DGR GLOBAL LIMITED
AND CONTROLLED ENTITIES

ACN: 052 354 837

ANNUAL REPORT 2014

CORPORATE INFORMATION

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Nicholas Mather
Brian Moller
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COMPANY SECRETARY
Karl Schlobohm

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COUNTRY OF INCORPORATION
Australia

STOCK EXCHANGE LISTING
Australian Securities Exchange Ltd
ASX Code: DGR

INTERNET ADDRESS
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AUSTRALIAN BUSINESS NUMBER
ABN 67 052 354 837

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CHAIRMANS REPORT

Dear Shareholder

The past year has seen the broader resource industry, and the junior exploration sector in particular, continue to be blighted by poor equity market and commodity price conditions across the globe. This of course is not the first time I have experienced such conditions in my many years of involvement in the Australian resource industry. Equities indexes and commodity prices tend to move in multi-year cycles. Talent, experience and persistence are the defining attributes required by management to navigate their company through the downward trends in these cycles.

As I have mentioned in a previous report, most successful listed resource companies are built on the back of projects that were not necessarily part of their original portfolio. This is not to criticize the selection and quality of any company's "founding" projects; more to point out that insightful and fleet-footed management often plays a pivotal role in reversing or further progressing a company's (and by definition its shareholders') fortunes.

In the context of the DGR Global business model, these truths are well illustrated by Orbis Gold Ltd.

Orbis Gold was originally "conceived" by DGR Global back in 2006, and remained within the DGR Global group structure until its Initial Public Offering as Mt Isa Metals Ltd in August 2008. The Company was predominantly floated on the basis of its Copper Gold projects in the Mt Isa region. In the first half of 2010, after a careful analysis of results flowing from the its current projects, and consideration of the broader trends emerging in the global resources industry, Orbis Gold announced a change of direction and a new strategy primarily focussed on gold exploration in Burkina Faso, West Africa.

The past four years have seen Orbis Gold successfully exploit its tenement position in Burkina Faso, develop enviable (and growing) gold resources, undertake a Scoping Study and commence work on a Definitive Feasibility Study for its leading project.

Corporately, Orbis Gold was floated at a price of 20 cents a share in August 2008. The share price hit a low of 4 cents during the GFC in 2009, and ahead of the Company's game-changing West African gold exploration strategy which was rolled out in 2010. Last week, Orbis Gold announced a substantial $20m capital raising at a price of 42 cents a share, representing a 12% premium to its 3 month share price VWAP.

During the period from the Company's inception to now, DGR Global has retained a significant equity stake in Orbis Gold and a seat on the Board of Directors. Six years have now elapsed since the Company's stock market debut.

I cite this familial example of the factors I mentioned at the beginning of my address in order to demonstrate the longer-term evolution of exploration companies, and to assure you that DGR Global management remain focussed on the similar restoration of value across the broader group of listed and unlisted project companies. I believe that we possess the talent, energy, insight and experience to succeed in doing so. However, as was the case with Orbis Gold, these things do not happen overnight. Your continued patience and support as a shareholder is appreciated by DGR Global's Board and management.

Bill Stubbs
Chairman

REVIEW OF OPERATIONS AND FUTURE DEVELOPMENTS

HIGHLIGHTS

Corporate

- Advancement of new development projects in Australia, Africa and the Americas with focus on Gas and Oil, Iron Ore, Gold, Copper, Tin, Nickel, Uranium and Rare Earths.
- London based New Opportunities Group targeting bulk commodities in Africa and the Middle East.
- Rights Issue and placement raised $1.96 million.

Gold-Silver

- SolGold plc (DGR 54.5 million shares – 8.4% at 30 June) existing gold and silver resource at the Rannes project, Central Queensland[1].
- Navaho Gold Ltd (DGR 59 million shares – 21.5% at 30 June) holds prospective ground positions in Nevada and New Mexico, USA.
- Orbis Gold Ltd (DGR 39 million shares – 15% at 30 June) has expanded its gold resource inventory within two of the highest grade undeveloped deposits in West Africa at Natougou and Nabanga. Orbis considers **Natougou** to be one of the most significant gold discoveries to be made in Burkina Faso over the past decade[2]. In addition, Orbis Gold Ltd has announced outstanding gold assay results from new gold discoveries at Bantou and Tankoro in Burkina Faso.

Tin

- AusTin Mining Ltd – formerly AusNiCo Ltd (DGR 83.7 million shares – 12.5% at 30 June) has the Taronga Tin project in northern NSW and announced a tin, copper and silver resource during the period in compliance with the 2012 JORC Code[3]. The Company also delivered a highly-encouraging PFS during the period, and preliminary metallurgical tests indicate good recoveries adopting modern tin recovery equipment.

Nickel-Cobalt

- AusTin Mining Ltd (DGR 83.7 million shares – 12.5% at 30 June) extensive nickel-cobalt mineralized zone at Pembroke near Kilkivan, with significant copper and gold credits.
- IronRidge Resources Ltd (DGR 46%) Quaggy prospect firms as a high priority exploration project for nickel and cobalt (with copper and associated platinum group metals) with coincident peak SAM conductors, magnetics and soil geochemistry.

Copper-Gold-Silver-Molybdenum

- Archer Resources Limited (DGR 67% at 30 June) and wholly owned subsidiary Barlyne Mining Pty Ltd assembles package of major porphyry copper gold silver molybdenum Projects in Queensland.
- DGR Zambia Pty Ltd has been granted two exploration licences in the Central African Copper Belt.
- SolGold plc now holds an 85% interest in the Cascabel gold-copper-silver porphyry property in northern Ecuador, South America.

Iron-Titanium

- IronRidge Resources Limited (DGR 46% at 30 June) successful in securing substantial exploration tenements for iron ore in Gabon, West Africa. Initial exploration results from Belinga Sud and Tchibanga indicate potential large tonnage of high grade iron ore. Tchibanga is 60 km from the port of Mayumba.
- Further exploration at Monogorilby, Qld reveals significant weathered tuff material containing Titanium Dioxide – metallurgical recovery testing program planned.

