



Interim Financial Statements

**For the three and nine months ended
30 SEPTEMBER 2015**

RTG MINING INC.

Level 2, 338 Barker Road, Subiaco WA 6008

Website: www.rtgmining.com

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

The interim financial report for RTG Mining Inc. ("RTG" or the "Company") is a general purpose condensed financial report which has been prepared in accordance with the requirements of International Accounting Standard 34 ("IAS 34") as issued by the International Accounting Standards Board. The consolidated financial statements have also been prepared on a historical cost basis and are presented in United States Dollars (US\$). These financial statements are the responsibility of management and have not been reviewed by the auditors. The most significant accounting principles have been set out in the audited financial statements and Annual Information Form dated 31 March 2015 for the period ended 31 December 2014 and the related notes thereto. A precise determination of many assets and liabilities is dependent on future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

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SECRETARY:

Nicholas F Day (Appointed: Jan 21, 2015)
Ryan P Gurner (Appointed: Sept 9, 2014 Resigned: Jan 21, 2015)

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AUDITORS:

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STOCK EXCHANGE:

Australian Securities Exchange Limited

Exchange Code:

RTG – Chess Depositary Interest Notes (“CDI’s”)

Toronto Stock Exchange Inc

Exchange Code:

RTG – Fully Paid Shares

SHARE REGISTER:

Australian Register

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RTG MINING INC.
CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
Unaudited - Prepared By Management
For the nine months ended 30 September

	Note	Consolidated 3 months ended 30 Sept, 2015 US\$	Consolidated 3 months ended 30 Sept, 2014 US\$	Consolidated 9 months ended 30 Sept, 2015 US\$	Consolidated 9 months ended 30 Sept, 2014 US\$
Continuing Operations					
Income	3	404	10,200	1,644	28,124
Exploration and evaluation expenditure	4a)	(103,956)	-	(243,745)	-
Business development	4b)	(216,976)	(456,517)	(893,866)	(1,173,444)
Foreign exchange gains/(losses)		(197,550)	(144,229)	(36,415)	(323,477)
Administrative expenses	4(c)	(566,949)	(857,890)	(1,682,449)	(2,944,789)
Share of loss of associate		(610,151)	(312,251)	(1,682,530)	(439,136)
Impairment	4(d)	-	-	(3,172,081)	-
Loss from continuing operations		(1,695,178)	(1,760,687)	(7,709,442)	(4,852,722)
Income tax benefit		-	-	-	-
Loss for the period		(1,695,178)	(1,760,687)	(7,709,442)	(4,852,722)
Other comprehensive income for the period					
Share of gain on translation of associates		240,106	96,532	359,744	96,532
Exchange differences on translation of foreign operations		(99,445)	(102,619)	(172,566)	(84,450)
Total comprehensive income/(loss) for the period		(1,554,517)	(1,766,774)	(7,522,264)	(4,840,640)
Earnings per share for loss attributable to the ordinary equity holders of the company					
Basic loss per share (cents)		(1.31)	(3.01)	(5.97)	(8.30)
Diluted loss per share (cents)		(1.20)	(3.02)	(5.82)	(8.28)

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

RTG MINING INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited – Prepared By Management
As at

BALANCE SHEET		30 September 2015	31 December 2014
	Note	US\$	US\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	7,316,744	2,394,974
Trade and other receivables		376,042	349,146
Prepayments		49,448	130,579
Total Current Assets		7,742,234	2,874,699
Non-Current Assets			
Property, plant and equipment		209,180	230,670
Investment in associates	6	81,053,644	83,197,341
Available for sale financial assets		-	1,841,854
Loans to associates	9	5,871,732	2,992,472
Derivative financial asset		-	1,330,228
Total Non-Current Assets		87,134,556	89,592,565
TOTAL ASSETS		94,876,790	92,467,264
LIABILITIES			
Current Liabilities			
Trade and other payables		242,136	276,566
Provisions		101,750	944,251
Total Current Liabilities		343,886	1,220,817
TOTAL LIABILITIES		343,886	1,220,817
NET ASSETS		94,532,904	91,246,447
SHAREHOLDER'S EQUITY			
Issued capital	7(a)	124,708,862	113,900,141
Reserves	7(b)	3,386,873	3,199,695
Accumulated losses		(33,562,831)	(25,853,389)
TOTAL SHAREHOLDER'S EQUITY		94,532,904	91,246,447

