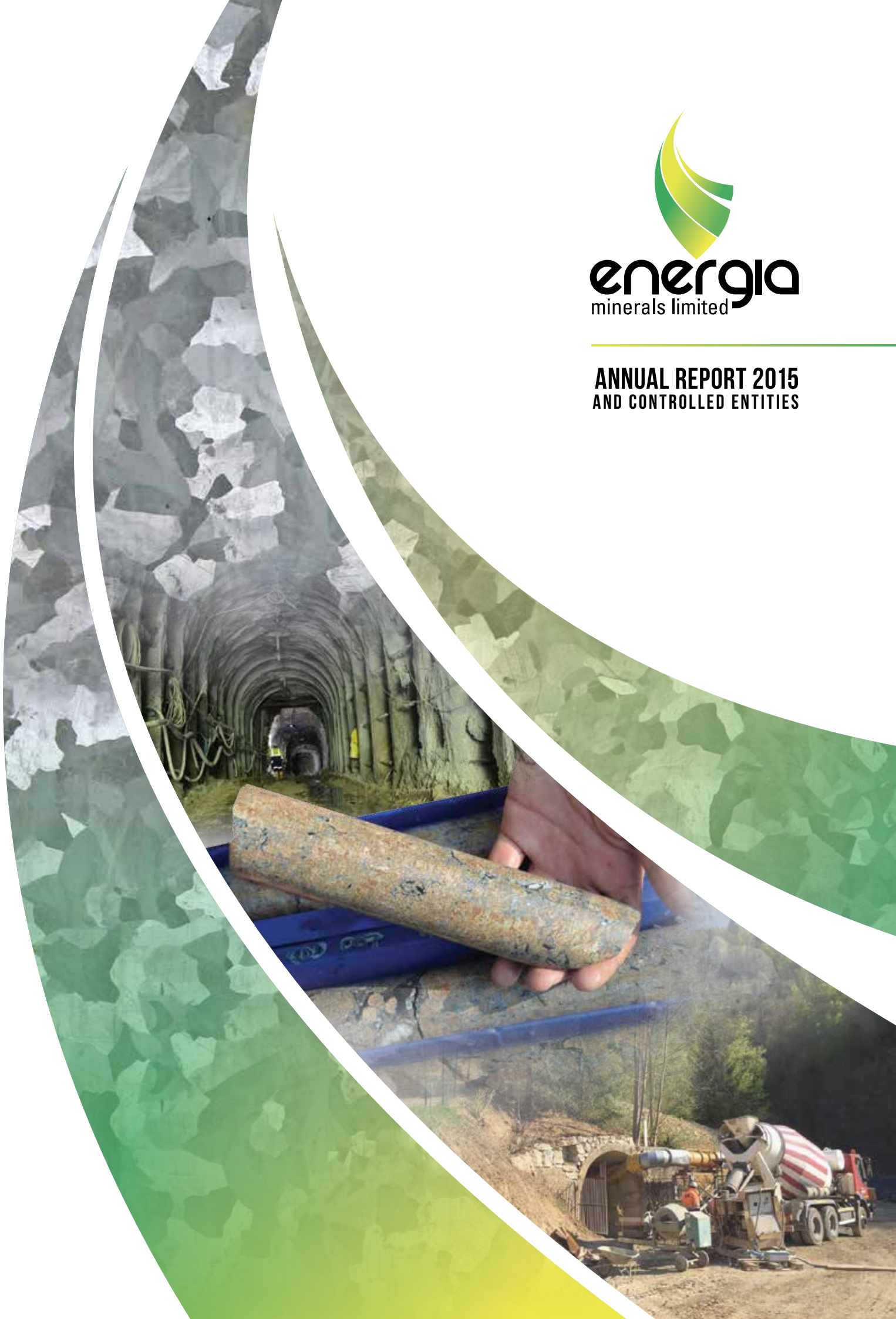




**ANNUAL REPORT 2015
AND CONTROLLED ENTITIES**





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*Inside Cover: Sphalerite mineralisation in diamond core
Gorno, Italy*

*Page two: Sphalerite mineralisation underground on the
940 level Gorno, Italy*

Inside back cover: Santa Barbara Ceremony Gorno, Italy

CORPORATE GOVERNANCE STATEMENT

The Company's Corporate Governance Statement can be found on the Company's website at www.energiaminerals.com/company-information/our-corporate-governance.



Dear Shareholders,

It has been a transformative 12 months for our company having recapitalised Energia in October and November of 2014 and shifting the focus from the Carley Bore Uranium Project in Western Australia to the Gorno Zinc Project in Italy.

Notwithstanding the difficult prevailing market conditions for junior exploration and mining companies throughout this period, Energia has developed and carried out value adding strategies which include:

- A placement and fully underwritten rights issue at 2.5c per share raising \$8.15 million (before fund raising costs);
- The sale of the Carley Bore Project to Paladin Energy Limited;
- Shifted our exploration and evaluation focus to the Gorno Zinc Project;
- Established local operations to oversee the Gorno Project, community engagement and to inter-relate with regional authorities;
- Resource definition work program developed to evaluate Colonna Zorzone, the primary target at Gorno;
- Local contractor, EDILMAC, appointed to carry out required rehabilitation and development work on existing access to facilitate the underground drilling program which commenced in June; and
- Applied for additional zinc exploration licences over project areas in Italy and Western Australia.

The strategic value of the Carley Bore Uranium Project in Western Australia was realised with the execution of a binding heads of agreement on 31 May 2015 with Paladin Energy Limited (Paladin) for \$1.6 million cash and 45 million Paladin shares.

Through its shareholding in Paladin, Energia retains significant exposure to both uranium and the Nyang province, where Paladin now owns the Carley Bore and the neighbouring Manyingee projects. The transaction also provides Energia with a non-dilutive funding option to continue to advance work on the Gorno Project.

Market forecasters remain bullish on the medium term outlook for both uranium and zinc based on supply and demand fundamentals. We share this positive view and intend to continue working to unlock value in the Company's portfolio over the year ahead through our significant exposure to both commodities.

Thanks to the efforts of our Managing Director, Kim Robinson, and our team of technical specialists working on the project, Gorno is emerging as an outstanding development opportunity in a tightening zinc market with very few projects of its calibre and potential. What has been accomplished in a relatively short period of time is commendable and has been described in more detail in the "Operations Report".

In addition, the Company has expanded its Italian zinc exploration footprint with two new applications at Gorno (see Figure 4) and new applications covering the historical mines of Salafossa and Predil located near the Austrian and Slovenian borders respectively (see Figure 1). Salafossa and Predil are reported to have produced approximately 41Mt historically on a collective basis at an average grade of 5% zinc and 1.1% lead. They represent significant exploration opportunities to compliment Gorno in the future.

In Western Australia, the Company has been encouraged by exploration results in the Paterson province and to complement its existing 194km² Exploration Licence (E45/2886), has applied for an additional eight tenements covering 1,422km² in an area that we believe has significant exploration potential for zinc and lead.

My sincere thanks go to the past Board of Directors and their advisers for having the foresight and tenacity to secure, evaluate and retain Carley Bore and Gorno in a very challenging market for junior mining and exploration companies. Shareholders are now seeing the Company's potential come to fruition with the significance of the Carley Bore transaction and encouraging exploration results achieved to date at Gorno.

The progress at Gorno would not have been possible without the hard work of our dedicated team of professionals or without the ongoing strong support of local authorities including Regione Lombardia, the local communi of Oltre Il Colle, Gorno, Oneta and Zorzone and other members of the local community.

Finally, I would like to extend our thanks to shareholders and stakeholders for their support over the last year.

Yours sincerely



Alexander Burns

Executive Chairman

17 September 2015

OPERATIONS REPORT

OVERVIEW

During the year, the Company continued to evaluate and advance its two flagship projects, the Gorno Zinc Project in northern Italy, and the Carley Bore uranium deposit located within the broader Nyang Project in Western Australia. Since the financial year end, the Company has completed the sale of its Carley Bore Project to Paladin Energy Limited (Paladin) for a consideration of 45 million Paladin shares plus \$1.6 million in cash.

In northern Italy, Energia is advancing the development of the Gorno Zinc Project and has applied for two new Exploration Licences to increase the total licence area to 172km² (see Figure 4). In addition, the Company has applied for a further two new Exploration Licences covering two large historical zinc and lead mines at Salafossa and Predil in the north east of Italy, both of which have potential to complement Gorno in the future. Lastly, in northern Italy, Energia also retains two Exploration Licence applications over the historical uranium projects at Val Vedello and Novazza, albeit its current focus is on the evaluation and development of the flagship Gorno Zinc Project.

Gorno has an **Exploration Target¹ of 6-10 million tonnes at 7-10% zinc plus lead**. Energia has re-established underground access to the Colonna Zorzone deposit at Gorno and has commenced an underground diamond drilling program to delineate a JORC compliant resource at Colonna Zorzone.

The Company's other exploration projects in Australia include one granted tenement and eight tenement applications totalling 1,616km² in the rapidly developing Paterson Province of Western Australia, one tenement application in the highly prospective Carnarvon Basin and two tenement applications in the MacArthur Basin of the Northern Territory.

¹Please refer to each project summary contained in this Operations Report for a detailed explanation on the basis of the Exploration Targets mentioned above and how Energia plans to test these in the future. An Exploration Target is conceptual in nature and has yet to be fully drill tested. There has been insufficient exploration to define a mineral resource estimate which could be reported in accordance with the JORC 2012 code. It is uncertain if future exploration will result in the determination of a mineral resource within the project. The Exploration Targets are based on historical drilling intercepts, unverified old resource estimates and recent underground investigations.



Figure 1 – Location of Italian Project areas



Figure 2 – Location of Australian Project areas



Figure 3 – Gorno Zinc Project, showing recent development and rehabilitation at the Ca Pasi entrance to underground workings

NORTHERN ITALIAN PROJECTS

Gorno Zinc Project, Italy

Energia has ten granted base metal Exploration Licences and six Exploration Licence applications in the Lombardia region of northern Italy (see Figure 4). On 2 February 2015, Energia completed an agreement to purchase a granted Mining Concession within our tenement holding from Berghem Mines & Tech SRL that will fast-track development of these historically high grade and large Mississippi Valley style zinc-lead mineralised systems and enable the Company to capitalise on the strong outlook for the global zinc market. The consideration for this purchase (the detail of which was announced on 18 June 2014) is €219,600 payable in equal monthly instalments over a three year period as well as a 1% royalty on net smelter return.

This region has a long history of mining extending back over 2,500 years to the Celtic period and the Gorno licences cover a number of partly inter-connected zinc-lead mines that were exploited up until the early 1980's.

Investigation of historical records has established that the Gorno licence areas contains more than 230km of underground workings and recorded historical production of over 800,000 tonnes of zinc metal contained in very high quality zinc concentrates (55-57% Zn for sulphide concentrates and 38-40% Zn for oxide concentrates) from ore averaging 14.5% Zn+Pb over a production life

of 102 years from 1883 to 1985. The concentrating plant closed in 1985, with significant unmined ore remaining and operations have been dormant since then.

Energia's exploration program at Gorno has involved restoring access to the extensive underground workings within the upper levels of the mine in the Colonna Zorzone (previously referred to as Panel 7) area which was closed by the former owner ENI SpA (ENI) in 1985, notwithstanding the fact that there was significant "ore-in-sight" remaining at the time. Local mining contractor, EDILMAC, has been contracted to carry out rehabilitation and access for resource drilling including completion of new decline development and an underground diamond drilling program to initially convert part of the "Exploration Target" into a JORC compliant resource.

The Gorno exploration program is occurring in overlapping stages. The first being to rehabilitate access to the 940RL level (already completed) and then to drill out an initial JORC (2012) resource up dip, down dip and along strike of the "ore in sight" from the upper 940RL and 990RL. Once suitable access is available, EDILMAC will construct an Exploration Decline to establish drilling platforms to drill out the resource between the 940RL and 600RL levels. These overlapping exploration programs are anticipated to be completed by December 2015.

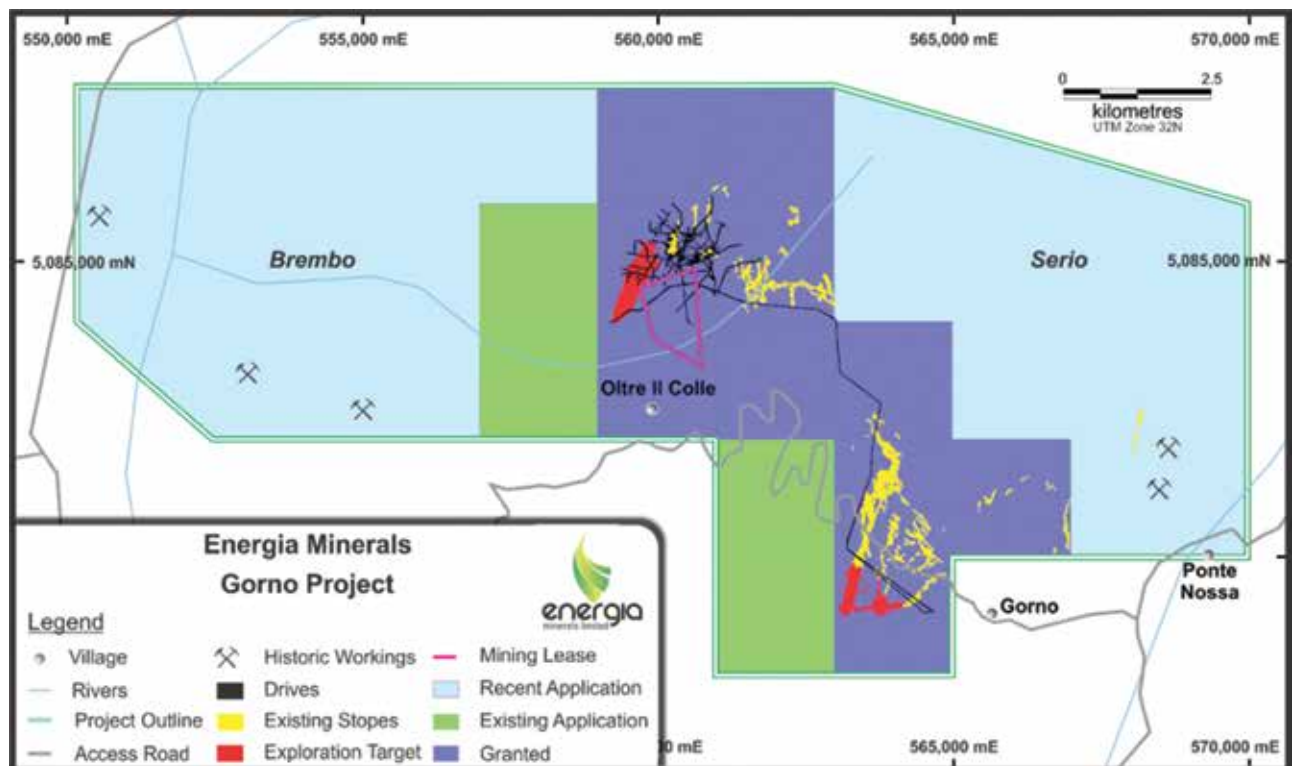


Figure 4 – Gorno Zinc Project

Energia Minerals continues to compile and digitize historical data from the Bergamo and Gorno archives which to date includes over 900 ore definition underground percussion drillholes and 146 diamond drillholes.

An underground investigation of the previously mined Colonna Fortuna, which is located six kilometres south of Energia's main area of interest at Colonna Zorzone, has confirmed that Colonna Fortuna was mined to the 410RL and developed to the 370RL (110 metres beneath the water table), which suggests that ground water should not be a major impediment in any future mining operation.

One of the major assets that ENI developed during the 1970's was the 10.3 kilometre Riso-Parina adit on the 600RL connecting the treatment plant and refinery to the Colonna Zorzone mineralisation. Records show that this adit progressed at an average rate of around 150 metres per month which is a very encouraging indication of the productivity that may be achieved in any future mining operation at Gorno.

The data gathered to date continues to increase the potential of the Gorno Project, which has an Exploration Target of **6-10Mt grading 7-10% Zn+Pb**. The Exploration Target is comprised of three parts, the first in the Colonna Zorzone area of **3-5Mt grading 7-10% Zn+Pb** above the 550m level, **2-3Mt grading 7-10% Zn+Pb** between the 200m and 550m levels and the third part in the Colonna Fortuna area of **1-2Mt grading 6-7% Zn+Pb**. Overall these grades compare favourably with historical records of the production from the Gorno Zinc Mine of **6Mt grading 14.5% Zn+Pb**. This Exploration Target excludes potential below the 200RL, which is only 400m below the Riso-Parina adit, and 6km of largely untested exploration potential between Colonna Fortuna and Colonna Zorzone. In addition, no exploration has been carried out to the west of the Colonna Zorzone even though the most westerly diamond drillhole drilled by ENI encountered **15m grading 11% Zn+Pb**.

The Exploration Target for Colonna Zorzone is well supported by five historical diamond drill holes averaging **5.6m at 8.6% Zn+Pb** as well as numerous historical grade control drilling results on the 900RL and 940RL and five historical diamond drill holes averaging **5.6m at 10.9% Zn+Pb** on the 600RL.

The Exploration Target for the Colonna Fortuna area is also well supported by historical ENI records showing 622,000 tonnes grading 6.5% Zn+Pb between the 500RL and the 340RL remaining at mine closure. (This number is not intended to imply a Resource or Reserve but is presented here as justification for the Exploration Target).