Gas-Oil

- Armour Energy Ltd (DGR 75 million shares - 25% at 30 June) holds over 130,000 km^2 of exploration licences in the Northern Territory and NW Queensland that is very prospective for conventional and tight shale oil and gas. In Queensland in the last year, the Company drilled the Egilabria 2 vertical and lateral well, with resultant gas analysis showing high methane and very low CO_2, and helium recorded up to 6% in isotube gas samples. The Egilabria 4 vertical well was subsequently drilled to 1,839 metres and results proved the presence of gas off structure and a continuous gas play in the Lawn Hill Shale, whilst significant gas shows were encountered in the deeper Riversleigh Shale that extends across ATP 1087. Significant Queensland Government Tenure Reforms Improved Armour's Tenement Value in Queensland with a 2 year extension to the ATP1087 licence term granted.
- Armour Energy increased its stake in Lakes Oil NL (ASX: LKO) to 18.6% fully diluted, and earned in to Petroleum Exploration Licence areas in the onshore Otway and Gippsland Basins in Victoria.
- Navaho Gold Ltd (DGR 59 million shares – 21.5%) subsidiary **NavGas** Pty Ltd currently holds applications for six Petroleum Exploration Licences covering more than 13 million acres in South Australia. As part of the recent detailed review of historical data for the South Australian shale gas project applications, records of an area of historic oil shows extending over 70km^2 at Wilkatana (within NavGas' PELA 631) have been revealed, which may subsequently have remained unexplored for the past 50 years[5].
- NavGas granted ATP1183 Roma Shelf in Qld – highly prospective for oil, gas and condensate, and surrounds existing producing oil fields with close proximity to existing pipeline infrastructure.

INTRODUCTION

Since late 2006 when it re-defined its business model, DGR Global Limited (**DGR** or the **Company**) has firmly established its credentials as a generator of exploration and development companies in a wide array of minerals in Australia and overseas. Other companies have several projects but DGR offers several distinct points of difference which gives the DGR Group competitive advantages:

1. DGR generates its projects directly through the skills and experience of its team of accomplished geoscientist explorationists (evident by the experience and track record of senior management as outlined elsewhere in this report), thus avoiding the costly capital expense of purchasing projects.
2. Each project or exploration strategy is held in a separate subsidiary.
3. Focused or specialist management for each project/commodity/strategy are engaged as required.
4. Project-specific finance is raised in the subsidiaries – it's faster, and less dilutive to DGR.
5. When appropriate, the subsidiary can be separately capitalised – for example by an IPO.
6. Investors can choose to either invest specifically in a project/commodity by investing in the subsidiary or, by investing in DGR, they can invest in the resource company generating business as well as having the substantial indirect carried interest via the significant DGR equity retained in the subsidiaries. This way DGR and its subsidiaries offers appeal to a wider range of investors.
7. The projects tend to be very large – in this way the opportunity to make world class discoveries and efficiencies of scale is maximised.
8. The exploration concepts are often novel. While increased metals prices and advances in technology can turn former sub economic deposits into viable projects, DGR's subsidiary projects frequently involve reassessment of large data bases with new angles and different focus. Again, while existing models might be applied to a new area alternatively new exploration models may be developed and applied to extensive exploration areas which can lead to the discovery of nationally important mineral provinces.

The current DGR Group corporate structure is shown in Figure 1.

Figure 1: DGR Global Limited Corporate Structure (30 June 2014)

Reviewing the DGR business model and strategy as applied over the past year, the Company can positively report on significant advances by companies which were created by DGR and in which we hold a significant ongoing investment, and by subsidiary company IronRidge Resources Limited which is well advanced towards IPO and listing on the AIM market of the London Stock Exchange.

New projects under development include applications for exploration permits targeting gold, silver, antimony, copper, uranium and rare earths.

REVIEW OF UNLISTED SUBSIDIARIES AND PROJECTS

<u>IronRidge Resources Limited</u>

IronRidge is focused on exploration for and development of large scale bulk commodities. The company has assembled a suite of assets in prospective, under-developed regions –

Gabon (three granted Authorisations de Prospection prospective for iron ore)

- Exploration has commenced and initial sample assay results very encouraging
- Proposed drilling program to confirm extent of mineralisation after IPO

DRC (Exploitation Permit prospective for iron ore)

- MoU for 63.5% farm-in for Kasumbalesa Project

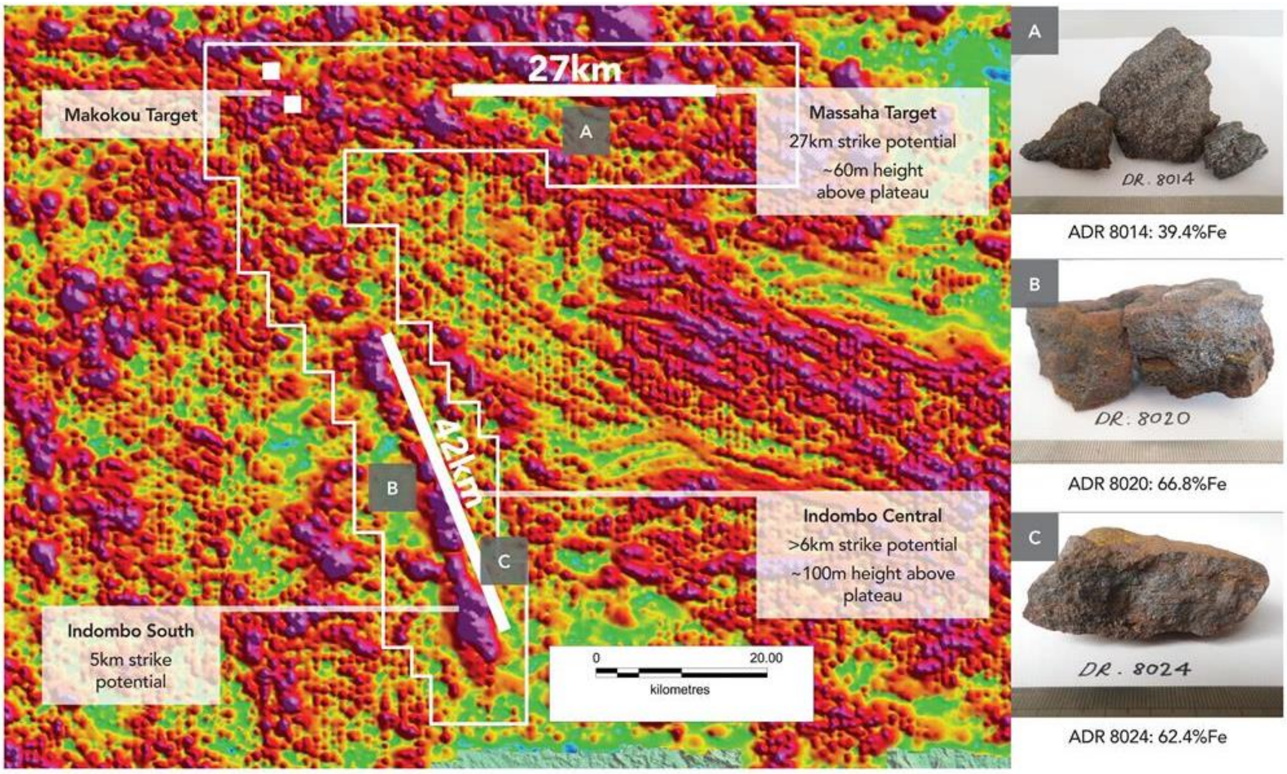
Australia (Granted EPMs prospective for Ni/Co and TiO_2/Fe/Al_2O_3)