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

RTG MINING INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited – Prepared By Management

	Note	Three months ended Sept 30, 2015 US\$	Sept 30, 2014 US\$	Nine months ended Sept 30, 2015 US\$	Sept 30, 2014 US\$
Cash flows from operating activities					
Payments to suppliers and employees		(784,723)	(980,494)	(2,442,356)	(4,171,217)
Exploration and evaluation costs		(103,956)	-	(243,745)	-
Interest received		404	10,200	1,646	28,124
Net cash outflow from operating activities		(888,275)	(970,294)	(2,684,455)	(4,143,093)
Cash flows from investing activities					
Payments for property, plant & equipment		-	-	-	(14,405)
Loans to associates		(1,025,380)	(765,052)	(2,879,260)	(1,408,722)
Cash acquired at acquisition net of expenses		-	24,472	-	263,371
Net cash inflow/(outflow) from investing activities		(1,025,380)	(740,580)	(2,879,260)	(1,159,756)
Cash flows from financing activities					
Proceeds from share issue		-	-	11,762,802	-
Share issue costs		-	-	(954,081)	-
Proceeds from exercise of options		-	240	-	240
Net cash inflow from financing activities		-	240	10,808,721	240
Net increase / (decrease) in cash and cash equivalents		(1,913,655)	(1,710,634)	5,245,006	(5,302,609)
Cash and cash equivalents at beginning of the period		9,505,398	7,234,480	2,394,974	10,987,534
Reclassification cash to receivable		-	(109,684)	-	(109,684)
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		(274,999)	(162,398)	(323,236)	(323,477)
Cash and cash equivalents at end of the financial period	4	7,316,744	5,251,764	7,316,744	5,251,764

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

RTG MINING INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited – Prepared By Management

For the nine months ended 30 September 2015

	<i>Issued Capital US\$</i>	<i>Acquisition reserve US\$</i>	<i>Share based payment reserve US\$</i>	<i>Foreign Currency Translation Reserve US\$</i>	<i>Accumulated Losses US\$</i>	<i>Total US\$</i>
Balance at 1 January 2014	113,900,141	(4,300,157)	7,601,285	(101,433)	(25,853,389)	91,246,447
<i>Other comprehensive income/(loss)</i>						
Share of gain on translation of associates	-	-	-	359,744	-	359,744
Exchange differences on translation of foreign operations	-	-	-	(172,566)	-	(172,566)
(Loss) for the period	-	-	-	-	(7,709,442)	(7,709,442)
Total comprehensive income /(loss) for the period	-	-	-	187,178	(7,709,442)	(7,522,264)
Transactions with owners in their capacity as owners:						
Share issue	11,762,803	-	-	-	-	11,762,803
Share issue costs	(954,082)	-	-	-	-	(954,082)
At 30 September 2014	124,708,862	(4,300,157)	7,601,285	85,745	(33,562,831)	94,532,904

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

RTG MINING INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont.)

Unaudited – Prepared By Management

For the nine months ended 30 September 2014

	<i>Issued Capital US\$</i>	<i>Acquisition reserve US\$</i>	<i>Share based payment reserve US\$</i>	<i>Foreign Currency Translation Reserve US\$</i>	<i>Accumulated Losses US\$</i>	<i>Total US\$</i>
Balance at 1 January 2014	34,162,759	(4,300,157)	3,139,200	-	(18,412,040)	14,589,762
<i>Other comprehensive income/(loss)</i>						
Share of gain on translation of associates	-	-	-	96,532	-	96,532
Exchange differences on translation of foreign operations	-	-	-	(84,450)	-	(84,450)
(Loss) for the period	-	-	-	-	(4,852,722)	(4,852,722)
Total comprehensive income /(loss) for the period	-	-	-	12,082	(4,852,722)	(4,840,640)
Transactions with owners in their capacity as owners:						
Share issue under Scheme	79,737,140	-	-	-	-	79,737,140
Option issue under Scheme	-	-	4,462,085	-	-	4,462,085
Exercise of options	240	-	-	-	-	240
At 30 September 2014	113,900,139	(4,300,157)	7,601,285	12,082	(23,264,762)	93,948,587

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the period ended 31 March 2014

Unaudited – Prepared By Management

1. CORPORATE INFORMATION

The interim financial report of RTG Mining Inc. (“the Company”, “RTG”, “the Group” or “the Entity”) is presented as at 30 September 2015 and for the period 1 January 2014 to 30 September 2015.