Energia plans to drill the Colonna Zorzone area above the water table with the objective of converting 3-5Mt of the Exploration Target to an Indicated and Inferred Resource estimate by March 2016.

Gorno represents a promising development opportunity that has the potential to produce high quality, coarse grained concentrates to supply a number of European smelters, which are anticipated to be short of quality feedstock going into the 2017-2018 period. The presence of extensive existing underground mine infrastructure combined with the large tonnage potential and extent of the developed mineralisation together with a well-established and supportive mining community makes this a uniquely attractive project.

Salafossa and Predil Zinc Projects, Italy

During the year, additional Exploration Licences were applied for covering two historically large Mississippi Valley Style producers (both have similar Zn:Pb ratios to Gorno). These Exploration Licences, if granted, will offer significant additional growth opportunities alongside the Company's flagship Gorno Zinc Project. The two applications cover the historical zinc mines of Predil and Salafossa in the far north-east of Italy, close to the borders of Slovenia and Austria respectively and approximately 400km by road from Gorno (see Figure 1).

The Predil mine (previously known as Raibl), has a long production history dating back to the eleventh century and was prematurely closed in 1991 by ENI as part of the Italian government's strategy for ENI to limit its activities to oil and gas. Predil (see Figure 1) is estimated to have produced **30Mt of ore grading 5.0% zinc and 1.2% lead (1.9Mt of contained Zn+Pb)** and, at the time of its closure, was producing approximately 50,000 tonnes of zinc and lead concentrates annually which were transported to Gorno to be treated through the Ponte Nossa Refinery which still operates today. The Predil deposit remains open at depth.

Energia has also applied for an Exploration Licence covering the **Salafossa Mine**, which is located to the north of the town of San Pietro Di Cadore and within 7km of the Austrian border. Salafossa was discovered in 1959 and was mined by Societa Mineraria e Metallurgica di Pertusola SpA from 1964 until its closure in 1986. Salafossa produced **10.95Mt of sulphide ore grading 5.0% zinc and 1.0% lead** at an average production rate of approximately 500,000 tonnes per annum over 22 years. Salafossa production was from a single flat-lying deposit with dimensions of 750m by 200m and up to 30m wide which facilitated mining by low cost, large scale open stoping.

Energia is planning to commence exploration drilling at both Predil and Salafossa as soon as the Exploration Licences are granted. In the case of Predil, this work will primarily target extensions to the deposit together with verification of remaining resources and, in the case of Salafossa, exploration will be focused on targeting potential repetitions. In the meantime, digitising of data stored in regional and state archives will commence.

Novazza and Val Vedello Uranium Projects, Italy

Energia's two existing uranium Exploration Licence applications, at Val Vedello and Novazza (see Figure 1) in the Lombardia region of Italy, both cover previously identified significant uranium mineralisation with substantial underground development but no recorded ore mining other than underground bulk sampling for pilot plant testwork.

Both deposits were discovered and evaluated by the leading Italian government-owned company ENI SpA (ENI) in the period 1959-1982. They are volcanogenic or vein-hosted uranium-polymetallic mineralisation that is hosted in lower Permian volcanics and volcanogenic sediments which originally developed in fault-bounded extensional basins over metamorphic basement. Energia commissioned a report for both the Val Vedello and Novazza uranium deposit in 2013. This report confirmed the extent of historical work carried out by ENI and has provided detailed information on geology, structure, mineralogy and development. This document confirms the existing Exploration Targets² of **15-30Mlb @ 1000-2000ppm U₃O₈** for Val Vedello and **2-3Mlb @ 1000-2000ppm U₃O₈** for Novazza.

²These Exploration Targets are conceptual in nature and have yet to be fully drill tested. There has been insufficient recent exploration to define a mineral resource estimate which could be reported in accordance with JORC 2012 code and it is uncertain if future exploration will result in the determination of a mineral resource within the project. The Exploration Targets are based on historical drilling intercepts, unverified old resource estimates and recent underground investigations. These Exploration Licences are in the application stage and as such cannot be physically tested until granted, the timeframe for grant is not certain. Energia plans to continue to interpret and compile historical data.

Val Vedello is located at around 2,000m above sea level to the south of Sondrio. Compilation of historical data has revealed that 10,428m of underground development has been completed with a further 65,000m of diamond drilling being carried out by ENI from these workings. These historical works were carried out over a 14 year time frame culminating in an "Ore Reserve" estimate calculated by ENI in 1983 which was not compiled in accordance with the JORC (2012) code and Energia cannot test its validity until tenure is granted. The mineralisation is largely comprised of uranium oxide (pitchblende) associated with minor base metal sulphides (predominantly sphalerite).

Novazza is situated on a forested hill slope at about 1,000m altitude. The well preserved underground workings exceed 6,700m in total length and 23,854m of drilling using a variety of drill methods was completed to define the extent of mineralisation.

NYANG PROJECT, WESTERN AUSTRALIA

During the year, a regional 10 hole rotary mud drilling program was completed. The program was co-funded by a grant from the Western Australian Department of Mines and Petroleum under the Exploration Incentive Scheme. Although none of the holes were strongly mineralised, three of the seven targets provided valuable geological and geophysical information that warrants further testing and target refinement. As a result, Energia's understanding of the regional behaviour of the redox front, hydrogeological features and basement structures has been significantly enhanced.

Trial ground Sub Audio Magnetic (SAM) and Dipole-Dipole Induced Polarisation (DDIP) geophysical surveys were also carried out during the period (see 15 December 2014 announcement). The SAM survey in particular was very effective in defining the basement structures that control fluid flow as the oxidation profile in the host Birdrong Sandstone.

On 31 May 2015, the Company entered into a binding Heads of Agreement to dispose of the Carley Bore Project to Paladin Energy Ltd (Paladin) (ASX: PDN). The Carley Bore Project consisted of three Exploration Licenses E08/1644, E08/1645 and E08/1646. This disposal was completed on 7 August 2015. The consideration received of \$9.7 million comprised of \$1.6 million cash plus 45 million Paladin shares (of which 16 million shares are subject to escrow for 12 months).

Following the sale of the Carley Bore Project at Nyang to Paladin, the residual Nyang Project is now comprised of one tenement under application and two tenements under claim that are currently owned by Cauldron Energy (CXU) and which are located between and along strike of Paladin's Manyingee and Carley Bore deposits along the highly prospective eastern margin of the Carnarvon Basin of Western Australia (see Figure 5). The Wardens Court has recently handed down a recommendation to the Minister that CXU's application for expenditure exemption for the disputed tenements be refused. It is anticipated that Energia's application for forfeiture will now proceed following endorsement of the Wardens decision to refuse CXU's exemption application. These three tenements cover an area of 1,536km² and are prospective for hosting similar roll front uranium occurrences as delineated at the Carley Bore Project.

OTHER WESTERN AUSTRALIAN PROJECTS

Paterson Project

Energia has a large and strategically located tenement package totalling 1,616km² in the underexplored Paterson Province of Western Australia which hosts a number of world class mineral deposits including Telfer, Nifty and Kintyre and is considered to be highly prospective for zinc deposits. One of the nine tenements (E45/2886) has been granted and covers an area of approximately 194km² approximately 15km northwest of the world-class Kintyre uranium deposit (see Figure 6).

Interest in this region has increased significantly after Encounter Resources Ltd (ASX: ENR) reported further high-grade copper intercepts on its tenements, and announced a farm-in agreement with Antofagasta.

Currently planned work is confined to the single granted tenement, E45/2886, where previous work has identified various geochemical anomalies that have never been drill tested. Energia has interpreted the results of a Geoscience Australia regional airborne electromagnetic survey to reveal a number of deep conductive targets in proximity to the regionally extensive Kintyre Fault. These conductors may reflect mineralisation within the sandstone or the basement. A low cost surface sampling program and ground electromagnetic survey have been planned for the second quarter of 2016.

Work on the remaining eight tenement applications will be confined to compilation of historical data and desktop reviews of this and other open file data.

NORTHERN TERRITORY PROJECTS

Energia has two applications for Exploration Licences (McArthur EL25272 and Westmoreland West EL25269) totalling 909km² in the Northern Territory. Open file data has been obtained and reviewed for these leases and assessment and interpretation is underway, with an aim to establish the potential of noted mineral occurrences on these leases, and generate further targets for investigation.

The McArthur Tenement covers the western margin of the McArthur Basin and is prospective for copper, zinc and lead. It lies approximately three kilometres to the west of Pacifico Minerals Ltd's (ASX: PMY) newly discovered Coppermine Creek copper discovery (see Figure 7).



Sandvik 130 drilling on the 940 level at Gorno Zinc Project, Italy

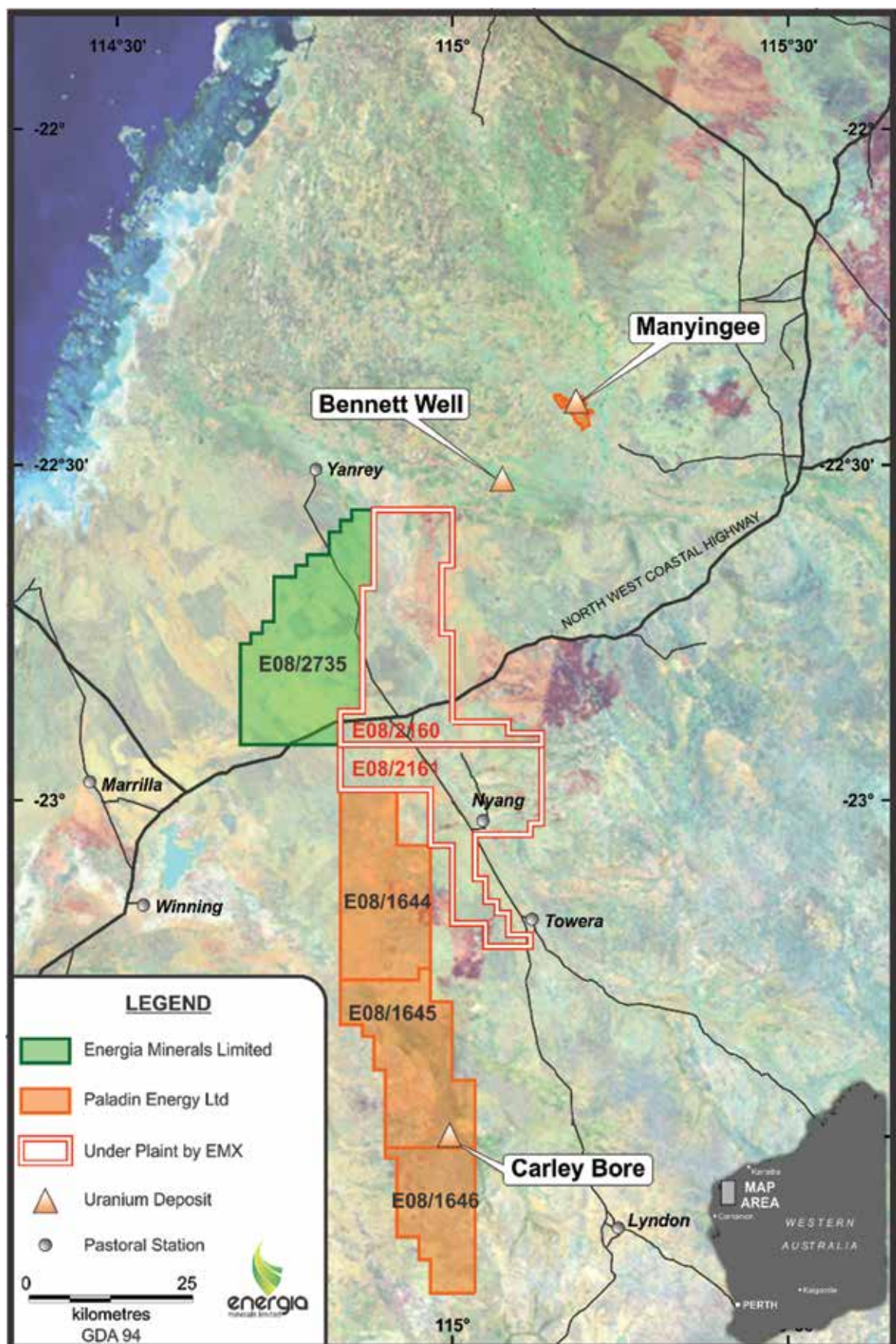


Figure 5 – Location of the Nyang Project in the Carnarvon Basin, Western Australia