- Extensive auger drilling program undertaken on titanium area in late 2012

The IronRidge projects in **Gabon**, West Africa, are shown in the following Figure 2. Gabon is one of the richest nations in Africa, with an economy largely based on oil. It is however a recognised region for hosting iron ore, and the stable Gabonese Government is promoting mining investment. The country already has substantial rail and port infrastructure in place.

Figure 2: IronRidge Resources Gabon Tenement Locations

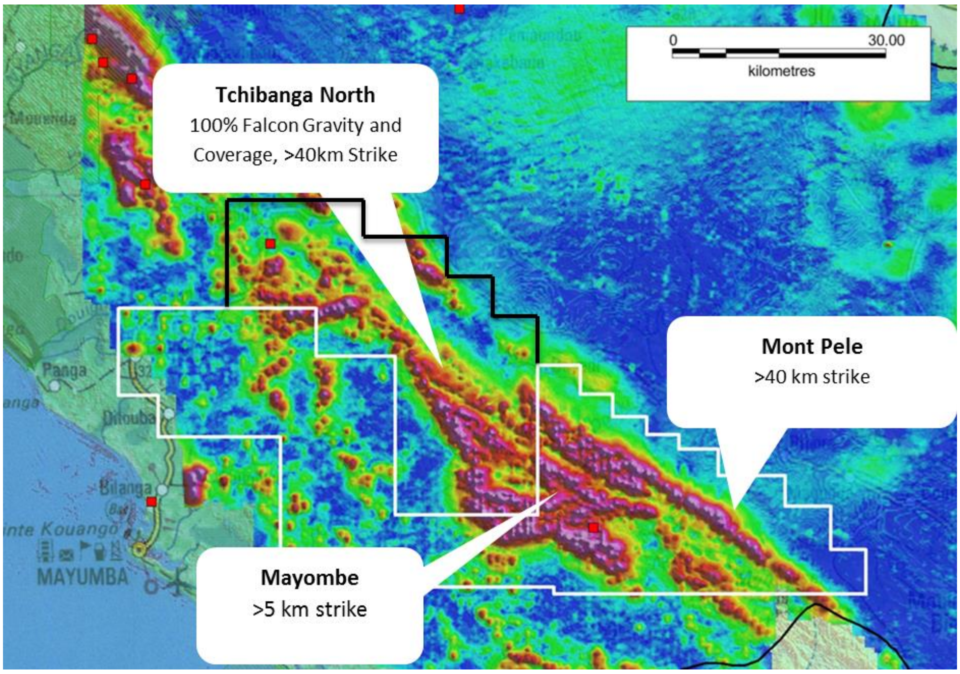
The **Belinga Sud** Authorisation de Prospection (see Figure 3) covers 3,027 km^2 and hosts hematite in conventional Banded Iron Formations (BIF). It is directly south of the internationally-recognised Belinga Iron Ore Deposit (not held by IronRidge), and 150 km from the Trans-Gabonese rail line. The tenement contains several targets evident from magnetic anomalies and preliminary exploration, and the potential for an initial direct shipping (DSO) project.



Magnetic image (Analytic Signal) over Belinga Sud tenure area showing high responses of proposed iron formations and extension of prospective geology to the south

Figure 3: Belinga Sud Project, Gabon, West Africa

The two **Tchibanga** Authorisations de Prospection (see Figure 4) covers 3,337 km² and are along strike from known iron occurrences. The area has not been subject to any "modern era" exploration. The tenement is proximate to the port of Mayumba.



Airborne Magnetic Data - Background

Figure 4: Tchibanga Project, Gabon, West Africa

During the year IronRidge acquired Falcon Gravity Data in the Tchibanga area. Sampling and mapping has confirmed a correlation of the characteristic signatures provided by magnetics, gravity and topography data, including the ability to differentiate between hematite and magnetite resources. Based on the Falcon data IronRidge secured an additional 1,400 km^2 exploration licence application giving 100% tenure over the gravity data area (see Figure 5). Noting a strong magnetic and gravity response similar to the known Milingui Iron Ore deposit to the north west of the Tchibanga Permit, IronRidge completed an initial field exploration program in the Mont Pele area in the south eastern sector of the Tchibanga Permit. This confirmed the presence of hematite grading up to 62% in banded iron formations (BIF) over a conservative 10 km strike length[6].

