issued. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The Black Scholes Option Pricing Model assumes that the securities the subject of the valuation can be sold on a secondary market. The terms and conditions of the Share Plan shares and options state that no application will be made for the shares or options to be listed for official quotation on ASX, until certain milestones are met. Accordingly a discount for lack of marketability is required to determine an indicative fair value of the Plan Shares and for the options.

The initial undiscounted value of performance rights is the value of an underlying share in the Company as traded on ASX at the date of deemed date of grant of the performance right. As the performance conditions are not market based performance conditions, no discount is applied.

The fair value of performance rights and share plan shares are recognised as an expense over the period from grant to vesting date. The amount recognised as part of employee benefits expense for performance rights during the period was $88,565.

Shares issued to a consultant were valued at the last traded price of the Company's shares on ASX at the date the services were charged to the Company (see Note 5(a)).

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes thereto, as set out on pages 7 to 18:
   a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
   b. give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year then ended.
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.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to S303 (5) of the Corporations Act 2001.

Bruce Richardson
Executive Chairman and CEO

Dated this 12th day of March 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ANSON RESOURCES LIMITED

Report on the Half-Year Financial Report

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

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

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

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

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

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

Independence

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

Conclusion

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

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

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

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
12 March 2019