RTG Mining Inc (“the Company”, “RTG”, or “the Entity”) was incorporated on 27 December 2012, and is domiciled in the British Virgin Islands. The Company’s registered address is Sea Meadow House, Blackburne Highway. (PO Box 116) Road Town, Tortola, British Virgin Islands. Its shares are publicly traded on both the Australian Stock Exchange (“ASX”) and the Toronto Stock Exchange (“TSX”).

The Group’s activities during the nine months to September 2015 continued with successful exploratory step out drilling and work progressing on the Definitive Feasibility Study at the Mabilo Project. Work on the Definitive Feasibility Study included metallurgical test work, work on environmental studies, and community development and infrastructure studies for the Project. The Company’s regional Philippines exploration continued during the period at the Bunawan and Bahayan Projects with preparation underway for geophysical programs later this quarter. The Company also continued its efforts in the period on the identification of new business opportunities in the resources sector.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The interim financial report is a general purpose condensed financial report which has been prepared in accordance with the requirements of International Accounting Standard 34 (“IAS 34”) as issued by the International Accounting Standards Board. The consolidated financial statements have also been prepared on a historical cost basis and are presented in United States Dollars (US\$).

(b) Significant accounting policies

The interim consolidated financial statements have been prepared using the same accounting policies as used in the financial statements for the period ended 31 December 2014 contained in the audited financial statements for RTG Mining Inc. dated 31 March 2015.

	3 months ended Sept 30, 2015 US\$	3 months ended Sept 30, 2014 US\$	9 months ended Sept 30, 2015 US\$	9 months ended Sept 30, 2014 US\$
3. INCOME				
Interest income	404	10,200	1,644	28,124
	404	10,200	1,644	28,124

4. EXPENSES

	3 months ended Sept 30, 2015 US\$	3 months ended Sept 30, 2014 US\$	9 months ended Sept 30, 2015 US\$	9 months ended Sept 30, 2014 US\$
(a) Exploration & evaluation				
Consultants	7,537	-	8,547	-
Employee benefits	41,529	-	130,001	-
Travel	54,890	-	105,197	-
	103,956	-	243,745	-
	3 months ended Sept 30, 2015 US\$	3 months ended Sept 30, 2014 US\$	9 months ended Sept 30, 2015 US\$	9 months ended Sept 30, 2014 US\$
(b) Business development				
Travel	63,132	266,073	451,766	496,739
Employee fees	101,503	120,310	318,573	413,389
Other	52,341	70,134	123,527	263,316
	216,976	456,517	893,866	1,173,444
	US\$	US\$	US\$	US\$
(c) Administrative expenses				
Audit & accounting fees	(11,889)	56,207	113,419	66,061
Employee and directors fees	277,372	543,548	807,874	1,368,158
Office rental	42,482	53,867	135,587	249,078
Legal fees	126,244	-	282,773	506,153
Listing and shareholder reporting costs	24,046	11,065	165,653	164,379
Consultants	25,466	96,693	50,466	136,031
Computer support	12,866	9,604	30,078	42,034
Depreciation	6,767	7,445	21,490	23,139
Other	63,595	79,461	75,109	389,756
	566,949	857,890	1,682,449	2,944,789
	US\$	US\$	US\$	US\$
(d) Impairment expense				
Available for sale financial asset	-	-	(1,841,854)	-
Derivative financial asset	-	-	(1,330,228)	-
	-	-	(3,172,082)	-