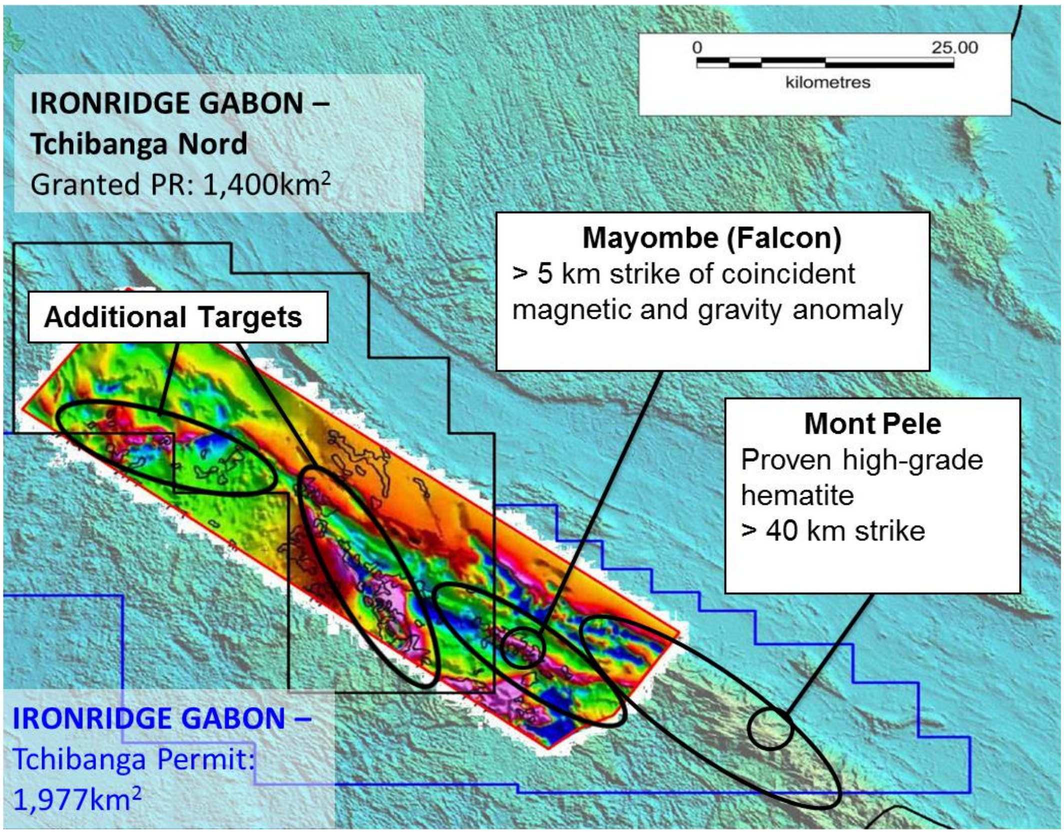


Figure 5: Tchibanga – Exploration Permits and Falcon Gravity Data Coverage

IronRidge's exploration tenements in Australia are shown in Figure 6. They are clustered in two groups in the area west of Mundubbera in Queensland.

The southern group centered around Monogorilby is prospective for TiO_2, with accompanying Fe and Al_2O_3. A drilling program undertaken in late 2011 at Monogorilby revealed that the top 11 metres of the deposit is extensive and homogeneous, averaging >4.5% TiO_2 (max value 13.8%). X-Ray Diffraction (XRD) analysis indicates the mineralogy of the titanium to be rutile and titanium associated with goethite, and preliminary metallurgical test results produced an intermediate product that may be suitable for hydrometallurgical processing[7].

In late 2012 an extensive auger drilling program confirmed a much larger and thicker quantity of titanium rich tuff underlay the harder laterite material tested in the 2011 drilling program. A program to test metallurgical recovery of the titanium is being undertaken.

A review of earlier work on the Quaggy Prospect has led to a change in exploration focus and securing two additional exploration tenements further north at Glencoe. Quaggy presents a strong magnetic feature that can be traced under the overlying laterite and alluvial cover. Soil cover (derived from the underlying gabbro) to the east is strongly anomalous in copper, nickel, cobalt and associated platinum group metals. As shown in Figure 7, these sit over SAM conductors which are stronger to the west at the limit of the survey. The combination of geology, soil geochemistry and underlying conductors demonstrates a potential for a new nickel district similar to that recently discovered by Sirius Resources NL (Nova Prospect) in Western Australia. The Glencoe prospect to the north of Quaggy presents an even stronger magnetic layered gabbro feature with known Cu, Ni and PGMs than at Quaggy.