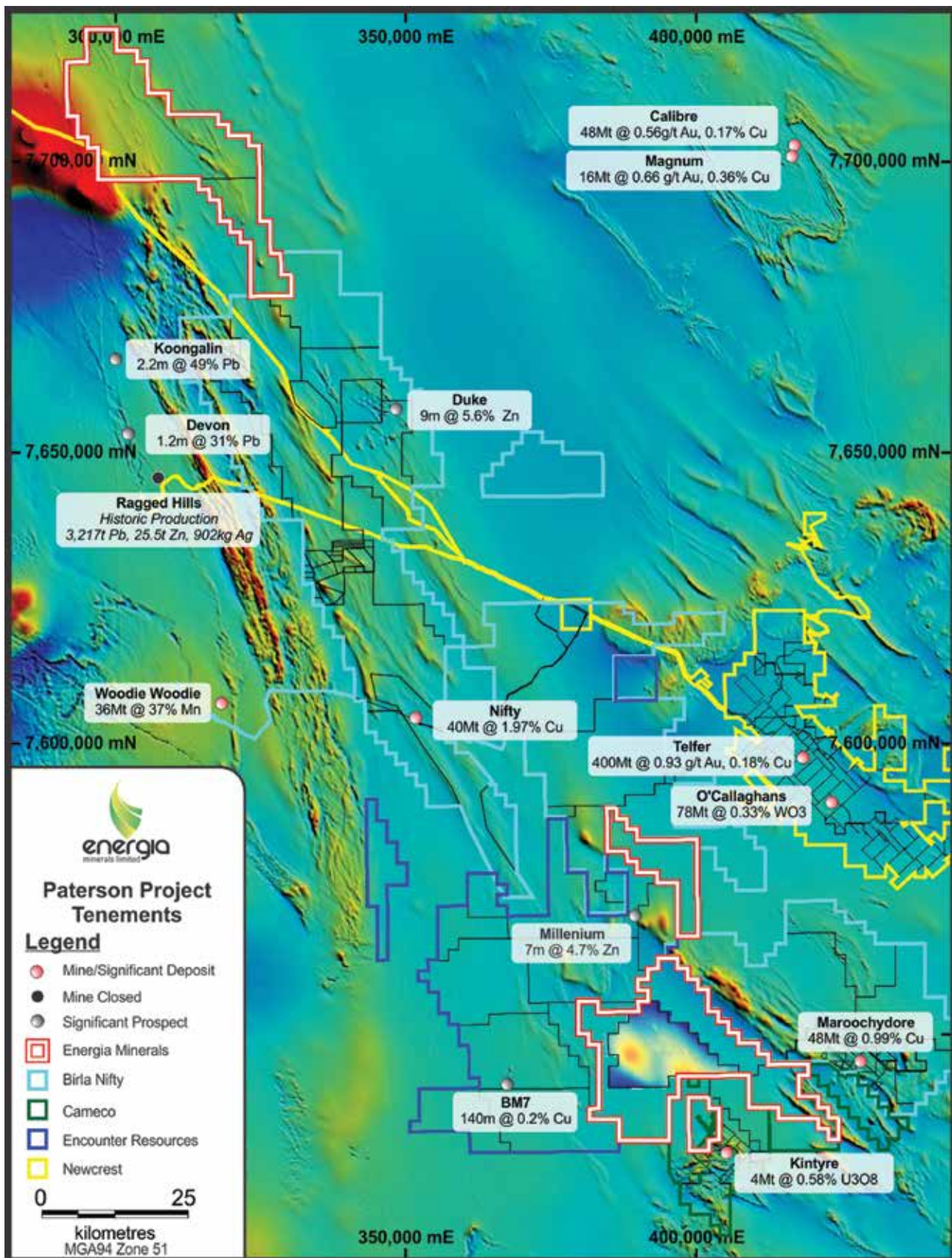


Figure 6 – Location of Paterson Project Tenements, Western Australia

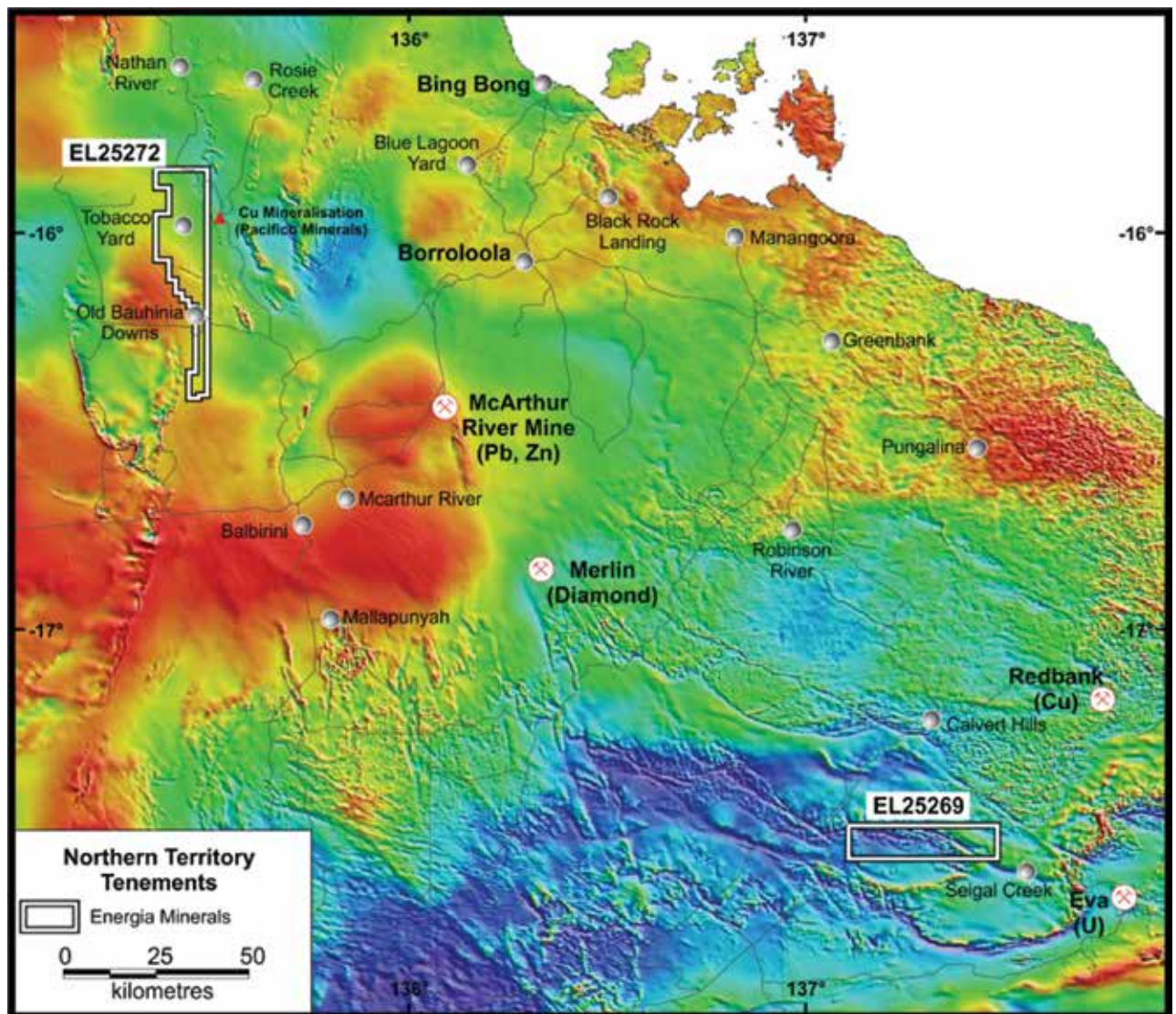


Figure 7 – Northern Territory Tenement Applications

COMPETENT PERSON STATEMENTS

Information in this Annual Report that relates to Exploration Targets and Exploration Results is based on information prepared by Mr David Andreatza and Mr Kim Robinson who are both Competent Persons and Members of the Australian Institute of Geoscientists. Mr Andreatza and Mr Robinson are full-time employees of Energia Minerals Limited. Mr Andreatza and Mr Robinson have sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities 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". Mr Andreatza and Mr Robinson consent to the inclusion in this release of the matters based on their information in the form and context in which it appears.

FORWARD-LOOKING STATEMENT

Certain statements made in this Annual Report, contain or comprise certain forward-looking statements regarding Energia Minerals Limited's exploration operations, economic performance and financial condition. Although Energia believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices, exchange rates and business and operational risk management. Energia undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

The directors submit their report for Energia Minerals Limited and its controlled entities, ("Energia" or "the Group") for the year ended 30 June 2015.

DIRECTORS

The names and details of the Group's directors in office during the financial year and until the date of this report are as follows. The directors were in office for the entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities



Mr Alexander Burns
Executive Chairman
(appointed 7 October 2014)
MBA

Mr Burns was Managing Director of Sphere Minerals Limited from 1998 – 2010. During this period, the company acquired and evaluated iron ore properties in Mauritania, West Africa. Sphere was subsequently taken over by Xstrata PLC in November 2010 for \$514 million. Mr Burns was also a non-executive Chairman of Shield Mining Limited (Shield), which was spun out of Sphere in 2006. Shield was a gold and base metals exploration company active in Mauritania and was taken over by Gryphon Minerals Limited in mid-2010.

During the past three years, Mr Burns has not served as a director of any other listed companies.



Mr Kim Robinson
Managing Director
(appointed 30 April 2012)
BSc (Geology)

Mr Robinson has over 38 years' experience in mineral exploration and mining having graduated from the University of Western Australia in 1973 with a degree in Geology.

His experience is extensive including 10 years as Executive Chairman of Forresteria Gold NL. During his time at Forresteria, Mr Robinson played a key role in the discovery and development of the Bounty Gold Mine, the development of the Mt McClure Gold Mine and the discovery of the Maggie Hays and Emily Ann nickel sulphide deposits. Mr Robinson was also a Non-executive Director of Jubilee Mines NL in the period leading up to the discovery and development of the Cosmos Nickel Mine.

Mr Robinson was a founding Director of Kagara Ltd (in liquidation) where he held the position of Executive Chairman for a period of 12 years until February 2011. During this time he oversaw the development of Kagara's North Queensland base metal operations, the listing of Mungana Goldmines Ltd on the ASX and the acquisition and development of the high-

grade Lounge Lizard nickel deposit in Western Australia.

During the past three years Mr Robinson has also served as a director of the following listed companies:

- Carbon Energy Ltd – appointed September 1992 and resigned 30 June 2012;
- Kagara Ltd (in liquidation)* – appointed September 1992; and
- Apex Minerals Ltd (in liquidation)* – appointed April 2006.



* denotes current directorship

Mr Max D J Cozijn
Finance Director
(appointed 13 May 1997)
BCom, CPA, MAICD

Mr Cozijn is a founding director of Energia and currently holds the position of Finance Director. He has a Bachelor of Commerce Degree from the University of Western Australia having graduated in 1972, is a member of CPA Australia and is a member of the Australian Institute of Company Directors. He has over 30 years' experience in the administration of listed mining and industrial companies, as well as various private operating companies.

During the past three years, Mr Cozijn has also served as a director of the following listed companies:

- Oilex Ltd* – appointed September 1997;
- Jacka Resources Ltd* – appointed 21 May 2014;
- Malagasy Minerals Limited – appointed September 2006, resigned 8 August 2013, and
- Carbon Energy Ltd – appointed September 1992 and resigned 21 April 2015.



* denotes current directorship

Mr Marcello Cardaci
Non-executive Director
(appointed 7 October 2014)
BJuris, LLB, B.Com

Mr Cardaci is a partner of Gilbert & Tobin's Corporate Advisory Group. Mr Cardaci advises on a range of corporate and commercial matters including public and private equity fund raisings and public and private mergers, acquisitions and divestment. Mr Cardaci also regularly advises on issues relating to *Corporations Act* and *Australian Securities Exchange Listing Rules*. He has cross-border experience, having advised on numerous overseas transactions including capital raisings, takeovers, schemes of arrangements and the structuring of acquisitions and joint ventures in numerous countries. Mr Cardaci has also lectured in the securities law course conducted by the *Securities Institute of Australia* and is a past committee member of the State Branch of the *Australian Mining and Petroleum Law Association Limited*.

Mr Cardaci is the Chairman of the Remuneration Committee, Nomination Committee and Audit & Risk Committee.

DIRECTORS' REPORT

During the past three years, Mr Cardaci has also served as a director of the following listed companies:

- Manhattan Corporation Limited* – appointed December 2006;
- Style Limited – appointed May 2013 and resigned 10 August 2015;
- Forge Group Limited (in liquidation) – appointed June 2007 and resigned October 2013, and
- Lemur Resources Limited – appointed February 2009 and resigned November 2013.

* denotes current directorship

Mr Antonino (Tony) M Iannello

Chairman

(appointed 3 March 2010, resigned 7 October 2014)

BCom, FCPA, SFFin, FAICD

Mr Iannello is a highly experienced company director with more than 35 years' experience in the banking, finance and energy sectors. Mr Iannello is a former Managing Director and Chief Executive Officer of *Western Power Corporation* (the Western Australian integrated power utility that was split subsequently into four successor entities) and has had a distinguished career in banking. Mr Iannello is a graduate of the Harvard Business School Advanced Management Program.

Prior to his resignation, Mr Iannello served as the Chairman of the Remuneration Committee, Nomination Committee and Audit & Risk Committee.

During the past three years, Mr Iannello has served as a director of the following listed companies:

- AusNet Services Ltd (formerly SP Australian Networks (Distribution) Ltd, SP Australian Networks (Transmission) Ltd and SP Australian Networks (RE) Ltd) – appointed 6 June 2006 and resigned 23 July 2015;
- ERM Power Ltd* – appointed 19 July 2010, and
- Empire Oil & Gas NL* – appointed 22 November 2013.

* denotes current directorship

Mr Ian W Walker

Non-executive Director

(appointed 13 May 1997, resigned 7 October 2014)

BSc Hons (Geology), MAICD

Mr Walker is a geologist with 40 years' experience in multi-commodity exploration within Australia and overseas, having graduated from the University of Western Australia in 1974 with an Honours degree in Geology. Mr Walker is a Member of the Australian Institute of Geoscientists.

During the past three years, Mr Walker has not served as a director of any other listed company.

Interests in the Shares and Options of the Company and Related Bodies Corporate

As at the date of this report, the interests of the directors in the shares and options of Energia were:

	Number of Ordinary Shares		No. of Options Over Ordinary Shares	
	Direct	Indirect	Direct	Indirect
A Burns	–	138,589,604	–	–
K Robinson	8,717,832	11,483,799	–	12,000,000
M D J Cozijn	29,167	1,487,477	–	–
M D Cardaci	–	25,333,334	–	–

COMPANY SECRETARY

Max D J Cozijn

(appointed 11 December 2013, resigned 1 July 2015)

BCom, CPA, MAICD

Details of Mr Cozijn's qualifications and experience are disclosed in the director's information section contained in this report.

Jamie M Armes – (appointed 1 July 2015)

BBus, CA

Mr Armes is a Chartered Accountant with a Bachelor of Business from the University of Tasmania. He has over 20 years' experience within the accounting profession and the administration of public listed companies in the mining and exploration industry.

PRINCIPAL ACTIVITIES

The principal activity of the entities within the Group during the year was the exploration of a suite of tenements located throughout Italy and Australia.

REVIEW OF OPERATIONS

Operating Review, Business Strategy and Prospects

The Group's operations, business strategies and prospects are discussed in detail in the Operations Report attached to this Directors' Report on page 4.

Corporate

On 17 November 2014, the Company completed an \$8.15 million capital raising. The capital raising consisted of a \$6 million placement to clients of Euroz Securities Limited, including Mr Alexander Burns and Mr Marcello Cardaci and a subsequent underwritten, one for six rights issue at 2.5 cents per share.

In conjunction with the capital raising, Mr Alexander Burns and Mr Marcello Cardaci were appointed as Executive Chairman and Non-executive Director respectively on 7 October 2014.

Mr Tony Iannello and Mr Ian Walker retired as Chairman and Non-executive Director respectively on 7 October 2014.

Operating Results for the Year

The consolidated net loss of the Group for the year ended 30 June 2015 was \$4,618,121 after tax (2014: \$2,852,526). Revenue for the year ended 30 June 2015 was \$101,397 (2014: \$76,615) and mainly due to interest received from cash on deposit. Revenues were higher than the previous years due to a higher level of funds on deposit following the capital raising completed in November 2014.

The loss for the year was predominately associated with exploration expenditure of \$3,467,664 (2014: \$1,990,900). The increase in exploration expenditure when compared to the previous financial year was due to the commencement of exploration activities at the Gorno zinc project located in Northern Italy. A drill program and Sub Audio Magnetic geophysical survey was also completed on the Nyang uranium project located in Western Australia during the year.

Administration expenditure was \$1,314,920 (2014: \$676,984). The increase is due primarily to a rise in employee benefits expenditure following an expansion in staffing levels to facilitate the Group's activities.

During the year ended 30 June 2015, the Group became entitled to a Research and Development Incentive from the Australian Federal Government of \$173,575 (2014: \$23,816) and received an exploration incentive of \$73,500 (2014: Nil) from the Western Australian government in relation to the drill program undertaken at Nyang.

Capital Structure

As at the date of this report, the Group had 609,020,979 (2014: 276,741,878) fully paid ordinary shares on issue and 28,500,000 (2014: 38,150,000) options over ordinary shares. During the year ended 30 June 2015, the following share issues were undertaken:

- On 4 July 2014, 1,750,080 ordinary fully paid shares were issued to Directors at \$0.0211 per share in-lieu of remuneration and pursuant to shareholders' approval granted at the Annual General Meeting on 14 November 2013;
- On 8 July 2014, the Company issued 35,000,000 fully paid ordinary shares at \$0.02 to raise \$700,000 (before costs);

- On 3 October 2014, 990,390 fully paid ordinary shares were issued to Directors at \$0.0372 per share in-lieu of remuneration and pursuant to shareholders' approval granted at the Annual General Meeting on 14 November 2013;
- On 9 October 2014, the Company issued 235,000,000 ordinary fully paid shares at \$0.025 each for cash to sophisticated investors to raise \$5,875,000 (before costs);
- On 9 October 2014, the Company issued 5,000,000 ordinary fully paid shares at \$0.025 as repayment of the unsecured non-refundable loan of \$125,000 from Alexander Burns;
- On 31 October 2014, the Company issued 5,000,000 ordinary fully paid shares at \$0.025 as repayment of the unsecured non-refundable loan of \$125,000 from Euroz Securities Limited; and
- On 21 November 2014, the Company issued 86,288,711 ordinary fully paid shares at \$0.025 each for cash related to a 1 for 6 non-renounceable underwritten rights issue to raise \$2,157,218 (before costs).

Unlisted Options

On 14 January 2015 6,000,000 unlisted options and on 4 February 2015, 750,000 unlisted options were awarded under the *2014 Employee Incentive Plan*. Additional details regarding the options granted during the year and the terms of options on issue are provided in Note 22 of the consolidated financial statements.

Cash on Hand

Cash on hand at 30 June 2015 was \$4,109,628 (2014: \$186,912).

Going Concern

The consolidated financial statements have been prepared on a going concern basis which contemplates that the Group will continue to meet its commitments and can continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Group to execute current anticipated exploration activities requires the Group to raise additional capital. Additional information is provided in Note 2 of the consolidated financial statements.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company other than those detailed elsewhere in this Review of Operations.

Significant Events after the Balance Date

Disposal of Carley Bore Project to Paladin Energy Ltd

On 31 May 2015, the Group entered into a binding Heads of Agreement to dispose of the Carley Bore Project to Paladin Energy Ltd (Paladin) (ASX: PDN). The Carley Bore Project consisted of three exploration licenses E08/1644, E08/1645 and E08/1646. This disposal was completed on 7 August 2015. The consideration received of \$9.7 million comprised of cash \$1.6 million plus 45 million Paladin shares (of which 16 million are subject to escrow for 12 months). The net gain realised on disposal is \$8.3 million (before tax).

Apart from the above, there has not been any significant event that has occurred after balance date that has not been brought to account in the 30 June 2015 Annual Report.

Likely Developments and Expected Result

For the year ended 30 June 2015, the Group will continue to undertake mineral exploration to advance the status of its projects, with a primary focus on development of the Gorno Zinc Project in Italy.

Environmental Regulation and Performance

The Group holds exploration tenements issued by the relevant regulatory authorities in which the Group operates, being the various states of Australia and Italy. The conditions attaching to these tenements and/or the relevant legislation in those jurisdictions impose obligations on the Group in relation to the environmental management of its operations on the tenements. There have been no known breaches of the Group's environmental obligations to which it is subject.

SHARE OPTIONS

Unissued Shares – Options

As at the date of this report, there were 28,500,000 unissued ordinary shares under option. Refer to Note 22 of the financial statements for further details of the options outstanding.

In addition to the above options on issue, on 29 June 2015, the Company resolved to offer 9 million options to Mr Robinson, Managing Director and 2.25 million options to Mr Cozijn, Finance Director. The grant of these options is subject to obtaining shareholder approval at the 2015 Annual General Meeting of the Company.

Option holders do not have any right, by virtue of the option, to participate in any issue of shares by the Group or any related body corporate.

Shares Issued as a Result of the Exercise of Options

During and since the end of the financial year, no ordinary shares were issued as the result of the exercise of options.

Indemnification and Insurance of Directors' and Officers

The Group has entered into a Deed of Access, Insurance and Indemnity ("Deed") with each Director and the Company Secretary ("Officers"). Under the Deed, the Group indemnifies the Officers to the maximum extent permitted by law and the Constitution against legal proceedings, damage, loss, liability, cost, charge, expense, outgoing or payment (including legal expenses on a solicitor/client basis) suffered, paid or incurred by the Officers in connection with the Officers being an officer of the Group, the employment of the Officer with the Group or a breach by the Group of its obligations under the Deed.

Also, pursuant to the Deed, the Group must insure the Officers against liability and provide access to all board papers relevant to defending any claim brought against the Officers in their capacity as officers of the Group.