5. CASH AND CASH EQUIVALENTS

	Sept 30, 2015 US\$	Dec 31, 2014 US\$
Cash at bank and on hand	7,316,744	2,394,974
	7,316,744	2,394,974

6. INVESTMENT IN ASSOCIATES

	Reviewed 30 June 2015 US\$	Audited 31 December 2014 US\$
Opening balance	83,197,341	-
Associates acquired	-	83,989,104
Share of associates net loss	(2,503,441)	(856,588)
Share of foreign currency translation reserve	359,744	64,825
	81,053,644	83,197,341

(a) Acquisition of interest

On 4 June 2014, RTG completed the implementation of the schemes of arrangement (the "Schemes") pursuant to the terms of the previously-announced Scheme Implementation Deed dated February 24, 2014 (the "Deed") between RTG and Sierra Mining Limited ("Sierra") to acquire all of the outstanding securities of Sierra.

Pursuant to the Schemes, RTG has acquired a 40% interest in each of Mt Labo Exploration & Development Corporation, St Ignatius Exploration and Mineral Resources Corporation, Bunawan Mining Corporation and Oz Metals Exploration and Development Corporation. As the acquisition of Sierra is not deemed a business acquisition, the transaction must be accounted for as a share based payment for the net assets acquired.

The consideration payable was 79,063,206 ordinary RTG shares and 8,784,854 RTG listed options. Details of the fair value of the assets and liabilities acquired as at 4 June 2014 are as follows:

<u>Purchase consideration comprised</u>	Sept 30, 2014 US\$
79,063,206 ordinary shares*	79,737,140
8,784,854 listed options*	4,462,085
Total consideration	84,199,225
Costs associated with acquisition	1,064,295
	85,263,520

*Share issue price C\$1.10, option issue value C\$0.554

Net assets acquired

	Recognised at acquisition US\$	Carrying value US\$
Cash and cash equivalents	1,327,666	1,327,666
Trade and other receivables	349,015	349,015
Investment in associate	83,959,555 ⁽¹⁾	1,366,798
	85,636,236	3,043,479
Trade and other payables	(372,716)	(372,716)
Fair value of identifiable net assets	85,263,520	2,670,763

Cash inflow on acquisition

Net cash at acquisition date	1,327,666
Direct costs related to acquisition	(1,064,295)
	<u>263,371</u>

(1) Investment in associate at acquisition date

7. SHAREHOLDERS EQUITY

	Sept 30, 2015 Number	Dec 31, 2014 Number
(a) Issued and paid up capital:		
Issued and fully paid shares	<u>124,708,862</u>	<u>113,900,141</u>

Movements in contributed equity during the past nine months were as follows:

Ordinary Shares	Number	US\$
Opening balance at 1 January 2015	111,973,237	113,900,141
Shares issued under capital raising	22,279,000	11,762,803
Capital raising costs	-	(954,082)
Total shares on issue at 30 September 2015	<u>134,252,237</u>	<u>124,708,862</u>

(b) Reserves

	Sept 30, 2015 US\$	Dec 31, 2014 US\$
Acquisition reserve	(4,300,157)	(4,300,157)
Share based payment reserve	7,601,285	7,601,285
Foreign currency translation reserve	85,745	(101,433)
	<u>3,386,873</u>	<u>3,199,695</u>

(c) Options

Movements in the number of listed options during the nine month period are as follows:

(i) Listed options	Number	US\$
Opening balance at 1 January 2015	8,784,687	4,462,085
Options issued	-	-
Options exercised	-	-
Total options on issue at 30 September 2015	<u>8,784,687</u>	<u>4,462,085</u>

The options on issue were valued using the Black and Scholes method with the following assumptions:

Number of options	8,784,854
Grant date share price	C\$1.10
Exercise price	C\$1.50
Expected volatility	90%
Option life	3 years
Dividend yield	0.00%
Interest rate	1.2%

8. DIVIDENDS

No dividends have been paid or provided for during the period.

9. LOANS TO ASSOCIATES

On 4 June 2014, RTG completed the implementation of the Schemes to acquire the outstanding securities of Sierra. Pursuant to the Schemes, RTG has acquired a 40% interest in each of Mt Labo Exploration & Development Corporate, St Ignatius Exploration and Mineral Resource Corporate, Bunawan Mining Corporation and Oz Metals Exploration and Development Corporation.