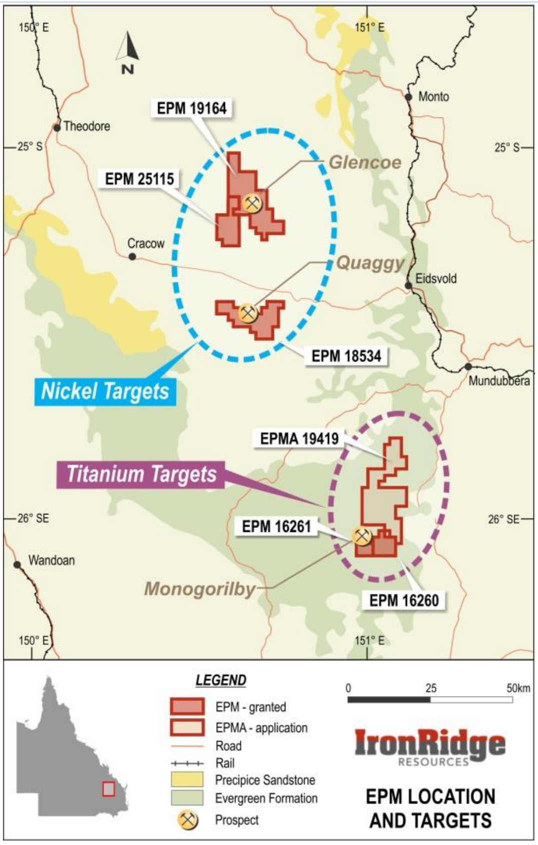


Figure 6: IronRidge Resources EPMs and Projects in Queensland

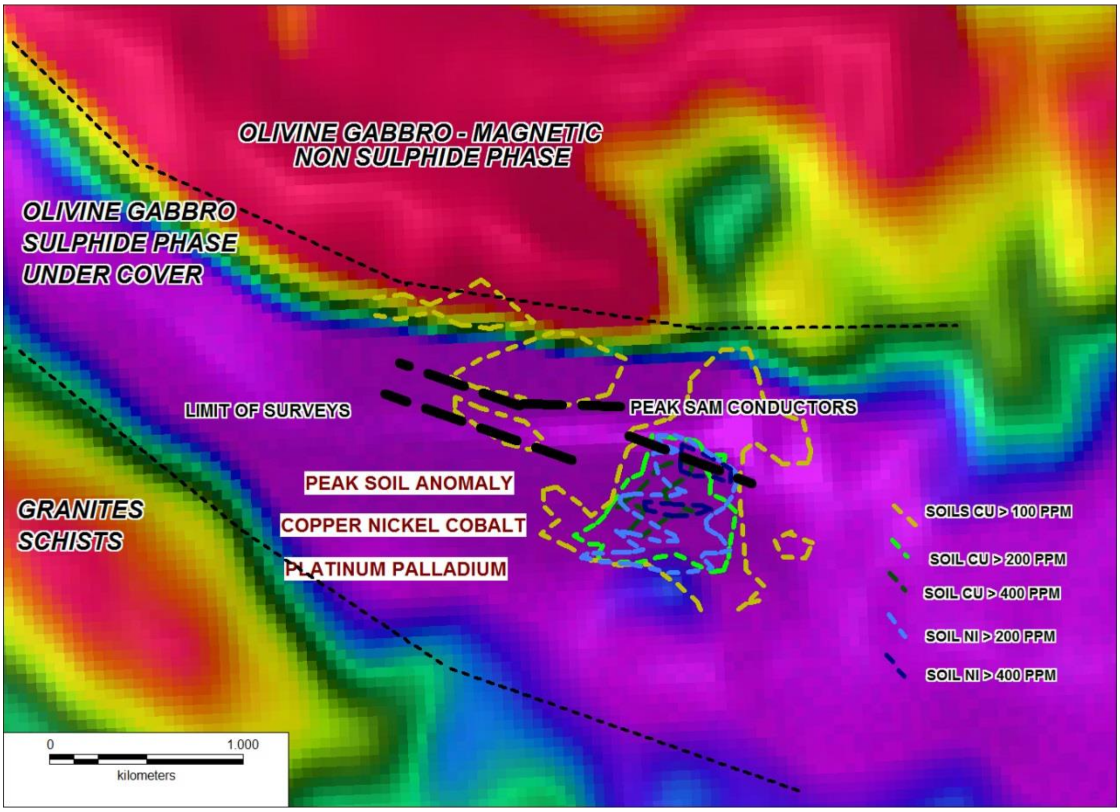


Figure7: Peak SAM conductors and soil geochemistry at Quaggy (shown over magnetic image)

IronRidge is continuing to pursue its ambitions for a stock market listing via an IPO or merger.

Archer Resources Limited

Archer is focused on the discovery and development of porphyry copper gold silver molybdenum deposits in Eastern Australia. The company has 6 key project areas in eastern Qld – Mt Abbot, Gayndah and Calgoa (which already host encouraging drill intersections) and Drummond North, Pinnacles and Great Blackall (see Figure 8).

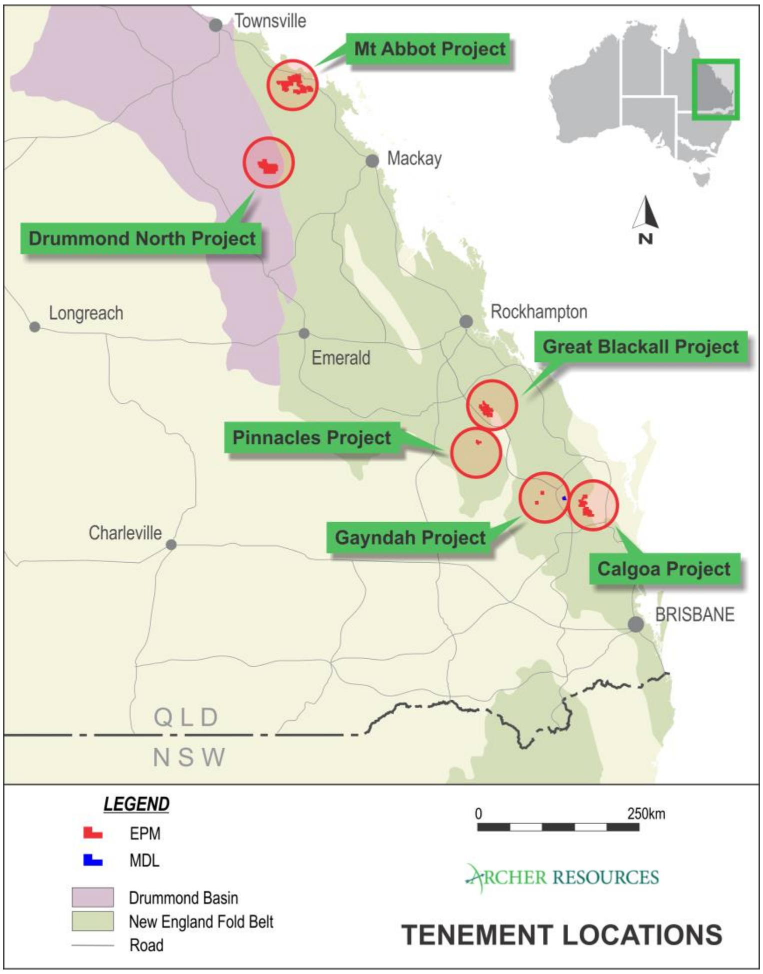


Figure 8: Map showing location of Archer Resources exploration tenements in Eastern Queensland

The **Mount Abbott Project** area (west of Bowen, Qld) lies 30 km northeast along the strike trend of the recent high sulphidation Cu Au Ag discovery at Mount Carlton (Evolution). There are three porphyry copper moly gold centres known and all are believed to offer improving grades at depth.