During, or since the financial year, the Group has paid premiums in respect of a contract insuring all the directors, company secretary, executives and employees of Energia against legal costs incurred in defending proceedings for conduct other than:

- (a) a wilful breach of duty; or
- (b) a contravention of sections 182 or 183 of the *Corporations Act 2001*; as permitted by section 199B of the *Corporations Act 2001*.

In accordance with a confidentiality clause under the insurance policy the amount of premium paid to insurers has not been disclosed. This is permitted under Section 300(9) of the *Corporations Act 2001*.

AUDITOR INDEPENDENCE AND NON AUDIT SERVICES

The independence declaration received from our auditors, Crowe Horwath Perth, for the year ended 30 June 2015 has been received and is attached to this report on page 27.

NON AUDIT SERVICES

The Group's auditors, Crowe Horwath Perth, provided no non-audit services during the year ended 30 June 2015 (2014: nil).

DIRECTORS' MEETINGS

During the financial year, 15 meetings of directors, including committees of directors, were held and the number of meetings attended by each director was as follows:

	Meeting of Committees							
	Directors' Meetings		Audit & Risk Committee		Remuneration		Nomination	
	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended
Alexander Burns	8	8	2	2	1	1	1	1
Kim Robinson	10	10	3	3	1	1	1	1
Max Cozijn	10	10	3	3	1	1	1	1
Marcello Cardaci	8	8	2	2	1	1	1	1
Tony Iannello	3	3	1	1	–	–	–	–
Ian Walker	3	3	1	1	–	–	–	–

COMMITTEE MEMBERSHIP

The role of the Audit and Risk, Remuneration and Nomination Committees is carried out by the full board in accordance with the appropriate charters. The directors consider that no efficiencies or benefits would be gained by establishing separate committees. Reference to committee meetings in the table above refers to meetings conducted specifically to deal with the business of that committee.

PROCEEDINGS ON BEHALF OF COMPANY

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

DIVIDENDS

No dividends have been paid or declared during the financial year and the directors do not recommend the payment of a dividend.

REMUNERATION REPORT (AUDITED)

This Remuneration Report for the year ended 30 June 2015 outlines the remuneration arrangements in place for directors and executives of the Parent and the Group, in accordance with the requirements of the *Corporations Act 2001* ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The Remuneration Report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Parent and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes two executives in the parent company.

For the purposes of this report, the term "executive" includes the Executive Chairman, Managing Director, Finance Director, senior executives of the Parent and the Group and the term "director" refers to non-executive directors only.

On 1 July 2015, Jamie Armes was appointed Group Accountant/Company Secretary of the Group. Other than this appointment, there were no changes to KMP between the reporting date and the date the financial report was authorised for issue.

DIRECTORS' REPORT

Details of KMP of the Parent and Group are set out below:

Key Management Personnel

Directors

Mr M Cardaci	Director (non-executive) – appointed 7 October 2014
Mr T Iannello	Chairman (non-executive) – resigned 7 October 2014
Mr I Walker	Director (non-executive) – resigned 7 October 2014

Executive Directors

Mr A Burns	Executive Chairman – appointed 7 October 2014
Mr K Robinson	Managing Director
Mr M Cozijn	Finance Director – appointed 11 December 2013, resigned as Company Secretary 1 July 2015

Executives

Mr G Collins	Director of Operations, Italy – appointed 14 January 2015
Mr D Andreazza	Manager of Exploration
Mr J Armes	Company Secretary and Group Accountant – appointed 1 July 2015

Remuneration Policy

The *Remuneration Policy* of Energia has been developed by the Remuneration Committee in accordance with the *Remuneration Committee Charter*. The full Board currently performs the function of the Remuneration Committee. The *Remuneration Committee Charter* is set out on the Group's website at www.energiaminerals.com.

Emoluments of directors and executives are reviewed on an annual basis and are set by reference to employment market conditions, payments made by other companies of similar size and industry, and by reference to the skills and experience of the directors and executives.

KMP or closely related parties of KMP are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

Engagement of Remuneration Consultants

The Remuneration Committee may at times seek external remuneration advice. No remuneration consultant was engaged during the year ended 30 June 2015 to provide remuneration recommendations in relation to KMP.

Non-executive Directors

The Group's policy is to remunerate non-executive directors at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not directly linked to individual performance. Given the Group is at an early stage of development and the financial restrictions placed on it, the Group may consider it appropriate to issue unlisted options to non-executive directors, subject to obtaining the relevant approvals. This policy is subject to annual review. All of the non-executive directors' option holdings are fully disclosed. The grant of options is designed to conserve cash reserves, recognise efforts and to provide non-executive directors with additional incentive to continue those efforts for the benefit of the Group.

The maximum aggregate amount of fees (including superannuation payments) that can be paid to non-executive directors is subject to approval by shareholders at a General Meeting. The maximum amount of non-executive fees payable is currently set at \$250,000 per annum.

Directors of the Company offered to be paid all or part of their respective Director's fees (excluding superannuation entitlements) through the issue of shares in-lieu of cash payments for a period of one year ceasing 30 September 2014. Further details of this arrangement are contained on page 24 of this report.

Executives

Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed annually to ensure market competitiveness.

Executive pay and reward consists of a base salary and incentives. Long-term incentives may include options over unissued ordinary shares granted at the discretion of the Board and where applicable, subject to obtaining the relevant shareholder approvals. The grant of options is designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of service conditions.

Mr Robinson offered to be paid 20% of his respective remuneration (excluding superannuation entitlements) through the issue of shares in-lieu of cash payments for a period of one year ceasing 30 September 2014. Further details of this arrangement are contained on page 24 of this report.

Company Performance, Shareholder Wealth, Director and Executive Remuneration

The Remuneration Policy aims to align the objectives of shareholders and the Group with that of directors and executives through the issue of options over unissued shares. The granting of options is not subject to specific performance criteria, however, when granting options, the terms of the options are designed to provide an incentive that will contribute to increasing shareholder wealth. This is undertaken by determining an exercise price that exceeds the underlying share price at the date of grant and through vesting conditions that require a period of continuous employment. Remuneration of KMP is not dependent on company performance as the nature of the Group's operations are exploration, and therefore, not currently profit generating.

The following table shows the net loss and dividends for the last three years for the listed entity, as well as share prices at the end of the respective financial years:

	2013 \$	2014 \$	2015 \$
Net loss	3,423,463	2,852,526	4,618,121
Share price at year end	\$0.023	\$0.022	\$0.055
Dividends paid	Nil	Nil	Nil

Non-executive Director Remuneration

Fixed Remuneration

The aggregate remuneration paid to non-executive directors will not exceed the maximum amount in aggregate of \$250,000 per annum. The Constitution of Energia and the ASX Listing Rules specify that the non-executive director fee pool shall be determined from time to time by a general meeting of shareholders. The board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable by shareholders.

The amount of aggregate remuneration sought to be approved by shareholders, and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers fees paid to non-executive directors of comparable companies when undertaking the annual review as well as the additional time commitment of director's who serve on one or more sub-committees. Non-executive directors do not currently receive additional remuneration for their membership of subsidiary boards or committees.

Non-executive directors are encouraged by the board to hold shares in Energia.

The remuneration of non-executive directors for the period ending 30 June 2015 is detailed on page 22 of this report.

Variable Remuneration – Short-term Incentives

Non-executive directors do not receive performance based bonuses.

Variable Remuneration – Long-term Incentives

The Group has no contractual obligation to provide long-term incentives to non-executive directors.

Executive Remuneration

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- reward executives for company and individual performance;
- align the interests of executives with those of shareholders;
- link reward with the strategic goals of the Group; and
- ensure total remuneration is competitive by market standards.

Executive remuneration comprises of four components:

- base pay and benefits;
- short-term incentives;
- other remuneration such as statutory superannuation; and
- long-term incentives through equity based compensation.

Base pay and benefits

Base pay is structured as a total employment cost package that may be delivered as a combination of cash and salary sacrifice superannuation at the executives' discretion.

Executives are offered a base pay. Base pay is reviewed annually to ensure the executives' pay is competitive with comparable positions of responsibility. This review may utilise external advisors to provide information on industry benchmarks. There is no guaranteed base pay increases included in any executive contracts.

Executives based in Perth are entitled to receive car parking benefits as a component of their base pay remuneration. Italian based executives are entitled to receive accommodation and motor vehicle benefits.

Variable Remuneration – Short-term Incentives

At this time, any incentive paid to executives is at the absolute discretion of the Remuneration Committee and the Group has no contractual commitments to provide these incentives to executives. The Group's Policy permits the payment of short-term incentives to executives.

No short-term incentive bonuses were paid to Executives during the year ended 30 June 2015 (2014: Nil).

DIRECTORS' REPORT

Variable Remuneration – Long-term Incentives

On 24 November 2014, the Group established the 2014 *Employee Incentive Plan* (EIP) as a means of providing long-term incentives to all employees and key management personnel, other than non-executive directors. In accordance with the provisions of the plan, as approved by shareholders at the previous annual general meeting, at its discretion the Board may grant incentives under the plan for no consideration and determine the terms on which the incentives are granted. Where incentives are granted with vesting conditions, unless the Board determines otherwise, unvested incentives are forfeited when the holder ceases to be employed by the Group. Any options granted under the EIP carry neither rights to dividends nor voting rights and may be exercised at any time from the date of vesting to the date of their expiry.

During the year ended 30 June 2015, the Group awarded 6,750,000 options over ordinary shares to employees under the EIP (including 6 million options to Mr Collins). The options were granted for no consideration and hold no voting or dividend rights and are not transferrable without Board approval. Some of the options are subject to vesting conditions, whereby if the employee resigns prior to the vesting date the options are forfeited.

On 29 June 2015, the Company resolved to offer 13.5 million options under the EIP to eligible participants including 9 million options to Mr Robinson, Managing Director and 2.25 million options to Mr Cozijn, Finance Director. The options are to be divided equally into three tranches with the following terms, exercise price of \$0.12, \$0.18 and \$0.24, and vesting at the date of grant, 12 months service and 24 months service respectively. On 6 July 2015, 1.5 million of these options were granted following acceptance of the offer.

The offer of the options to Mr Robinson and Mr Cozijn is subject to obtaining shareholder approval at the 2015 Annual General Meeting of the Company. The options will be granted for no consideration and hold no voting or dividend rights and are not transferrable without Board approval. Some of the options are subject to vesting conditions, whereby if the employee resigns prior to the vesting date the options are forfeited.

The grant of options to KMP is not subject to performance conditions as the nature of the Groups operations are loss making during mineral exploration. The Group has no contractual obligation to provide long-term incentives to key management personnel.

Contracts with Key Management Personnel

Alexander Burns – Executive Chairman

Mr Burns is employed under Executive Service Agreement which commenced 7 October 2014 and expires 7 October 2017. Under the terms of the agreement, Mr Burns receives fixed remuneration of \$300,000 per annum, inclusive of superannuation, reviewed annually on or before 30 June each year.

Effective from 1 July 2015, Mr Burns has agreed to reduce his employment status from full-time to a part-time position. Under the terms of the revised agreement, Mr Burns will receive fixed remuneration of \$175,000 per annum, inclusive of superannuation.

The termination provisions of the agreement are:

Reason for Termination	Notice Period	Severance payment	Treatment of LTI on termination
Employer initiated termination	1 month	6 months' salary together with 2 weeks' salary for each completed year of service	Unvested awards forfeited
Termination for serious misconduct	None	None	Unvested awards forfeited
Employee initiated termination	3 months	None	Unvested awards forfeited
Termination by the effluxion of time	None	None	Not Applicable

Kim Robinson – Managing Director

Mr Robinson is employed under an Executive Service Agreement which commenced 30 April 2012. On 31 July 2015, an amendment was executed extending the agreement for an additional three years, expiring 30 April 2018.

Under the terms of the amended agreement, Mr Robinson receives fixed remuneration of \$350,000 per annum, inclusive of superannuation (previously \$300,000 per annum inclusive of superannuation), reviewed annually on or before 30 June each year and subject to shareholder approval has been offered 9 million unlisted options under the Employee Incentive Plan. The options are to be divided equally into three tranches with the following terms, exercise price of \$0.12, \$0.18 and \$0.24, and vesting at the date of grant, 12 months service and 24 months service respectively.

The termination provisions of the agreement are:

Reason for Termination	Notice Period	Severance payment	Treatment of LTI on termination
Employer initiated termination	1 month	6 months' salary together with 2 weeks' salary for each completed year of service	Unvested awards forfeited
Termination for serious misconduct	None	None	Unvested awards forfeited
Employee initiated termination	3 months	None	Unvested awards forfeited
Termination by the effluxion of time	6 months	None	Not Applicable

Max Cozijn – Finance Director

Mr Cozijn is currently employed under a rolling agreement with Energia which commenced 11 December 2013.

Under the terms of the agreement, Mr Cozijn receives in addition to his non-executive directors fees of \$50,000 per annum (inclusive of superannuation), \$6,000 per month (plus superannuation) for 6 days per month with a daily rate of \$1,000 per day (plus superannuation) for any additional time.

Subject to shareholder approval, it is proposed that Mr Cozijn be offered 2.25 million unlisted options under the Employee Incentive Plan. The options are to be divided equally into three tranches with the following terms, exercise price of \$0.12, \$0.18 and \$0.24, and vesting at the date of grant, 12 months service and 24 months service respectively.

The agreement does not contain any termination benefits in addition to those provided under statute.

Graeme Collins – Director of Operations, Italy

Mr Collins is employed under an Executive Services Agreement which commenced 14 January 2015 and expires 14 January 2017.

Under the terms of the agreement, Mr Collins receives fixed remuneration of \$300,000 inclusive of superannuation per annum, accommodation, motor vehicle, health insurance and annual return airfares. Remuneration is reviewed annually.

The termination provisions of the agreement are:

Reason for Termination	Notice Period	Severance payment	Treatment of LTI on termination
Employer initiated termination	1 month	6 months' salary together with 2 weeks' salary for each completed year of service	Unvested awards forfeited
Termination for serious misconduct	None	None	Unvested awards forfeited
Employee initiated termination	3 months	None	Unvested awards forfeited
Termination by the effluxion of time	None	None	Not Applicable

DIRECTORS' REPORT

David Andreazza – Manager of Exploration

Mr Andreazza is currently employed under a rolling agreement which commenced 26 June 2012.

Under the terms of the agreement, Mr Andreazza receives fixed remuneration of \$200,000 inclusive of superannuation per annum, reviewed annually.

The termination provisions of the agreement are:

Reason for Termination	Notice Period	Severance payment	Treatment of LTI on termination
Employer initiated termination	45 days (or payment in lieu)	None	Unvested awards forfeited
Termination for serious misconduct	None	None	Unvested awards forfeited
Employee initiated termination	45 days (or payment in lieu)	None	Unvested awards forfeited

Apart from termination benefits under statute (such as unpaid annual leave or long service leave) or as mentioned above, there are no retirement benefits for executives.

Remuneration for the year ended 30 June 2015 and 30 June 2014

	Salary & Fees \$	Short Term Bonus \$	Non Monetary \$	Post Employment Super-annuation \$	Share Based Payment Options \$	Shares \$	Total \$
Non-executive Directors							
Mr M Cardaci (Non-executive – appointed 7 October 2014)							
2015	33,387	–	–	3,172	–	–	36,559
2014	–	–	–	–	–	–	–
Mr T Iannello (Chairman – resigned 7 October 2014)							
2015	1,405	–	–	1,907	–	18,664	21,976
2014	18,707	–	–	6,922	–	56,121	81,750
Mr M Cozijn ⁽ⁱ⁾ (Non-executive)							
2015	–	–	–	–	–	–	–
2014	20,204	–	–	2,076	–	1,123	23,403
Mr I Walker (Non-executive – resigned 7 October 2014)							
2015	9,802	–	–	1,144	–	2,240	13,186
2014	38,162	–	–	4,153	–	6,735	49,050
Total Non-executive Directors							
2015	44,594	–	–	6,223	–	20,904	71,721
2014	195,000	–	–	17,550	–	63,979	212,550
Executive Directors							
Mr A Burns (Executive Chairman – appointed 7 October 2014)							
2015	202,669	–	2,800	19,254	–	–	224,723
2014	–	–	–	–	–	–	–
Mr K Robinson (Managing Director)							
2015	260,275	–	3,840	26,028	–	13,699	303,842
2014	233,409	–	3,786	25,401	9,595	41,190	313,381
Mr M Cozijn ⁽ⁱ⁾ (Finance Director – resigned as Company Secretary 1 July 2015)							
2015	116,845	–	3,840	11,313	–	2,240	134,238
2014	62,158	–	2,219	6,165	–	5,613	76,155
Total Executive Directors							
2015	579,789	–	10,480	56,595	–	15,939	662,803
2014	382,263	–	5,241	34,404	24,542	46,803	446,450
Other Key Management Personnel							
Mr G Collins (Director of Operations, Italy – appointed 14 January 2015)							
2015	127,854	–	8,078	12,146	61,918	–	209,996
2014	–	–	–	–	–	–	–
Mr D Andreazza (Manager of Exploration)							
2015	183,066	–	2,916	17,391	23,700	–	227,073
2014	183,066	–	2,873	16,934	29,704	–	232,577
Total Other Key Management Personnel							
2015	310,920	–	10,994	29,537	85,618	–	437,069
2014	183,066	–	2,873	16,934	29,704	–	232,577
TOTAL							
2015	935,303	–	21,474	92,355	85,618	36,843	1,171,593
2014	926,849	–	11,760	83,417	24,542	110,782	1,046,568

(i) Mr Cozijn was appointed Finance Director and Company Secretary on 11 December 2013. Prior to this appointment, Mr Cozijn was a Non-executive Director of the Company. The remuneration for Mr Cozijn has been separated between Non-executive Director and Executive Director for the year ended 30 June 2014.