The total loan balance from acquisition date to 31 September 2015 was \$5,871,732 and has funded a share of costs associated with the following:

- o the preparation of the Maiden Resource Statement at the Mabilo Project;
- o commencement of permitting for the initial planned oxide mining development at Mabilo;
- o preparation of a feasibility study for the Mabilo Project;
- o obtaining the Bunawan Project exploration permit; and
- o completion of the December quarter Bunawan drilling program.

	30 June 2015	31 December 2014
	US\$	US\$
Loans to associates	5,871,732	2,992,472
	<u>4,846,352</u>	<u>2,992,472</u>

These transactions were undertaken on commercial terms and conditions, except that:

- I. there is no fixed repayment; and
- II. no interest payable on the loans at present.

10. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

The Group measures the following assets at fair value on a recurring basis:

- Available for sale financial assets
- Derivative financial assets

Fair value hierarchy

IFRS 13 requires disclosures of fair value measurements by level of the following fair value measurement hierarchy.

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 (unobserved inputs).

Recognised fair value measurements

The following table presents the Group's assets measured at fair value at 30 June 2015 and 31 December 2014.

**At 30 September
2015**

	Notes	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Available for sale financial asset		-	-	-	-
Derivative financial asset		-	-	-	-
Total financial assets		-	-	-	-

**At 31 December
2014**

	Notes	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Available for sale financial asset		-	-	1,841,854	1,841,854
Derivative financial asset		-	-	1,330,228	1,330,228

Valuation methods and assumptions

Valuation techniques used to derive level 2 and level 3 fair values

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all the specific inputs required to fair value an instrument are observable, the instrument is classified as level 2. If one or more of the significant inputs is not based on market observable data, the instrument is classified as level 3.

The following table presents the changes in level 3 items for the period ended 30 June 2015 and 31 December 2014.

	Available for sale financial assets US\$	Derivative financial asset US\$	Total US\$
Opening balance at 1 January 2015	-	-	-
Convertible note	1,841,854	1,330,228	3,172,082
Total financial assets	-	-	-
Impairment*	(1,841,854)	(1,330,228)	(3,172,082)
At 30 September 2015	-	-	-
	Available for sale financial assets US\$	Derivative financial asset US\$	Total US\$
Opening balance at 1 January 2014	-	-	-
Convertible note	1,841,854	1,330,228	3,172,082
Total financial assets	-	-	-
Acquisitions	-	-	-
At 31 December 2014	1,841,854	1,330,228	3,172,082

*During the previous period, the Company reviewed its investment and convertible note in Elephant Copper. The Company has adopted a conservative approach and on the recommendation of the Audit Committee, has decided to impair these assets to nil. The decision was based on a number of factors,

including but not limited to, the fall in current market conditions and a lower copper price, which will potentially impact Elephant Coppers proposed capital raising.

Fair value of other financial instruments not measured at fair value

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The loans to associates are currently not carried at fair value, however any potential differences between the carrying value and fair value would be considered immaterial.

11. SEGMENT INFORMATION

The Company's operations are segmented on a regional basis and 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 defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and development with its exploration and evaluation held in the Philippines.

Nine months to 30 September 2015

Results	Philippines 2015 US\$	Australia 2015 US\$	Other 2015 US\$	Consolidated Total 2015 US\$
Segment profit/(loss) before tax	(1,682,530)	(2,815,242)	(3,211,671)	(7,709,443)
Revenue	-	1,646	-	1,646
Administrative expenses	-	(1,645,203)	(37,246)	(1,682,449)
Foreign exchange	-	(34,072)	(2,343)	(36,415)
Share of associate profit/(loss)	(1,682,530)	-	-	(1,682,530)
Impairment available for sale financial assets	-	-	(1,841,854)	(1,841,854)
Impairment of derivative financial assets	-	-	(1,330,228)	(1,330,228)
Other expenses	(243,745)	(893,868)	-	(1,137,613)
Segment profit/(loss) before income tax as per statement of comprehensive income				(7,709,443)