As shown in Figure 9, the largest porphyry target is at **Stockyard Creek** where copper and moly is exposed only in the lowest topography, nestled between extensive hills of silica clay altered breccias. Two other porphyries occur nearby at **The Springs** and **Euri Creek**. These are exposed at a slightly deeper level than at Stockyard and have stronger surface exposures.

At the **Three Sisters Prospect** on EPM 19379 (north of Calgoa) Archer has re-examined a high level argillic altered system of mineralised breccia pipes. Rock and soil sampling at Three Sisters has also revealed a second Mo Cu Au target area that was never previously recognised.

The **Calgoa** EPM 18451 covers two large porphyry copper systems, Marodian and Mt Suthers-Bullock Creek. Additionally, the EPM covers two large areas of gold only mineralisation associated with diorite porphyries – historically the Yorkeys and Colo goldfields.

Marodian is probably the largest untested copper molybdenum gold porphyry system in the south west Pacific. Within the 30 – 40 km^2 Cu Mo and Au zone (see Figure 10) there are widespread areas of breccia vein stockworks and disseminations of generally low grade but with locally richer patches that have supported small underground mines in the past. Historical surface geochemistry is incomplete, covering less than half the system, and rarely tested for gold. Porphyry copper deposits are normally tested with holes of 300m or deeper (due to the scale of the deposits) but no holes at Marodian are deeper than 100m and almost all are less than 60m. The deepest previous drilling (by the Qld Government) tested the underground workings around the former Lug I Noor mine at the western extremity of the Marodian system. These holes gave variable results but verified the existence of high grade structures within widespread sub economic grades.

DGR Global has shareholder approval to transfer an EL in the Central Lachlan Fold Belt near Bathurst, NSW to Archer Resources. This EL contains an exciting gold-silver Project at **Caloola**. The deepest historic drill hole CP10 stopped in mineralisation at 96m, later assaying 14m of 3.86 g/t Au from 82 metres.

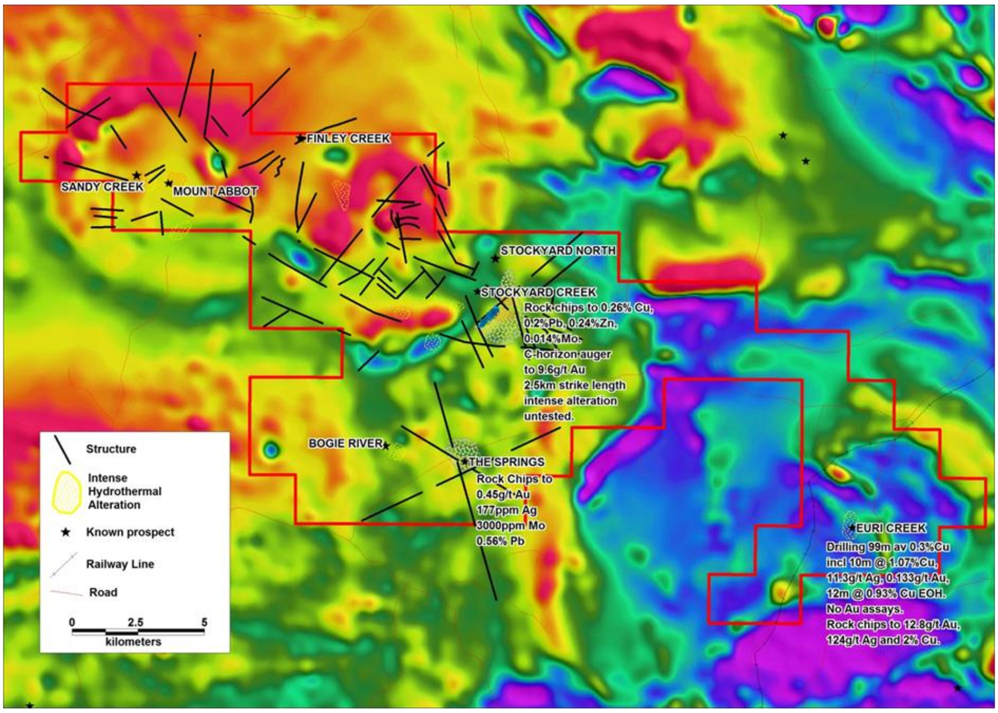


Figure 9: Location of the main prospects within the Mt Abbott Project Area (showing some historical exploration assays)

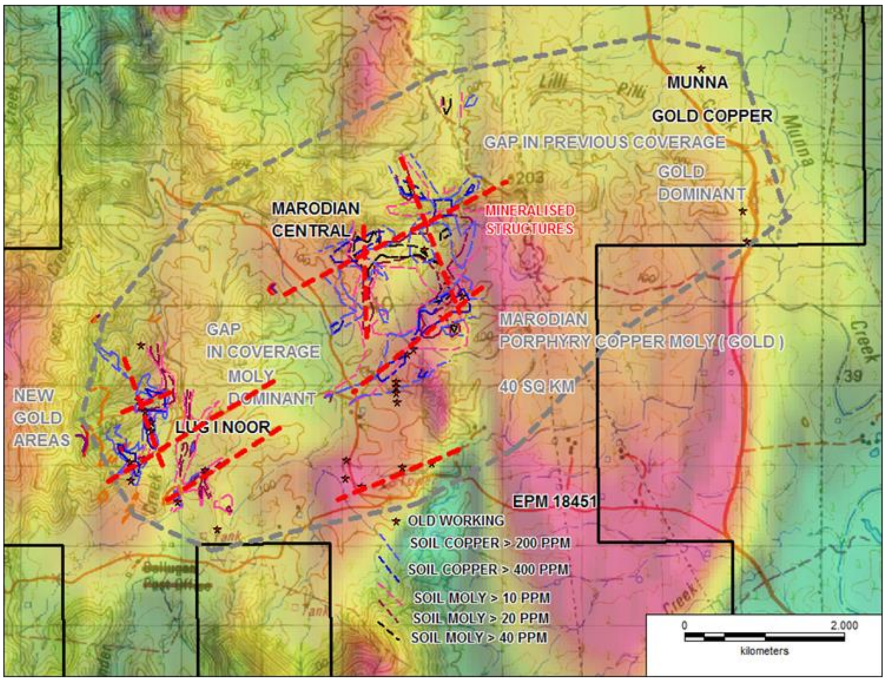


Figure 10: Marodian Cu Mo Au system targets (with historical soil chemistry)

Archer Resources is continuing to pursue its ambitions for a stock market listing via an IPO or merger.