DIRECTORS' REPORT

No director or senior executive appointed during the period received a payment before they started to hold the position, as part of the consideration for them agreeing to hold the position.

The premium paid for Directors and Officers liability insurance is not included in the above remuneration table.

Non-monetary benefits disclosed in the above remuneration tables represent the provision of car parking to Perth based executives and accommodation and motor vehicles to Italian based executives.

Additional Disclosures Relating to Options and Shares

This section sets out additional disclosures required under the *Corporations Act 2001*.

Issue of shares

Directors of the Company offered to be paid all or part of their respective Director's fees or remuneration (excluding superannuation entitlements) through the issue of shares in-lieu of cash payments (Remuneration Shares) for a period of one year ceasing 30 September 2014.

In accordance with the waiver obtained from the ASX and the approval obtained from shareholders at the Annual General Meeting held 14 November 2013, the Remuneration Shares were required to be issued at the VWAP for the five trading days preceding the end of the applicable quarter and within 10 business days of the end of the quarter.

Details of shares awarded to directors as part of their compensation during the year ended 30 June 2015 in accordance with the above arrangement are set out below:

Director	Portion of director's fee/ remuneration	Shares Awarded No.	Award Date	Issue Date	Issue Price \$	Value of Shares \$
Mr T Iannello	100%	501,730	30 Sept 14	3 Oct 14	\$0.0372	18,664
Mr K Robinson	20%	368,244	30 Sept 14	3 Oct 14	\$0.0372	13,699
Mr M Cozijn	20%	60,208	30 Sept 14	3 Oct 14	\$0.0372	2,240
Mr I Walker	20%	60,208	30 Sept 14	3 Oct 14	\$0.0372	2,240
TOTAL		990,390				\$36,843

Options awarded, vested and lapsed during the year (Consolidated)

The following table discloses the share options granted to key management personnel as remuneration during the year ended 30 June 2015 as well as the number of options that vested during the year.

Share options do not carry any voting or dividend rights and can be exercised once the vesting conditions have been met until their expiry date.

	Options Awarded During the Year No.	Award Date	Fair Value per Option \$	Exercise Price of Option Granted \$	Expiry Date of Options Granted	Vesting Date	Vested During Year No.
Mr D Andreazza	2,000,000	14 Apr 14	\$0.00957	\$0.10	30 Apr 19	30 Apr 15	2,000,000
Mr G Collins	2,000,000	14 Jan 15	\$0.01980	\$0.05	14 Jan 20	14 Jan 15	2,000,000
	2,000,000	14 Jan 15	\$0.01700	\$0.10	14 Jan 20	14 Jan 16	–
	2,000,000	14 Jan 15	\$0.01480	\$0.15	14 Jan 20	14 Jan 17	–

DIRECTORS' REPORT

The following table summarises the value of options granted to key management personnel as part of their remuneration:

	Value of Options Granted During the Year (i) \$
Mr G Collins	\$103,200

(i) The value of options granted during the period is recognised in compensation over the vesting period of the grant, in accordance with Australian Accounting Standards. For the details on the valuation of the options, including models and assumptions used, please refer to Note 22.

The following table summarises the number of options that lapsed during the financial year, in relation to options granted to key management personnel as part of their remuneration:

	Year of Grant	Lapsed During Year No.
Mr M Cozijn	2010	2,000,000
Mr T Iannello	2010	500,000
Mr I Walker	2010	2,000,000

There were no alterations to the term and conditions of options awarded as remuneration since their award date.

No options were exercised by key management personnel during the financial year ended 30 June 2015.

Option holdings of key management personnel

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

	Balance at 1 Jul 14	Granted as remuner- ation	Options Expired	Net Change Other #	Balance at 30 Jun 15	Vested at 30 June 2015		
30 June 2015						Total	Exercis- able	Not Exercis- able
Directors								
Mr K Robinson	12,000,000	–	–	–	12,000,000	12,000,000	12,000,000	–
Mr M Cozijn	3,000,000	–	(2,000,000)	–	1,000,000	1,000,000	1,000,000	–
Mr T Iannello ⁽ⁱ⁾	750,000	–	(500,000)	(250,000)	–	–	–	–
Mr I Walker ⁽ⁱ⁾	3,000,000	–	(2,000,000)	(1,000,000)	–	–	–	–
Executives								
Mr G Collins	–	6,000,000	–	–	6,000,000	6,000,000	2,000,000	4,000,000
Mr D Andreazza	6,000,000	–	–	–	6,000,000	6,000,000	4,000,000	2,000,000
Total	24,750,000	6,000,000	(4,500,000)	(1,250,000)	25,000,000	25,000,000	19,000,000	6,000,000

(i) Mr Iannello and Mr Walker retired as Directors on 7 October 2014, option holdings are no longer reportable from this date.

DIRECTORS' REPORT

Shareholdings of key management personnel

Ordinary shares held in Energia Minerals Limited directly and indirectly

30 June 2015	Balance at 1 Jul 14	Granted as remuneration	Issued on exercise of options	Net Change Other #	Balance at 30 Jun 15
Directors					
Mr A Burns	–	–	–	131,287,662	131,287,662
Mr K Robinson	12,770,012	368,244	–	7,063,375	20,201,631
Mr M Cozijn	1,189,771	60,208	–	208,331	1,458,310
Mr M Cardaci	–	–	–	23,333,334	23,333,334
Mr T Iannello ⁽ⁱ⁾	4,427,368	501,730	–	(4,929,098)	–
Mr I Walker ⁽ⁱ⁾	1,459,271	60,208	–	(1,519,479)	–
Executives					
Mr G Collins	–	–	–	290,000	290,000
Mr D Andreazza	–	–	–	–	–
Total	19,846,422	990,390	–	155,734,125	176,570,937

(i) Mr Iannello and Mr Walker retired as Directors on 7 October 2014, shareholdings are no longer reportable from this date.

All equity transactions with KMP classified as Net Change Other have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arms-length.

Other transactions and balances with key management personnel and their related parties

Purchases

Mr Cardaci is a partner in Gilbert + Tobin Lawyers. During the year, Gilbert + Tobin provided legal services to the Group of \$45,735 (2014: \$3,500). The balance owing to Gilbert + Tobin as at 30 June 2015 was \$17,044 (2014: Nil).

Revenue

The Group has at times sublet a car bay to Diplomat Holdings Pty Ltd, a company associated with Mr Cozijn. No rental income was received during the year (2014: \$1,566). The balance owing by Diplomat Holdings Pty Ltd as at 30 June 2015 was \$Nil (2014: Nil).

During the year, the Group provided office space and hired exploration equipment to Marindi Metals Pty Ltd. Mr Robinson's son is a director and significant shareholder of Marindi Metals Pty Ltd. The total value of these transactions was \$4,238 (2014: \$51,091). The balance owing by Marindi Metals Pty Ltd as at 30 June 2015 was \$1,418 including GST (2014: \$1,200). The provision of office space to Marindi Metals Pty Ltd was settled through the receipt of 500,000 shares during the year ended 30 June 2014.

Investments

During the year ended 30 June 2014, the group acquired 500,000 fully paid ordinary shares in Marindi Metals Pty Ltd, representing approximately a 0.25% interest, for the provision of office space as detailed above. No shares were received during the year end 30 June 2015. The fair value of the consideration at the date of initial recognition was \$50,000. Further information regarding this investment is provided in Note 10.

All services provided by companies associated with key management personnel were provided on normal commercial terms. There have been no other transactions involving equity instruments other than those described in the tables above.

END OF REMUNERATION REPORT

This Director's Report is signed in accordance with a resolution of the directors.



Alexander Burns
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION



AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Energia Minerals Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

A handwritten signature in dark ink that reads "Crowe Horwath Perth".

Crowe Horwath Perth

A handwritten signature in dark ink that reads "Sean McGurk".

Sean McGurk
Partner

Signed at Perth, this 17th day of September 2015

Crowe Horwath Perth is a member of Crowe Horwath International, a Swiss verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2015

		Consolidated	
	Note	2015 \$	2014 \$
Revenue	3	101,397	76,615
Other income	4	312,953	24,223
Administrative expenses		(1,314,920)	(676,984)
Exploration expenditure		(3,467,664)	(1,990,900)
Marketing expenditure		(247,755)	(110,202)
Exploration assets written off	12	–	(159,291)
Other expenses	5(a)	(2,132)	(15,987)
Loss from continuing operations before income tax		(4,618,121)	(2,852,526)
Income tax expense	6	–	–
Loss from continuing operations after income tax		(4,618,121)	(2,852,526)
Net loss for the year		(4,618,121)	(2,852,526)
Other comprehensive income/(loss)			
<i>Items that may be re-classified to profit or loss</i>			
Exchange differences on translation of foreign operations		19,356	(680)
Other comprehensive loss for the year, net of tax		19,356	(680)
Total comprehensive loss for the year		(4,598,765)	(2,853,206)
Loss for the year attributable to:			
Members of the parent		(4,618,121)	(2,852,526)
		(4,618,121)	(2,852,526)
Total comprehensive loss for the year attributable to:			
Members of the parent		(4,598,765)	(2,853,206)
		(4,598,765)	(2,853,206)
Earnings/(loss) per share			
From continuing operations:			
Basic earnings per share (cents)	27	(0.91)	(1.36)
Diluted earnings per share (cents)	27	(0.91)	(1.36)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	Consolidated	
		2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	4,109,628	186,912
Receivables	8	227,039	48,654
Total Current Assets		4,336,667	235,566
Non – Current Assets			
Restricted cash	9	68,834	68,834
Available-for-sale financial assets	10	50,000	50,000
Receivables	8	297,066	–
Plant & equipment	11	141,496	119,623
Exploration and evaluation expenditure	12	1,818,593	1,555,303
Total Non – Current Assets		2,375,989	1,793,760
TOTAL ASSETS		6,712,656	2,029,326
LIABILITIES			
Current Liabilities			
Trade and other payables	13	639,874	273,686
Borrowings	14	106,612	–
Employee Benefit Liabilities	15	122,811	65,687
Total Current Liabilities		869,297	339,373
Non-Current Liabilities			
Borrowings	14	168,804	–
Employee Benefit Liabilities	15	24,987	–
Total Non-Current Liabilities		193,791	–
TOTAL LIABILITIES		1,063,088	339,373
NET ASSETS		5,649,568	1,689,953
EQUITY			
Equity attributable to equity holders of the parent			
Issued Capital	17	26,750,592	18,248,643
Accumulated losses		(21,789,183)	(17,171,062)
Reserves	17	688,159	612,372
TOTAL EQUITY		5,649,568	1,689,953

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Attributable to the equity holders of the Parent				
	Issued Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Share Based Payment Reserve \$	Total \$
As at 1 July 2013	16,965,042	(14,318,536)	(17,694)	554,519	3,183,331
Loss for the period	–	(2,852,526)	–	–	(2,852,526)
Other comprehensive loss	–	–	(680)	–	(680)
Total comprehensive loss for the period	–	(2,852,526)	(680)	–	(2,853,206)
Transactions with owners in their capacity as owners:					
Shares issued	1,354,508	–	–	–	1,354,508
Transaction costs on share issue	(70,907)	–	–	–	(70,907)
Share based payment	–	–	–	76,227	76,227
At 30 June 2014	18,248,643	(17,171,062)	(18,374)	630,746	1,689,953
As at 1 July 2014	18,248,643	(17,171,062)	(18,374)	630,746	1,689,953
Loss for the period	–	(4,618,121)	–	–	(4,618,121)
Other comprehensive gain	–	–	19,356	–	19,356
Total comprehensive loss for the period	–	(4,618,121)	19,356	–	(4,598,765)
Transactions with owners in their capacity as owners:					
Shares issued	9,055,987	–	–	–	9,055,987
Transaction costs on share issue	(554,038)	–	–	–	(554,038)
Share based payment	–	–	–	56,431	56,431
At 30 June 2015	26,750,592	(21,789,183)	982	687,177	5,649,568

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Note	Consolidated	
		2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		29,793	23,690
Payment to suppliers and employees (inclusive of GST)		(1,380,016)	(670,186)
Payment of exploration expenditure		(3,288,243)	(2,035,258)
Interest received		92,570	25,723
Government grants received		73,500	–
Research and development incentive received		9,264	14,553
Net cash flows used in operating activities	20	(4,463,132)	(2,641,478)
Cash flows from investing activities			
Payments for security bonds		(11,609)	–
Return of security bonds		5,000	20,501
Payment for exploration tenements		(801)	–
Proceeds from the sale of plant and equipment		2,727	1,364
Purchase of plant and equipment		(51,948)	(10,217)
Net cash flows from/(used in) investing activities		(56,631)	11,648
Cash flows from financing activities			
Proceeds from borrowings		250,000	–
Repayment of borrowings		(44,422)	–
Proceeds from issue of shares		8,732,218	1,280,654
Transaction costs on issue of shares		(578,764)	(46,182)
Net cash flows from/(used in) financing activities		8,359,032	1,234,472
Net decrease in cash and cash equivalents		3,839,269	(1,395,358)
Net foreign exchange difference		83,447	(4,098)
Cash and cash equivalents at beginning of period		186,912	1,586,368
Cash and cash equivalents at end of period	7	4,109,628	186,912

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

1. CORPORATE INFORMATION

The financial report of Energia Minerals Limited ("Energia" or "the Group") comprises of Energia Minerals Limited and its controlled entities for the year ended 30 June 2015. The financial report was authorised for issue in accordance with a resolution of the directors on 17 September 2015.

Energia ("the Parent") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The Group is a for profit entity for financial reporting purposes under *Australian Accounting Standards*.

The nature of the operations and principal activities of the Group are described in the "Directors' Report".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

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

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

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

Going Concern

The consolidated financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the settlement of liabilities in the normal course of business.

The Group has incurred a net loss after tax for the year ended 30 June 2015 of \$4,618,121 (2014: \$2,852,526) and net cash outflows from operating activities of \$4,463,132 (2014: \$2,641,478). At 30 June 2015, the Group had Cash on Hand of \$4,109,628 (30 June 2014: \$186,912). To assist in meeting contracted and planned exploration expenditure on the Gorno project and Group operating costs, the Group will be required to raise additional funds in the next 4 months either by the sale of listed securities, asset sales or through new share issues. Whilst the Group has demonstrated its ability to raise sufficient funds to meet its requirements to date, there can be no certainty that the Group will be able to raise the funds needed to meet its forecast financial commitments, and as such may not be able to continue as a going concern.

In the event that insufficient proceeds flow to the Group to meet both contracted and forecast expenditure, there is inherent uncertainty that the Group will continue as a going concern. Should the Group not be able to continue as a going concern, there is uncertainty as to whether the Group will be able to realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts stated in this financial report. This financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Energia Minerals Limited at the end of the reporting period ("the Group"). A controlled entity is any entity over which Energia has the power to govern the financial and operating policies so as to obtain benefits from the entities activities. The control exists when the consolidated entity 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 to direct the activities of the entity.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 23 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Principles of Consolidation (Cont'd)

In preparing the consolidated financial statements, all inter-company balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent.

Where a company prepares consolidated financial statements, the sections of the *Corporations Act 2001* which required that a company also prepare and present parent company financial statements have been repealed. The primary statements and notes should contain only consolidated results. The disclosures required under the *Corporations Act 2001* have been included within Note 25 to the accounts in respect of the parent entity and all the information has been calculated in accordance with *Australian Accounting Standards*.

(b) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(c) Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Other Taxes (cont'd)

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(d) Plant and Equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The depreciable amount of plant and equipment is depreciated on a diminishing value basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Field equipment	15% to 50%
Motor vehicles	12.5%
Office equipment	15% to 75%
Office furniture	30%

The assets residual values, useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

Impairment

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

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

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

(e) Exploration Expenditure

Exploration, evaluation and development expenditure incurred is either written off as incurred or accumulated in respect of each identifiable area of interest. Tenement acquisition costs are initially capitalised. Costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area, sale of the respective areas of interest or where activities in the area have not yet reached a stage, which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Exploration Expenditure (cont'd)

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

(f) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(g) Impairment of Assets

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

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

(h) Foreign Currency Transactions and Balances

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Group Companies

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

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

(i) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on costs.

Contributions are made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Equity Settled Compensation

The Group undertakes equity-settled share-based payments. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using either the Binomial or Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Upon the exercise of awards, the balance of the share based payments reserve relating to those awards is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(m) Revenue and Other Income

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(n) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are deducted from the carrying value of the asset.

(o) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument classified "at fair value through profit or loss" in which case transaction costs are expensed to the statement of comprehensive income. Financial instruments are classified and measured as set out below.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the statement of comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Financial Instruments (cont'd)

Classification and subsequent measurement

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

(ii) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(iii) Available-for-sale (AFS) financial investments

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised as Other Comprehensive Income (OCI) and credited in the AFS reserve until the investment is de-recognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss.

Impairment

At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the profit or loss.