Nine months to 30 September 2014

Results	Philippines 2014 US\$	Australia 2014 US\$	Other 2014 US\$	Consolidated Total 2014 US\$
Segment profit/(loss) before tax				(4,852,722)
Revenue	-	28,124	-	28,124
Administrative expenses	-	(2,726,322)	(218,467)	(2,944,789)
Foreign exchange	-	(319,698)	(3,778)	(323,477)
Share of associate profit/(loss)	(439,136)	-	-	(439,136)
Other expenses	-	(1,181,956)	(8,512)	(1,173,444)
Total revenue as per statement of comprehensive income				(4,852,722)

The following is the geographical locations of the Company's assets:

	30 September 2015	31 December 2014
	US\$	US\$
Philippines	86,925,375	86,189,813
Australia	7,928,079	3,070,688
Other	23,336	3,206,763
Total	94,876,790	92,467,264

12. COMMITMENT AND CONTINGENCIES

Operating lease commitment

Contractual obligations	Payments due by period				
	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
Lease obligations ¹	154,913	154,913	-	-	-
Total contractual obligations	154,913	154,913	-	-	-

¹ Corporate office lease payments due.

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

13. RELATED PARTY TRANSACTIONS

(a) Controlling entity

The ultimate controlling entity in the wholly owned group is RTG Mining Inc.

(b) Other transactions with related parties

Transactions with related parties consist of companies with directors and officers in common and companies owned in whole or in part by executive officers and directors as follows for the three and nine months ended June 30, 2015 and June 30, 2014:

Name	Nature of transactions	
Coverley Management Services Pty Ltd	Consulting as Director	

The Company paid the following fees in the normal course of operation in connection with companies owned by directors.

	Three months ended Sept 30,		Nine months ended Sept 30,	
	2015	2014	2015	2014
Directors fees	11,522	13,090	41,302	40,896
Total	11,522	13,090	41,302	40,896

During the period 30 September 2015, the Company entered into transactions with related parties in the wholly-owned group:

- Loans of \$28,242 were advanced on short term inter-company accounts; and

- Loans of \$2,879,262 were advanced to associates, \$2,001,728 for costs relating to Mt Labo Joint Venture, \$701,619 to Bunawan Mining Corporation and \$175,915 to Oz Metals Corporation.

These transactions were undertaken on the following terms and conditions:

- there is no fixed repayment ; and
- no interest is payable on the loans at present.

14. EVENTS AFTER BALANCE SHEET DATE

The Company has updated the Mineral Resource for the Mabilo Project reported in accordance with the JORC Code (2012) and National Instrument 43-101 – Standards of Disclosure for Mineral Projects. The Indicated Mineral Resource category has significantly increased by 52% to 8.9Mt. The new Mineral Resource Statement delivers sufficient resources to justify a Feasibility Study with a 10 year mine life, which is expected to be finalised later in the current quarter.

The Indicated Mineral Resource includes significant high grade oxide gold and copper at shallow levels which contains 67,100 ounces of gold, 32,100t of copper and 320,800t of iron.

Highlights of the resource include: –

- Total Indicated Resource of 8.9Mt at 1.92% Cu, 2.03g/t Au, 9.79g/t Ag and 45.56 Fe, containing 169,800t copper and 577,600oz of gold at a 0.3g/t Au cut-off grade (Table1).
- Total Inferred Resource of 3.9Mt at 1.46% Cu, 1.47g/t Au, 9.09g/t Ag and 29.02% Fe, containing 57,000t copper and 184,900oz of gold at a 0.3g/t Au cut-off grade (Table 1).
- Indicated Oxide Resource that includes a high grade oxide gold “cap” zone (385,000t @ 2.9g/t Au) and a very high grade Supergene Chalcocite zone (102,000t @ 23.0% Cu) at shallow levels.

Mt Labo is currently in the process of renewing its exploration licence at the Mabilo Project with the process well advanced. The regional Mines and Geosciences Bureau has confirmed that all conditions have been met and it has been endorsed for signing by the Central office. The drilling contractor Galeo has temporarily suspended drilling while reviewing the drilling program in line with the EP renewal.