DGR Zambia Limited

Following the identification of 11 potential target areas, a local subsidiary DGR Zambia was incorporated to facilitate the application for exploration licences. Two licences have been granted (see Figure 11) and significant capital is now required to commence a comprehensive exploration program on each tenement.

Licence 1699-HQ-LPL covers 50 km^2 and is located in the central north of Zambia in the 'Domes' Region, a new copper belt to the west of the traditionally recognised Zambian copper belt. It is immediately adjacent to the Lumwana Mine (Barrick) and contains historic copper occurrences.

Licence 17308-HQ-LPL is much larger, covering 950 km^2, and is located in central Zambia in the Hook Intrusive Complex (IOCG Province). While a greenfields exploration project (no modern exploration), the licence area abuts Barrick's (ex: Equinox) Mutapanda Permit area, with Blackthorn Resources Kitumba Prospect to the south of the Barrick licence area.

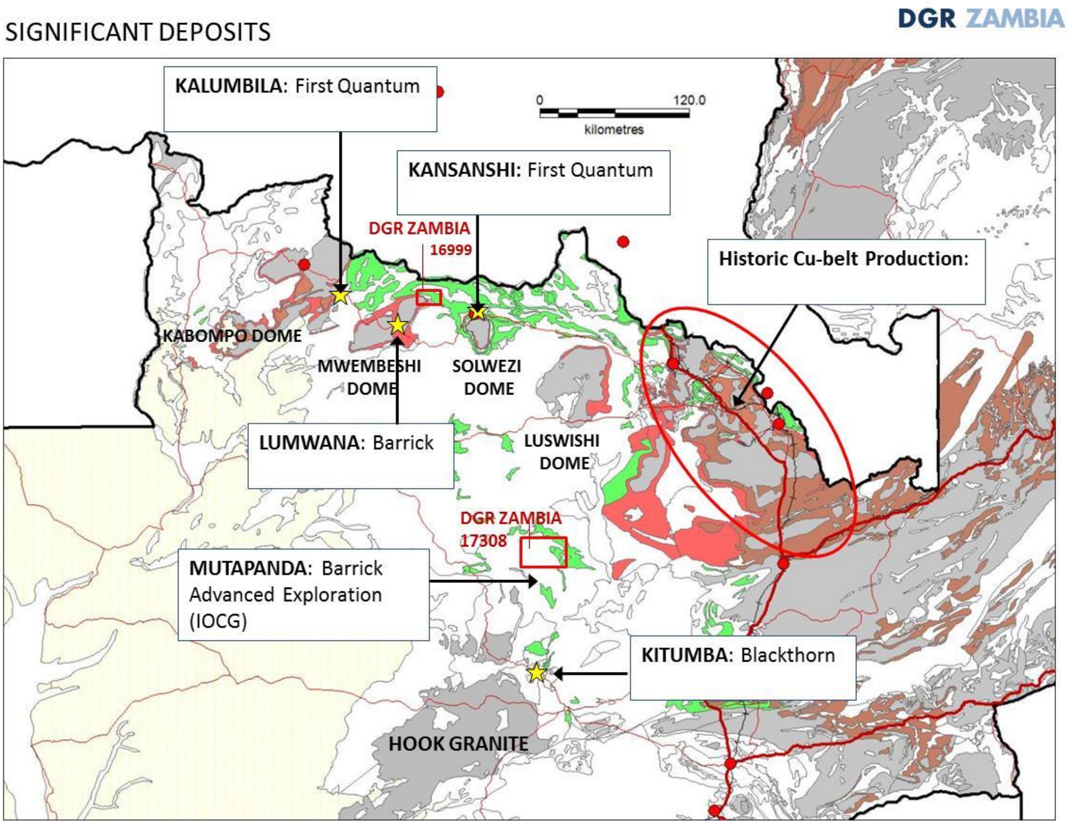


Figure 11: Location of Prospecting Licences 16999 and 17308 in Zambia

Exploration Projects in Development

As highlighted earlier, DGR Global is continually evaluating new exploration projects. These are not announced until such time as an exploration concept has been internally tested and exploration tenements secured to protect the company's intellectual property.

DGR Global wholly owned subsidiary **Hartz Rare Earths Pty Ltd** has a growing portfolio of exploration tenements prospective for uranium, gold and rare earths in north-west Queensland. These are held in two Projects areas – Westmoreland and South Boulia – as shown in Figure 12.