(p) Trade and Other Receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

(q) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Trade and Other Payables

Trade payables and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(s) Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Fair Value Measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(t) Comparative Figures

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

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(u) Critical Accounting Estimates and Judgments

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

Key Estimates

(i) *Impairment of capitalised exploration and evaluation expenditure*

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment indicator exists, the recoverable amount of the asset is determined. The future recoverability of capitalised exploration expenditure is dependent on a number of factors and will ultimately depend on whether the expenditure is recouped through exploitation or sale. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which the determination is made.

(ii) *Share based payments*

The Group measures the cost of equity settled transactions with employees and suppliers by reference to the fair value of the equity instrument at the date at which they are granted. The fair value of unlisted options is determined by using either a Black-Scholes or Binomial model. The assumptions (volatility, dividend yield and risk free rate) used are detailed in Note 22.

(iii) *Fair values of financial instruments*

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. Valuation assumptions utilise observable data as far as possible but where this information is not available a degree of judgement is required in establishing fair values.

Key Judgments

Capitalisation of exploration and evaluation expenditure

Under AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group has the option to expense exploration and evaluation expenditure as incurred, or to capitalise such expenditure (provided certain conditions are satisfied). The Group has elected to expense exploration and evaluation expenditure until such time as activities in an area have reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. However, costs associated with the acquisition of exploration tenements are initially capitalised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the *Australian Accounting Standards Board* ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending *Accounting Standards or Interpretations* that are not yet mandatory have not been early adopted.

The adoption of these *Accounting Standards and Interpretations* did not have any significant impact on the financial performance or position of the Group.

(w) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2015. The Group's assessment of the impact of these new or amended *Accounting Standards and Interpretations*, most relevant to the consolidated entity, are set out below:

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the Group makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the Group's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Group.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Group will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by Group.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015	2014
	\$	\$

3. REVENUE

Interest received	93,439	23,958
Other revenue	7,958	52,657
	101,397	76,615

	Consolidated	
	2015	2014
	\$	\$

4. OTHER INCOME

Gain on disposal of plant & equipment	1,951	407
Government grants received	73,500	–
Research and development tax incentive	173,579	23,816
Unrealised foreign exchange gain	63,469	–
Other	454	–
	312,953	24,223

	Consolidated	
	2015	2014
	\$	\$

5. EXPENSES

(a) Other Expenses

Bid defence costs	(i)	–	12,419
Loss on disposal of plant & equipment		–	1,762
Unrealised foreign exchange loss		–	1,721
Realised foreign exchange loss		2,132	85
		2,132	15,987

(i) Bid defence costs were incurred in respect of defending the hostile takeover bid by Cauldron Energy Ltd.

(b) Depreciation, impairment and amortisation

Depreciation of plant and equipment	32,213	36,499
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(c) Rental expense on operating lease

Minimum lease payments – operating lease	196,625	182,197
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015	2014
	\$	\$

5. EXPENSES (CONT'D)

(d) Employee benefits expense

Wages and salaries	1,254,732	933,510
Superannuation contribution expense	120,411	94,318
Share based payment expense	130,201	150,081
Movement in provision for annual leave	55,693	(318)
Movement in provision for long service leave	24,987	–
Other employee benefits expense	39,694	4,832
	1,625,718	1,182,423

	Consolidated	
	2015	2014
	\$	\$

6. INCOME TAX EXPENSE

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable income tax rate is as follows:

Accounting loss before income tax	(4,618,121)	(2,852,256)
Tax refundable at the statutory income tax rate – 30% (2014: 30%)	(1,385,436)	(855,758)

Non-deductible expenses

Share based payment	39,060	45,024
Other non-deductible expenses	209,734	66,990
Government grants exempted from tax	(52,073)	–
Section 40-880 deduction	(42,993)	(66,137)
Under/(Over) provision in prior year	99,682	(2,897)
Deferred tax assets not recognised	1,132,026	812,778
Income tax expense	–	–

The Group has tax losses for which no deferred tax asset is recognised arising in Australia of \$15,240,320 (2014: \$13,372,182) and are available for offset against future taxable profits of the Group subject to continuing to meet relevant statutory tests.

	Consolidated	
	2015	2014
	\$	\$

7. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	3,397,117	186,912
Short-term bank deposits	712,511	–
	4,109,628	186,912

The effective interest rate on cash and cash equivalents was 0.04% (2014: 0.05%). Short-term deposits mature every 30 to 90 days.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

		Consolidated	
	Note	2015 \$	2014 \$
8. RECEIVABLES			
Current			
Trade receivables	8(a)	189,045	31,623
Prepayments		31,297	17,031
Security deposits	8(b)	6,697	—
		227,039	48,654
Non-current			
Other receivable	8(c)	291,989	—
Security deposits	8(d)	5,077	—
		297,066	—

(a) Current trade receivables are non-interest bearing and generally on 30 to 90 day terms. There are no balances within trade and other receivables that contain assets that are impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full. Due to the short-term nature of trade receivables, their carrying value is assumed to approximate their fair value.

(b) Security Deposits represent payments made as guarantees under operating leases that the Group has entered into.

(c) Other receivable relates Italian VAT payments that are available to be recovered against VAT collected or offset against various regulatory payments.

There are no balances within trade and other receivables that contain assets that are impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full. Due to the short-term nature of trade receivables, their carrying value is assumed to approximate their fair value.

	Consolidated	
	2015 \$	2014 \$
9. RESTRICTED CASH		
Non-Current		
Restricted cash	68,834	68,834
	68,834	68,834

Restricted cash represents term deposits held with various financial institutions as security for bank guarantees issued to landlords in relation to operating lease commitments associated with the office premises, and as security for credit card facilities. Refer to Note 19 for further details. The funds receive interest at fixed rates and have an average maturity of 12 months.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015	2014
	\$	\$

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale investments at fair value through OCI

Unlisted Ordinary Shares	50,000	50,000
	50,000	50,000

The investment in unlisted shares consists of a non-controlling interest in Marindi Metals Pty Ltd (Marindi). On 6 July 2015, Brumby Resources Limited (Brumby), a company listed on the Australian Securities Exchange, acquired Marindi. Energia executed the offer acceptance form to receive 4,825,331 listed shares in Brumby in exchange for the 500,000 Marindi shares held on 1 July 2015.

Reconciliation of fair values at the beginning and end of the current financial year are set out below:

	2015	2014
	\$	\$
Opening fair value	50,000	–
Additions	–	50,000
Disposals	–	–
Revaluation increments	–	–
Closing fair value	50,000	50,000

Refer to Note 16 for further information on fair value measurement.

	Consolidated	
	2015	2014
	\$	\$

11. PLANT AND EQUIPMENT

Field equipment

At cost	153,247	142,361
Accumulated depreciation	(79,510)	(66,532)
	73,737	75,829

Motor vehicles

At cost	4,845	1,298
Accumulated depreciation	(11)	(603)
	4,834	695

Office equipment

At cost	121,405	89,006
Accumulated depreciation	(72,640)	(58,082)
	48,765	30,924

Office furniture

At cost	59,942	53,959
Accumulated depreciation	(45,782)	(41,784)
	14,160	12,175

Total plant and equipment	141,496	119,623
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Field Equipment \$	Motor Vehicles \$	Office Equipment \$	Office Furniture \$	Total \$
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11. PLANT AND EQUIPMENT (CONT'D)

(a) Movements in carrying amount

Balance at 30 June 2013	85,137	1,825	44,355	17,307	148,624
Additions	9,173	–	1,044	–	10,217
Disposals	(1,542)	(957)	(220)	–	(2,719)
Depreciation expense	(16,939)	(173)	(14,255)	(5,132)	(36,499)
Balance at 30 June 2014	75,829	695	30,924	12,175	119,623
Additions	11,635	4,844	32,398	5,983	54,860
Disposals	(117)	(657)	–	–	(774)
Depreciation expense	(13,610)	(48)	(14,557)	(3,998)	(32,213)
Balance at 30 June 2015	73,737	4,834	48,765	14,160	141,496

	Consolidated	
	2015 \$	2014 \$

12. EXPLORATION AND EVALUATION EXPENDITURE

Costs carried forward in respect of:

Exploration and evaluation – at cost

Balance at beginning of the year	1,555,303	1,713,419
Acquisitions	263,290	–
Foreign exchange adjustment on translation	–	1,175
Exploration assets written off	–	(159,291)
Total exploration and evaluation expenditure	1,818,593	1,555,303

The recoverability of the carrying amount of exploration assets is dependent on the successful exploration and development or sale of the respective areas of interest.

During the year ended 30 June 2015, the Group acquired the Monica Mining Concession within the Gorno tenement holding from Bergem Mines & Tech SRL. The cash consideration payable was €219,600 together with a 1% royalty on net smelter return.

	Consolidated	
Note	2015 \$	2014 \$

13. TRADE AND OTHER PAYABLES

Current

Trade payables	13(a)	639,874	273,686
		639,874	273,686

(a) Trade payables and other payables are non-interest bearing and are normally settled within 45 days. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

		Consolidated	
	Note	2015 \$	2014 \$

14. BORROWINGS

Current

Unsecured loan	14(a)	106,612	–
		106,612	–

Non-Current

Unsecured loan	14(a)	168,804	–
		168,804	–

(a) On 2 February 2015, the Group acquired the Monica Mining Concession within our Gorno tenement holding from Bergem Mines & Tech SRL. The cash consideration payable of €219,600 is repayable over 36 months in equal instalments. The loan is unsecured and interest free.

		Consolidated	
		2015 \$	2014 \$

15. EMPLOYEE BENEFIT LIABILITIES

Current

Provision for annual leave		121,436	65,687
Provision for employee leaving indemnity		1,375	–
		122,811	65,687

Non-Current

Provision for long service leave		24,987	–
		24,987	–

A provision has been recognised for employee entitlements relating to annual leave, long service leave and Italian leaving entitlements accrued at balance date. The measurement and recognition criteria relating to employee benefits have been included in Note 2.

The number of employees at year end was 13 (2014: 6).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

16. FAIR VALUE MEASUREMENT

Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Fair value and valuation techniques

The Group has valued unlisted equity investments classified as available-for-sale financial assets at \$50,000 (2014: \$50,000) using Level 2 inputs and the market approach, a valuation technique that uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities. The observable input utilised was the transaction price paid for an identical instrument by other investors.

	Note	Consolidated	
		2015 \$	2014 \$

17. ISSUED CAPITAL AND RESERVES

Issued Capital

Ordinary shares fully paid	17(a)	26,750,592	18,248,643
		26,750,592	18,248,643

Ordinary shares

Effective 1 July 1998, the *Corporations* legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the parent entity does not have authorised capital nor par value in respect of its issued shares.

Fully paid ordinary shares carry one vote per share and participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Note	Consolidated Number of Shares	\$
17. ISSUED CAPITAL AND RESERVES (CONT'D)			
(a) Movements in Ordinary Shares on Issue			
At 30 June 2013		176,295,008	16,965,042
Issued 28 August 2013 for cash	(i)	25,000,000	500,000
Issued 10 January 2014 in-lieu of directors fees	(ii)	1,318,810	36,927
Issued 27 February 2014 for cash	(iii)	30,188,849	664,154
Issued 10 April 2014 in-lieu of directors fees	(ii)	1,893,676	36,927
Issued 21 May 2014 for cash	(iv)	5,295,455	116,500
Transaction costs on issue of shares	(x)	–	(70,907)
At 30 June 2014		239,991,798	18,248,643
Issued 3 July 2014 in-lieu of directors fees	(ii)	1,750,080	36,927
Issued 8 July 2014 for cash	(v)	35,000,000	700,000
Issued 3 October 2014 in-lieu of directors fees	(ii)	990,390	36,843
Issued 9 October 2014 for cash	(vi)	235,000,000	5,875,000
Issued 9 October 2014 in repayment of non-refundable loan	(vii)	5,000,000	125,000
Issued 31 October 2014 in repayment of non-refundable loan	(viii)	5,000,000	125,000
Issued 21 November 2014 for cash	(ix)	86,288,711	2,157,218
Transaction costs on issue of shares	(x)	–	(554,039)
At 30 June 2015		609,020,979	26,750,592

- (i) On 28 August 2013, the Group issued 25,000,000 ordinary fully paid shares at \$0.02 each for cash;
- (ii) Fully paid ordinary shares issued to Directors in lieu of remuneration and pursuant to shareholder approval granted at the Annual General Meeting on 14 November 2013. Additional information regarding this arrangement is contained in Remuneration Report contained in the Directors Report and Note 22;
- (iii) On 27 February 2014, the Company issued 30,188,849 ordinary fully paid shares at \$0.022 each for cash being the acceptance of a 1 for 2 non-renounceable rights issue;
- (iv) On 21 May 2014, the Company issued 5,295,455 ordinary fully paid shares at \$0.022 each for cash;
- (v) On 8 July 2014, the Company issued 35,000,000 ordinary fully paid shares at \$0.02 each for cash being a placement to sophisticated investors;
- (vi) On 9 October 2014, the Company issued 235,000,000 ordinary fully paid shares at \$0.025 each for cash to sophisticated investors;
- (vii) On 9 October 2014, the Company issued 5,000,000 ordinary fully paid shares at \$0.025 as repayment of the unsecured non-refundable loan of \$125,000 from Alexander Burns;
- (viii) On 31 October 2014, the Company issued 5,000,000 ordinary fully paid shares at \$0.025 as repayment of the unsecured non-refundable loan of \$125,000 from Euroz Securities Limited;
- (ix) On 21 November 2014, the Company issued 86,288,711 ordinary fully paid shares at \$0.025 each for cash related to a 1 for 6 non-renounceable underwritten rights issue to raise \$2,157,218 (before costs), and
- (x) Transaction costs associated with the issue of shares recognised in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

17. ISSUED CAPITAL AND RESERVES (CONT'D)

Nature and purpose of reserves

Share Based Payment Reserve

The share based payment reserve is used to record the value of equity benefits provided to employees, including key management personnel and external service providers as part of their remuneration.

Foreign Currency Translation Reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries.

	Consolidated	
	Share Based Payment Reserve	Foreign Currency Translation Reserve
Movement in Reserves		
As at 1 July 2013	554,519	(17,694)
Recognition of options issued	39,300	–
Shares to be allotted in-lieu of directors fees	36,927	–
Movement for the year	–	(680)
Balance as at 30 June 2014	630,746	(18,374)
As at 1 July 2014	630,746	(18,374)
Recognition of options issued	93,358	–
Shares allotted in-lieu of directors fees	(36,927)	–
Movement for the year	–	19,356
Balance as at 30 June 2015	687,177	982

18. CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments

The Group has entered into a number of non-cancellable operating leases for various buildings that it occupies. These leases have terms between 6 months and 12 months, with rent payable in advance. The leases in some instances permit subletting.

The Group has also entered into a commercial operating lease on a motor vehicle with a lease term of 2 years.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	Consolidated	
	2015 \$	2014 \$
Minimum lease payments payable		
Not later than 12 months	53,438	122,718
After one year but not more than five years	12,185	–
	65,623	122,718

18. CAPITAL AND LEASING COMMITMENTS (CONT'D)

(b) Exploration Expenditure Commitments

Ongoing exploration expenditure is required to maintain title to the consolidated Group's mineral exploration tenements. No provision has been made in the financial statements for these amounts as the amounts are expected to be fulfilled in the normal course of the operations of the consolidated Group.

Australia

The consolidated Group has certain statutory obligations to perform minimum exploration work on its tenements. The statutory expenditure requirement may be renegotiated with the relevant regulator, and expenditure commitments may be varied between tenements, or reduced subject to reduction of the exploration area and/or relinquishment of non-prospective tenements. The expenditure commitment for the Carley Bore tenements is excluded from the table below on the basis that the tenements were disposed of on 7 August 2015. Refer to Note 26 for additional information.

	Consolidated	
	2015	2014
	\$	\$
Minimum exploration expenditure commitments		
Not later than 12 months	70,846	1,309,132
After one year but not more than five years	144,603	2,255,814
	215,449	3,564,946

Italy

With respect to the Group's mineral property interests in Italy, no statutory expenditure commitments are specified by the mining legislation other than annual licence fees. However, as part of the licence application and renewal requirements, the Group submits budgeted exploration expenditure. In assessing subsequent renewal applications the regulatory authorities review actual expenditure against budgets previously submitted. The Group's budgeted expenditures for future periods are shown below. These amounts do not become legal obligations of the Group and actual expenditure may and does vary depending on the outcome of the actual exploration programs.

	Consolidated	
	2015	2014
	\$	\$
Minimum exploration expenditure commitments		
Not later than 12 months	2,639,870	931,460
After one year but not more than five years	543,879	548,539
	3,183,749	1,479,999

19. CONTINGENT LIABILITIES

(a) Bank Guarantees

The National Australia Bank has provided unconditional bank guarantees of \$45,145 (2014: \$45,145) in relation to the property lease referred to in Note 18(a). The guarantee has been provided by way of fully utilised finance facility secured by fixed term cash deposit.

(b) Claims of Native Title and Cultural Heritage

Native title claims have been made with respect to areas within Australia which include tenements in which the Group has an interest. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	Consolidated	
	2015 \$	2014 \$
20. CASH FLOW INFORMATION		
(a) Reconciliation of cash flow from operations with loss after tax		
Loss after tax	(4,618,121)	(2,852,526)
Non-cash flows in loss:		
Depreciation	32,213	36,499
Share based payments	130,202	150,081
Rent received paid by equity	–	(50,000)
Unrealised foreign exchange (gain)/loss	(63,469)	1,721
Gain on disposal of plant and equipment	(1,951)	(407)
Loss on disposal of plant and equipment	–	1,762
Exploration assets written off	–	159,291
Changes in assets and liabilities		
(Increase)/decrease in trade receivables	(354,160)	(957)
(Increase)/decrease in prepayments	(14,230)	4,457
Increases/(decrease) in trade payables and accruals	344,349	(82,401)
Increases/(decrease) in provisions	82,036	(8,998)
Cash flow from operations	(4,463,132)	(2,641,478)

(b) Non-cash Financing and Investing Activities

On 25 August 2014, the Group entered into a \$250,000 non-refundable loan arrangement with Mr Alexander Burns and Euroz Securites Ltd ("Euroz") being \$125,000 each. These loans were provided to meet short-term working capital requirements until completion of the funding package provided by Euroz.

On 9 October 2014, 5,000,000 ordinary fully paid shares were issued to Mr Alexander Burns as repayment of the \$125,000 loan at \$0.025 per share as part of subscription commitments under the placement undertaken.

On 31 October 2014, 5,000,000 ordinary fully paid shares were issued to Euroz as repayment of the \$125,000 loan at \$0.025 per share.

On 2 February 2015, the Group acquired the Monica Mining Concession within the Gorno tenement holding from Bergem Mines & Tech SRL. The consideration for this acquisition was €219,600 (including 22% VAT) and a 1% net smelter royalty. The consideration is payable in equal monthly instalments of €6,100 over three years.

	Consolidated	
	2015 \$	2014 \$

21. AUDITORS REMUNERATION

Amounts received or due and receivable by the auditor of the parent entity, Crowe Horwath Perth for:

– auditing or reviewing of financial reports	25,250	25,500
	25,250	25,500

22. SHARE BASED PAYMENTS

(a) Recognised share based payment expense

The expense recognised for employee services received during the year is shown in the table below:

	Consolidated	
	2015 \$	2014 \$
Expense arising from equity-settled share based payment transactions	130,201	150,081
	130,201	150,081

(b) General terms of share-based payments

Shares-in-lieu of Directors Fees and Remuneration

Directors of the Company offered to be paid all or part of their respective Director's fees or remuneration (excluding superannuation entitlements) through the issue of shares in lieu of cash payments (Remuneration Shares) for a period of one year ceasing 30 September 2014.

In accordance with the waiver obtained from the ASX and the approval obtained from shareholders at the Annual General Meeting held 14 November 2013, the Remuneration Shares were required to be issued at the VWAP for the five trading days preceding the end of the applicable quarter and within 10 business days.

Additional information regarding this arrangement is contained in the Remuneration Report contained in the Directors Report.

Details of shares awarded to Directors as part of their compensation during the year ended 30 June 2015 in accordance with the above arrangement are set out below:

Period Ended	Shares Awarded No.	Issue Date	Issue Price \$	Value of Shares \$
30 September 2014	990,390	3 October 2014	\$0.0372	36,843
TOTAL	990,390			\$36,843

2014 Employee Incentive Plan

On 24 November 2014, the Company obtained shareholders' approval for the 2014 *Employee Incentive Plan* (EIP) as the *Employee Incentive Plan 2011* expired on 17 November 2014. The EIP is established as a means of providing long-term incentives to all employees and key management personnel, other than non-executive directors. At its discretion, the Board may grant incentives under the plan for no consideration and determine the terms on which the incentives are granted. Where incentives are granted with vesting conditions, unless the Board determines otherwise, unvested incentives are forfeited when the holder ceases to be employed by the Group.

During the year ended 30 June 2015, the Group awarded 6,750,000 million options over ordinary shares under the EIP. The options were granted for no consideration and hold no voting or dividend rights and are not transferrable without Board approval. Some of the options are subject to vesting conditions, whereby if employee resigns prior to the vesting date the options are forfeited.

On 29 June 2015, the Company resolved to offer 13.5 million options under the EIP to eligible participants including 9 million options to Mr Robinson, Managing Director and 2.25 million options to Mr Cozijn, Finance Director. The options are to be divided equally into three tranches with the following terms, exercise price of \$0.12, \$0.18 and \$0.24, and vesting at the date of grant, 12 months service and 24 months service respectively. On 6 July 2015, 1.5 million of these options were granted following acceptance of the offer.

The offer of the options to Mr Robinson and Mr Cozijn is subject to obtaining shareholder approval at the 2015 Annual General Meeting of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

22. SHARE BASED PAYMENTS (CONT'D)

(b) General terms of share-based payments (Cont'd)

The following table illustrates the number and weighted average exercise prices of, and movements in share options during the year:

	2015		2014	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	38,150,000	\$0.21	32,150,000	\$0.24
Granted during the year	6,750,000	\$0.10	6,000,000	\$0.10
Forfeited during the year	(14,650,000)	\$0.27	–	–
Exercised during the year	–	–	–	–
Outstanding at the end of the year	30,250,000	\$0.16	38,150,000	\$0.21
Exercisable at the end of the year	23,750,000	\$0.17	34,150,000	\$0.225

The details of options outstanding as at 30 June 2015 are as follows:

Series No.	Number of options	Exercise price	Expiry date	Vesting date
1	5,500,000	\$0.225	8 July 2015	Vested
11	4,000,000	\$0.10	30 April 2017	Vested
12	4,000,000	\$0.20	30 April 2017	Vested
13	4,000,000	\$0.30	30 April 2017	Vested
14	2,000,000	\$0.05	30 April 2019	Vested
15	2,000,000	\$0.10	30 April 2019	Vested
16	2,000,000	\$0.15	30 April 2019	30 April 2016
17	2,250,000	\$0.05	14 January 2020	Vested
18	2,250,000	\$0.10	14 January 2020	14 January 2016
19	2,250,000	\$0.15	14 January 2020	14 January 2017
Total	30,250,000			

The options outstanding at 30 June 2015 had a weighted average exercise price of \$0.16 (2014: \$0.21) and a weighted average remaining contractual life of 2.51 years (2014: 2.04). Exercise prices range from \$0.05 to \$0.30 in respect of options outstanding at 30 June 2015 (2014: \$0.05 to \$0.30). The weighted average fair value of the options granted during the year was \$0.0172 (2014: \$0.0101). No options were exercised during the year.

This fair value of options issued during the year was calculated as at the date of grant using a Binomial option pricing model. Expected volatility has been based on historical volatility as it is assumed that this is indicative of future volatility, however, this may not necessarily be the actual outcome. No allowance has been made for the effects of early exercise.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

22. SHARE BASED PAYMENTS (CONT'D)

The following tables show the model inputs for the years ended 30 June 2015 and 30 June 2014:

	30 June 2015			30 June 2014		
Series No.	17	18	19	14	15	16
Exercise price	\$0.05	\$0.10	\$0.15	\$0.05	\$0.10	\$0.15
Share price	\$0.029	\$0.029	\$0.029	\$0.0191	\$0.0191	\$0.0191
Expected volatility	100%	100%	100%	100%	100%	100%
Option life (years)	5	5	5	5.04	5.04	5.04
Dividend yield	–	–	–	–	–	–
Risk free interest rate	2.17%	2.17%	2.17%	3.35%	3.35%	3.35%

23. RELATED PARTY DISCLOSURE

(a) Subsidiaries

The consolidated financial statements include the financial statements of Energia Minerals Limited and the subsidiaries listed in the following table.

	Country of Incorporation	Percentage Owned	
		2015 %	2014 %
Nickelex Pty Ltd	Australia	100	100
Energia Minerals (Italia) Srl	Italy	100	100

(b) Key management personnel (KMP)

Disclosures relating to key management personnel set out in the *Remuneration Report* contained in the *Directors Report*.

(c) Compensation for key management personnel

Refer to the *Remuneration Report* contained in the *Directors Report* for details of the remuneration paid or payable to each member of the Group's key management personnel ("KMP") for the year ended 30 June 2015.

On 1 July 2015, Jamie Armes was appointed Group Accountant/Company Secretary of the Group. Other than this appointment, there were no changes to KMP between the reporting date and the date the financial report was authorised.

The total remuneration paid to KMP of the Energia and the Group during the year is as follows:

	Consolidated	
	2015 \$	2014 \$
Short-term employee benefits	956,777	681,706
Post-employment benefits	92,355	70,189
Share based payments	122,461	150,081
Total compensation	1,171,593	901,976

24. FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise primarily of cash deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. This note presents information about the Group's exposure to the specific risks, and the policies and processes for measuring and managing those risks.

Financial Risk Management Policies

The primary responsibility for the identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing identified risks. The Group uses different methods to manage the different types of risks to which it is exposed. These include monitoring exposure to currency risk and interest rate risk and undertaking an assessment of market forecasts. The Group monitors liquidity risk through the preparation and monitoring of cash flow forecasts.

Capital Risk Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as undertaking operations in a manner that provide returns to shareholders and benefits for other stakeholders. The Group aims to maintain a capital structure that ensures the lowest cost of capital available to the entity and maximises returns for shareholders through minimising dilution.

In order to maintain or adjust the capital structure, the entity may, issue new shares, enter into joint ventures or sell assets. The entity does not have a defined share buy-back plan.

No dividends were paid in 2015 (2014: Nil).

Commodity Price Risk

The Group is exposed to commodity price risk. This risk arises from its activities directed at exploration and development of mineral commodities. If commodity prices fall, the market for companies exploring for those commodities is affected.

Net fair values

For financial assets and liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The Group has no financial assets where carrying amount exceeds net fair values at balance date.

Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

As the Group is yet to commence mining operations it has no significant exposure to customer credit risk. The class of assets described as Receivables is considered to be the main source of credit risk to the Group. Further information regarding Receivables are detailed at Note 8.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset in the Statement of Financial Position.

The credit risk in relation to balances with banks is managed through the assessment of the credit quality of the institution with whom the funds are deposited. Currently the Group only invests cash with counterparties assessed with high credit ratings. Funds are transferred to Italy to meet the working capital needs of the controlled entity Energia Minerals (Italia) Srl. The cash needs of the controlled entity's operations are monitored by the parent company and funds are advanced to the Italian operations as required.

The Directors believe this is the most efficient method of combining the monitoring and mitigation of potential credit risks arising out of holding cash assets in overseas jurisdictions, and the funding mechanisms required by the Group.

24. FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk

The Group's main exposure to the risks of changes in market interest rates relates primarily to the Group's cash deposits with a floating interest rate and short term deposits with fixed interest rates (these are predominantly 30 to 90 day revolving term deposits). These financial assets expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables, payables and cash held in EURO currency are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk. The following tables set out the carrying amount by maturity and the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. Also included is the effect on the loss after tax if interest rates at that date had been 0.5% higher or lower with all other variables held constant as a sensitivity analysis. In regard to its interest rate risk, the Group analyses its exposure. Within this analysis, consideration is given to potential renewals of existing positions and the mix of fixed and variable interest rates.

Based on the sensitivity analysis only interest revenue from cash deposits, term deposits and bank and cash balances are impacted resulting in a decrease or increase in overall income.

	Weighted Average		Floating Interest		Fixed Interest	
	2015 %	2014 %	2015 \$	2014 \$	2015 \$	2014 \$
Financial Assets						
Cash	0.04	0.05	279,293	186,712	712,511	–
Receivables			–	–	–	–
Restricted cash	2.96	3.59	–	–	68,834	68,834
Available-for-sale financial assets			–	–	–	–
Total financial assets			279,293	186,712	781,345	68,834
Financial Liabilities						
Payables			–	–	–	–
Total financial liabilities			–	–	–	–
Net financial assets/(liabilities)			279,293	186,712	781,345	68,834

	Non-interest		Total	
	2015 \$	2014 \$	2015 \$	2014 \$
Financial Assets				
Cash	3,117,824	200	4,109,628	186,912
Receivables	524,105	48,654	524,105	48,654
Restricted cash	–	–	68,834	68,834
Available-for-sale financial assets	50,000	50,000	50,000	50,000
Total financial assets	3,691,929	98,854	4,752,567	354,400
Financial Liabilities				
Payables	639,874	273,686	639,874	273,686
Borrowings	275,416	–	275,416	–
Total financial liabilities	915,290	273,686	915,290	273,686
Net financial assets/(liabilities)	2,776,639	(174,832)	3,837,277	80,714

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

24. FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk Sensitivity

The following table illustrates the sensitivities of the Group's exposures to changes in interest rates. The table demonstrates the impact on the reported loss and equity values at balance date. A sensitivity of 50 basis points has been selected as this is considered reasonable given the current level of both short-term and long-term Australian dollar interest rates. This would represent approximately two decreases and two increases which is reasonably possible in the current economic climate over a financial year. Based on the sensitivity analysis only interest revenue from cash deposits, term deposits and bank and cash balances are impacted resulting in a decrease or increase in overall income.

	2015		2014	
	Loss \$	Equity \$	Loss \$	Equity \$
50 basis point increase	12,483	12,483	3,404	3,404
50 basis point decrease	(12,483)	(12,483)	(3,404)	(3,404)

Foreign Currency Risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to currency risk on financial assets and liabilities held by the controlled entity in Italy. The Group's expenditure obligations in Italy are primarily in EURO as a result the Group is exposed to fluctuations in the EURO to Australian dollar. These exposures are not subject to a hedging program. Exposure to negative currency fluctuations has been partially mitigated through the maintenance of a Euro denominated cash position.

The Group's is also exposed to foreign exchange risk arising from the translation of its foreign operations. The Group's investment in its overseas subsidiary is not hedged as it is considered to be long-term in nature.

The Groups exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars was as follows:

	2015		2014	
	EUR	AUD	EUR	AUD
Financial Assets				
Cash	3,117,614	992,014	928	185,984
Receivables	309,374	214,731	13,988	34,666
Restricted cash	–	68,834	–	68,834
Available-for-sale financial assets	–	50,000	–	50,000
Total financial assets	3,426,988	1,325,579	14,916	339,484
Financial Liabilities				
Payables	291,051	348,823	37,862	235,824
Borrowings	275,416	–	–	–
Total financial liabilities	566,467	348,823	37,862	235,824
Net financial assets/(liabilities)	2,860,521	976,756	(22,946)	103,660

24. FINANCIAL RISK MANAGEMENT (CONT'D)

Sensitivity

The following table summarises the sensitivity of financial instruments held at balance date to movement in the exchange rate of the AUD to the EURO with all other variables held constant. The 10% sensitivity is based on management's estimate of reasonably possible changes over a financial year.

	2015		2014	
	Loss \$	Equity \$	Loss \$	Equity \$
+10% increase in AUD:EUR	(211,702)	79,011	–	1,586
-10% increase in AUD:EUR	211,702	(79,011)	–	(1,586)

Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash to meet the operating requirements of the business and investing excess funds in liquid short term deposits. The Group's liquidity needs are currently met through cash and cash equivalents and cash generated from interest received on bank deposits. Future liquidity needs can potentially be met through equity raisings.

The following table details the Group's undiscounted financial liabilities according to their contractual maturities.

	Within 1 Year		1 to 5 Years		Total	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
Financial liabilities due for payment						
Trade and other payables	639,874	273,686	–	–	639,874	273,686
Borrowings	106,612	–	168,804	–	275,416	–
Total contracted outflows	746,486	273,686	168,804	–	915,290	273,686
Financial assets – cash flows realisable						
Cash and cash equivalents	4,109,628	186,912	–	–	4,109,628	186,912
Trade and other receivables	227,039	48,654	297,066	–	524,105	48,654
Available-for-sale financial assets	–	–	50,000	50,000	50,000	50,000
Restricted cash	–	–	68,834	68,834	68,834	68,834
Total anticipated inflows	4,336,667	235,566	415,900	118,834	4,752,567	354,400
Net inflow/(outflow) on financial instruments	3,590,181	(38,120)	247,096	118,834	3,837,277	80,714

Financial assets pledged as collateral

Certain financial assets have been pledged as security for finance facilities associated with bank guarantees. The realisation of these financial assets into cash may be restricted and subject to terms and conditions attached to the relevant finance facilities. Refer to Note 9 for further details.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

25. ADDITIONAL FINANCIAL INFORMATION OF THE PARENT ENTITY

Below are the additional disclosures for the parent entity, Energia Minerals Limited, required by *Regulation 2M.3.01* of the *Corporations Regulations 2001*:

FINANCIAL POSITION	Parent Entity	
	2015 \$	2014 \$
ASSETS		
Current Assets	4,290,005	220,649
Non-current Assets	3,871,948	2,232,169
TOTAL ASSETS	8,161,953	2,452,818
LIABILITIES		
Current Liabilities	466,309	301,512
Non-current Liabilities	24,987	–
TOTAL LIABILITIES	491,296	301,512
NET ASSETS	7,670,657	2,151,306
EQUITY		
Contributed equity	26,750,592	18,285,570
Accumulated losses	(19,767,112)	(16,728,083)
Share based payment reserve	687,177	593,819
TOTAL EQUITY	7,670,657	2,151,306
FINANCIAL PERFORMANCE		
Net loss for the year	(3,039,029)	(2,589,500)
Other comprehensive income	–	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(3,039,029)	(2,589,500)

Details of guarantees entered into by the parent entity in relation to debts of subsidiaries

The parent entity has provided a letter of financial support to its subsidiary Nickelex Pty Ltd whereby the parent entity will not demand repayment of its intercompany loan of \$72,254 (2014: \$33,071) before 30 September 2016 and agrees to provide funding to Nickelex Pty Ltd for approved expenditures. As at 30 June 2015, and at the date of this report, other than the loan from Energia, Nickelex Pty Ltd had no known liabilities (2014: Nil).

Details of any contingent liabilities

The details of contingent liabilities of the consolidated Group disclosed at Note 19 represent the contingent liabilities of the parent entity.

Details of any contractual commitments for acquisition of property, plant and equipment

The details of commitments of the consolidated group disclosed at Note 18 represent the commitments of the parent entity.

26. EVENTS AFTER THE REPORTING PERIOD

Disposal of Carley Bore to Paladin Energy Ltd

On 31 May 2015, the Group entered into a binding Heads of Agreement to dispose of the Carley Bore Project to Paladin Energy Ltd (Paladin) (ASX: PDN). The Carley Bore Project consisted of three exploration licenses E08/1644, E08/1645 and E08/1646. This disposal was completed on 7 August 2015. The consideration received of \$9.7 million comprised of \$1.6 million cash and 45 million Paladin shares (of which 16 million are subject to escrow for 12 months). The net gain realised on disposal is \$8.3 million (before tax). The Carley Bore Project is presented in the Western Australia segment for segment reporting purposes.

Apart from the above, there has not been any significant event that has occurred after balance date that has not been brought to account in the 30 June 2015 Annual Report.

	Consolidated	
	2015	2014
	\$	\$

27. EARNINGS PER SHARE

Net loss used in the calculation of basic and dilutive earnings per share	(4,618,121)	(2,852,526)
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	Number Shares	Number Shares
Weighted average number of ordinary shares on issue during the year used in calculating basic earnings per share	505,838,343	209,135,533
Effect of dilution:		
Share options	—	—
Weighted average number of ordinary shares on issue during the year used in calculating dilutive earnings per share	505,838,343	209,135,533

All of the options outstanding have exercise prices greater than the average market price of ordinary shares during the reporting period and are therefore considered anti-dilutive.

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Energia Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

28. OPERATING SEGMENTS

Identification of reportable segments

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

The Group operates predominantly in one business segment being mineral exploration and substantially all of the Group's resources are utilised for this purpose. The Group undertakes mineral exploration in Australia and Italy. The geographical segments are identified as:

- (i) Western Australia
- (ii) Italy
- (iii) Other (Northern Territory and Queensland)

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

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

(b) Segment assets

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

(c) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables.

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- interest received, and
- administration and other expenses not directly related to a specific segment.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

28. OPERATING SEGMENTS (CONT'D)

(d) Segment Performance, Assets and Liabilities

30 June 2015	Western Australia \$	South Australia \$	Italy \$	Other \$	Total \$
Revenue					
Total segment revenue	–	–	–	–	–
<i>Reconciliation of segment revenue to group revenue</i>					
Interest received					93,439
Other revenue					7,958
Total group revenue					101,397
Segment net loss before tax	(1,179,253)	–	(2,133,594)	(43,688)	(3,356,535)
<i>Reconciliation of segment net loss before tax</i>					
Amounts not included in segment loss but reviewed by board					
Unallocated items					
– Administration					(1,017,098)
– Marketing					(247,755)
– Other income/(expenses)					3,267
Net loss before tax from continuing operations					(4,618,121)
Segment assets	1,635,900	–	804,707	–	2,440,607
Segment asset increases/(decreases) for the period					
– Cash and cash equivalents	–	–	33,370	–	33,370
– Trade & other receivables	173,579	–	295,387	–	468,966
– Exploration and evaluation assets	–	–	263,290	–	263,290
– Plant & equipment	2,046	–	26,193	–	28,239
	175,625	–	618,240	–	793,865
<i>Reconciliation of segment assets to group assets</i>					
Unallocated assets:					
– cash and cash equivalents					4,075,328
– financial assets					50,000
– trade and other receivables					41,154
– restricted cash					68,834
– plant and equipment					36,733
Total group assets					6,712,656
Segment liabilities	30,304	–	571,966	58	602,328
<i>Reconciliation of segment liabilities to group liabilities</i>					
Unallocated liabilities:					
– trade and other payables					318,286
– provisions					142,473
Total group liabilities					1,063,087

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

28. OPERATING SEGMENTS (CONT'D)

(d) Segment Performance, Assets and Liabilities (Cont'd)

30 June 2014	Western Australia \$	South Australia \$	Italy \$	Other \$	Total \$
Revenue					
Total segment revenue	–	–	–	–	–
<i>Reconciliation of segment revenue to group revenue</i>					
Interest received					23,958
Other revenue					52,657
Total group revenue					76,615
Segment net loss before tax	(1,468,970)	(150,034)	(467,841)	(94,897)	(2,181,742)
<i>Reconciliation of segment net loss before tax</i>					
Amounts not included in segment loss but reviewed by board					
Unallocated items					
– Administration					(560,363)
– Marketing					(110,202)
– Other income/(expenses)					(219)
Net loss before tax from continuing operations					(2,852,526)
Segment assets	1,460,274	–	186,468	–	1,646,742
<i>Segment asset increases/(decreases) for the period</i>					
– Write-off exploration assets	–	(106,158)	(53,133)	–	(159,291)
– Foreign exchange translation	–	–	1,175	–	1,175
– Cash and cash equivalents	–	–	929	–	929
– Trade & other receivables	–	–	13,987	–	13,987
– Restricted cash	(20,501)	–	–	–	(20,501)
– Plant & equipment	(10,440)	–	–	–	(10,440)
	(30,941)	(106,158)	(37,042)	–	(174,141)
<i>Reconciliation of segment assets to group assets</i>					
Unallocated assets:					
– cash and cash equivalents					185,983
– financial assets					50,000
– trade and other receivables					34,668
– restricted cash					68,834
– plant and equipment					43,099
Total group assets					2,029,326
Segment liabilities	23,798	991	53,035	1,549	79,373
<i>Reconciliation of segment liabilities to group liabilities</i>					
Unallocated liabilities:					
– trade and other payables					194,313
– provisions					65,687
Total group liabilities					339,373

In accordance with a resolution of the directors of Energia Minerals Limited, I state that:

1. In the opinion of the directors:
 - (a) The financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended on that date.
 - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
 - (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and
 - (c) The financial statements and notes comply with International Financial Reporting standards as set out in Note 2.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2015.

On behalf of the board



Alexander Burns

Executive Chairman

17 September 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGIA MINERALS LIMITED



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGIA MINERALS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Energia Minerals Limited and its controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 30 June 2015, 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 year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the consolidated entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements and notes comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGIA MINERALS LIMITED



Auditors Opinion

In our opinion:

- (a) the financial report of the consolidated entity is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the consolidated financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial report which indicates that the consolidated entity incurred a net loss of \$4,598,765 and net cash outflows from operating activities of \$4,463,132 during the year ended 30 June 2015 and, as of that date, had cash at bank of \$4,109,628. Matters relating to future contracted and planned expenditure set forth in Note 2 indicate the existence of material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not qualified in respect of this matter.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 26 of the directors' report for the year ended 30 June 2015. The directors of the consolidated entity are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of the consolidated entity for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

A handwritten signature in dark ink, appearing to read "Crowe Horwath Perth", written over a light blue horizontal line.

Crowe Horwath Perth

A handwritten signature in dark ink, appearing to read "Sean McGurk", written over a light blue horizontal line.

Sean McGurk
Partner

Signed at Perth, dated this 17th day of September 2015

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ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange and not shown elsewhere in this report is as follows. The information is current as at 15 September 2015.

(a) Corporate Governance Statement

The Company's Corporate Governance Statement can be found on the Company's website at www.energiaminerals.com/company-information/our-corporate-governance.

(b) Distribution of Shareholders

The number of shareholders of ordinary shares, by size of holding are:

Number of Shares	Fully Paid	
	Number of Holders	Number of Shares
1 – 1,000	24	2,847
1,001 – 5,000	20	80,599
5,001 – 10,000	118	1,153,324
10,001 – 100,000	557	23,526,766
100,001 – and over	332	584,257,443
	1,051	609,020,979
The number of shareholders holding less than a marketable parcel of shares are:	164	1,257,570

(c) Twenty Largest Shareholders

The names of the twenty largest holders of ordinary shares are:

	Fully Paid	
	Number	Percentage
1 ASIM Holdings Pty Ltd (ASLI A/C)	80,256,270	13.18%
2 Zero Nominees Pty Ltd	70,781,796	11.62%
3 E Burns & A S Burns (Rose-Burns SMSF S/F A/C)	58,333,334	9.58%
4 Jetosea Pty Ltd	26,694,070	4.38%
5 Pollara Pty Ltd (Pollara A/C)	17,500,000	2.87%
6 SHL Pty Ltd (S H Lee Family A/C)	17,000,000	2.79%
7 Cairnglen Investments Pty Ltd (Woodford S/F A/C)	9,500,000	1.56%
8 J P Morgan Nominees Australia Ltd	8,880,114	1.46%
9 J B Roberts & J E Roberts (John Roberts Super Fund A/C)	8,750,000	1.44%
10 Kim Robinson	8,717,832	1.43%
11 Rentier Investments Pty Ltd (Gwen Woodford S/F)	8,000,000	1.31%
12 Malvasia Pty Ltd (Spyder S/F A/C)	7,833,334	1.29%
13 BSN Holdings Pty Ltd (BSN S/F A/C)	7,000,000	1.15%
14 Kim & Jennifer Robinson (Kim Robinson S/fund A/C)	5,780,844	0.94%
15 Delia Ianello (ADI Investment A/C)	5,750,615	0.94%
16 Alfred Charles Dangoor & Valeria Oliveria Dangoor	5,728,402	0.94%
17 Kim & Jennifer Robinson (Kim Robinson S/fund A/C)	5,702,955	0.94%
18 Lomacott Pty Ltd (Keogh S/F A/C)	5,500,000	0.90%
19 Bell Potter Nominees Ltd	5,250,000	0.86%
20 Jayleaf Holdings Pty Ltd	5,000,000	0.82%
	367,959,566	60.42%

(d) Substantial Shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number	Percentage
Alexander Burns & Associates	138,589,604	22.76%
Westoz Funds Management	32,000,000	6.18%

Unquoted Equity Securities

(e) Distribution of Option Holders

The number of option holders, by size of holding, in each class of option are:

Number of Options	Series Number											
	11	12	13	14	15	16	17	18	19	20	21	22
1 – 1,000	–	–	–	–	–	–	–	–	–	–	–	–
1,001 – 5,000	–	–	–	–	–	–	–	–	–	–	–	–
5,001 – 10,000	–	–	–	–	–	–	–	–	–	–	–	–
10,001 – 100,000	–	–	–	–	–	–	–	–	–	–	–	–
100,001 – and over	1	1	1	1	1	1	2	2	2	2	2	2
	1	1	1	1	1	1	2	2	2	2	2	2

(f) Terms of Unquoted Options on Issue

Series No.	Number of Options	Exercise Price	Expiry Date	Vesting Date
11	4,000,000	\$0.10	30 April 2017	Vested
12	4,000,000	\$0.20	30 April 2017	Vested
13	4,000,000	\$0.30	30 April 2017	Vested
14	2,000,000	\$0.05	30 April 2019	Vested
15	2,000,000	\$0.10	30 April 2019	Vested
16	2,000,000	\$0.15	30 April 2019	30 April 2016
17	2,250,000	\$0.05	14 January 2020	Vested
18	2,250,000	\$0.10	14 January 2020	14 January 2016
19	2,250,000	\$0.15	14 January 2020	14 January 2017
20	1,250,000	\$0.12	30 June 2020	Vested
21	1,250,000	\$0.18	30 June 2020	1 July 2016
22	1,250,000	\$0.24	30 June 2020	1 July 2017
	28,500,000			

Holders With More Than 20% of Each Option Series (Not acquired under an employee incentive scheme)

Option Series No.	Optionholder	Number of Options
20	Marcello de Angelis	750,000
21	Marcello de Angelis	750,000
22	Marcello de Angelis	750,000

(g) Voting Rights

All ordinary shares carry one vote per share. There are no voting rights attached to options in the Company. Voting rights will be attached to the unissued ordinary shares when options have been exercised.

(h) Securities Exchange Listing

Quotation has been granted for 609,020,979 ordinary shares of Energia Minerals Limited on all member exchanges of the *Australian Securities Exchange* and trade under the symbol EMX.

(i) Restricted Securities

The Company has no restricted securities.

(j) On Market Buy-back

There is no on-market buy-back currently being undertaken.

(k) Mineral Resource Statement

The Company's Inferred and Indicated Resources as at 30 June 2015 for Carley Bore, Western Australia, reported in accordance with the *Joint Ore Reserves Committee (JORC 2012)* guidelines, are:

Lower Cut- off Grade U ₃ O ₈ (ppm)	Indicated				Inferred				Total (Indicated + Inferred)			
	Tonnes	Grade U ₃ O ₈	Contained Metal		Tonnes	Grade U ₃ O ₈	Contained Metal		Tonnes	Grade U ₃ O ₈	Contained Metal	
	Mt	(ppm)	MKg U ₃ O ₈	Mlb U ₃ O ₈	(Mt)	(ppm)	MKg U ₃ O ₈	Mlb U ₃ O ₈	(Mt)	(ppm)	MKg U ₃ O ₈	Mlb U ₃ O ₈
150	5.4	420	2.3	5	17.4	280	4.8	10.6	22.8	310	7.1	15.6

Note: The above resource estimation was completed on 11 February 2014.

An annual review of the 2014 resources estimation was completed in June 2015 and found no material changes have occurred that would impact the estimation.

This mineral resource statement is based on, and fairly represents, information and supporting documentation prepared by the competent persons.

There was no change in the resources reported for the year ended 30 June 2015 when compared against the previous year.

On 7 August 2015, the Carley Bore project incorporating the resource estimation detailed above was sold to Paladin Energy Ltd.

Governance and Internal Controls on Resource Estimates:

Energia's policy for the completion of resource estimations is to engage an independent consultant with an exemplary industry reputation. This independent consultant is required to review any information Energia has provided for resource estimation purposes and is not to utilise any information that does not meet appropriate professional standards. This consultant is required to review Energia's field and data collection procedures and provide feedback to ensure Energia collects and interprets data using industry best practice.

Energia utilises extensive quality assurance and control procedures for all of its data collection and data compilation, and completes annual reviews of its database and any material assumptions made in interpretation and its resource estimates.

The Mineral Resources Statement contained in the 2015 Annual Report has been reviewed by suitably qualified competent persons as detailed in the Competent Person Statement.

Competent Person Statement:

The information in this statement that relates to Mineral Resources at Carley Bore is based on information compiled by Mr Kim Robinson and Mr David Andreazza, who are both full-time employees of Energia Minerals Limited; and Ms Ellen Maidens, who is a former employee of Coffey Mining Limited. Mr Robinson and Mr Andreazza are the Competent Persons responsible for the drilling assay database, QA/QC validation and density measurements. Ms Maidens is the Competent Person responsible for the resource estimation and classification. Ms Maidens, Mr Robinson and Mr Andreazza are all Members the Australian Institute of Geoscientists. Mr Robinson, Mr Andreazza and Ms Maidens have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Robinson, Mr Andreazza and Ms Maidens consent to the inclusion in this statement of the matters based on their information in the form and context as it appears.

(k) Schedule of Mining Tenements

Area of Interest	Tenement	Entity's Interest	Comments
Western Australia			
Nyang	E08/2735	100%	Application
Table Top	E45/2886	100%	Granted
Iron Hill	E45/4499	100%	Application
Paterson Range	E45/4520	100%	Application
Iron Hill South East	E45/4521	100%	Application
Throssell Range	E45/4522	100%	Application
Throssell Range	E45/4535	100%	Application
Moses Chair	E45/4534	100%	Application
Broadhurst Range	E45/4543	100%	Application
Isadell	E45/4563	100%	Application
Northern Territory			
McArthur	EL25269	100%	Application
McArthur	EL25272	100%	Application
Italy			
Novazza	N/A	100%	Application
Val Vedello	N/A	100%	Application
Gorno – Monica Mining Concession	Decree 538	100%	Granted
Gorno	Decree 1633	100%	Granted
Gorno	Decree 1571	100%	Granted
Gorno	Decree 1629	100%	Granted
Gorno	Decree 1632	100%	Granted
Gorno	Decree 1630	100%	Granted
Gorno	Decree 3280	100%	Granted
Gorno	Decree 3279	100%	Granted
Gorno	Decree 3277	100%	Granted
Gorno	Decree 3278	100%	Granted
Gorno	Decree 3276	100%	Granted
Gorno	N/A	100%	Application
Gorno	N/A	100%	Application
Gorno	N/A	100%	Application
Gorno	N/A	100%	Application
Gorno	N/A	100%	Application
Gorno	N/A	100%	Application
Predil	N/A	100%	Application
Salafossa	N/A	100%	Application

NB: All tenements granted except those shown as "Application".

CORPORATE DIRECTORY

DIRECTORS

Mr Alexander Burns	Executive Chairman
Mr Kim Robinson	Managing Director
Mr Max Cozijn	Finance Director
Mr Marcello Cardaci	Non-executive Director

COMPANY SECRETARY

Mr Jamie Armes

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