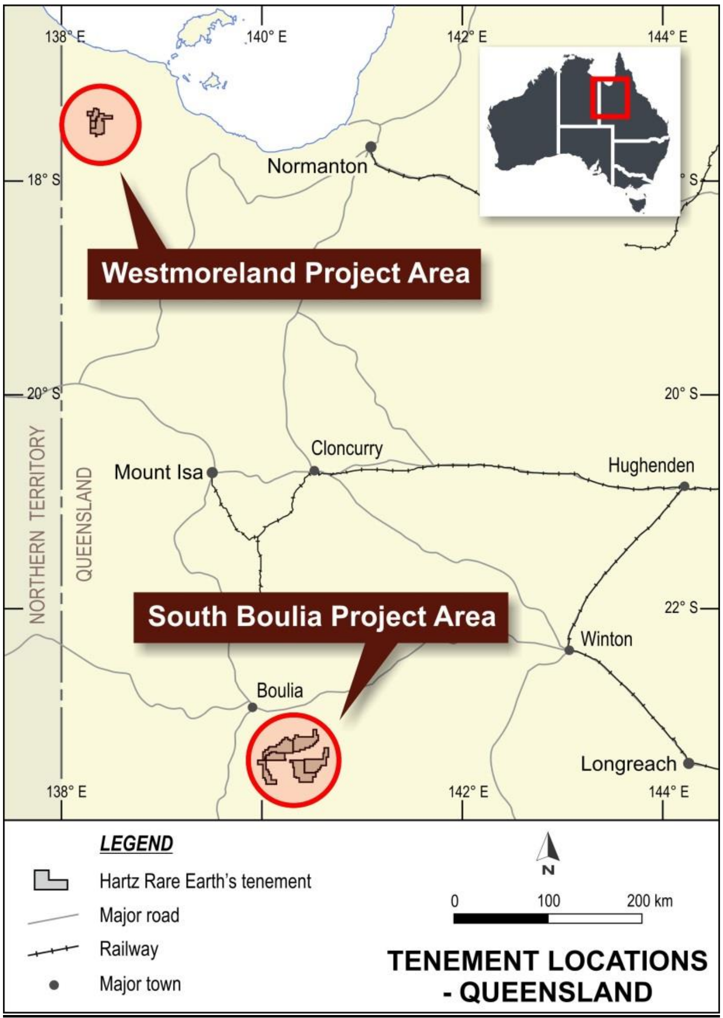


Figure 12: Hartz Rare Earths Pty Ltd Project Areas in North West Queensland

The northern EPMs of the South Boulia Project cover the Toolebuc formation which at this locality has the strongest and largest airborne uranium radiometric anomaly in Queensland (see Figure 13). The southern EPMs cover over 45 kilometres of highly anomalous strike directly along trend from already reported high values of heavy and light Rare Earths – Dysprosium Oxide, Neodymium Oxide, Praseodymium Oxide and Yttrium Oxide, along with high Strontium values. Four of the South Boulia tenements have now been granted, and initial field exploration is planned to be undertaken prior to the next wet season.

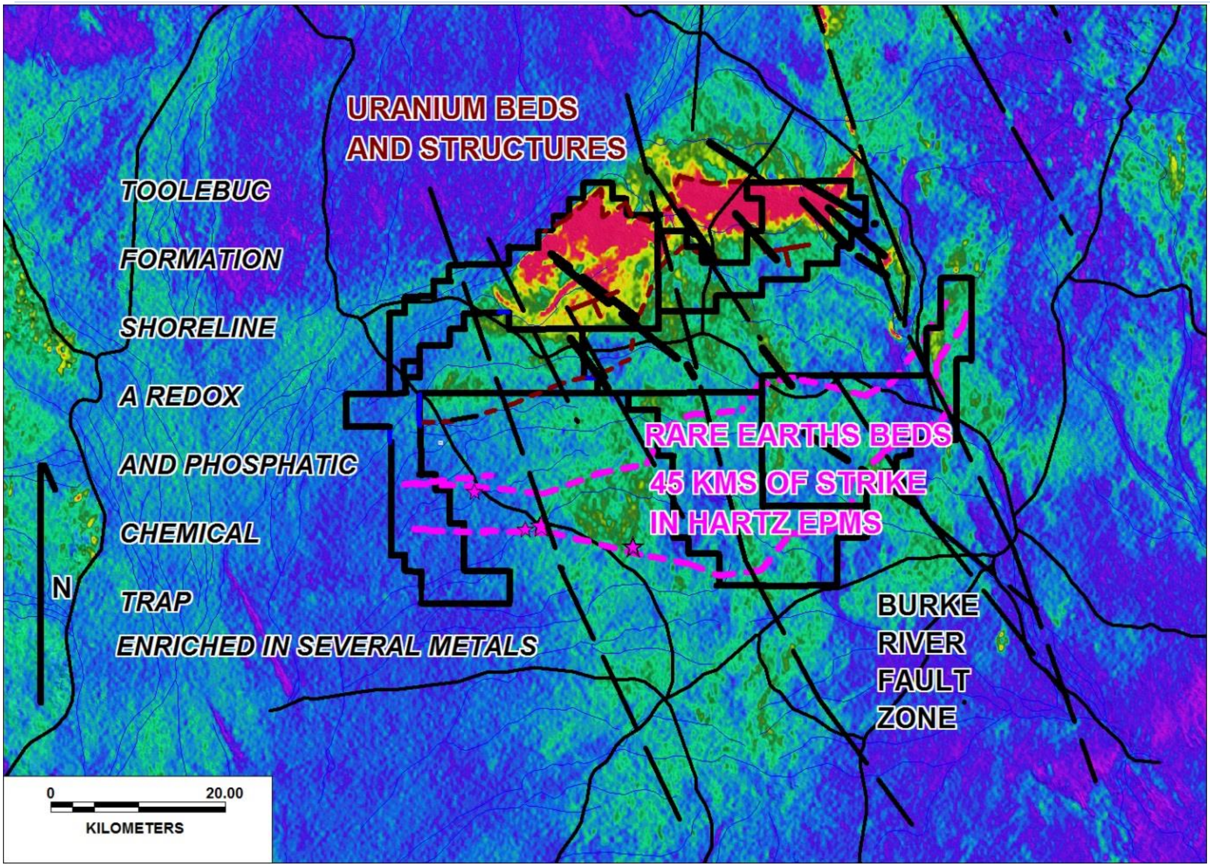


Figure 13: South Boulia Project Area – One of Queensland's strongest Uranium Anomalies

REVIEW OF INVESTMENTS IN LISTED COMPANIES

As outlined earlier in this review, DGR Global Limited now holds substantial investments in five listed companies. Shareholders should read the Annual Reports of each of these companies which are available on the ASX or on the individual company websites. In summary the DGR Global investments (holdings at 30 June) are:

1. **SolGold plc (LSE: SOLG)** DGR 8.4% www.solgold.com.au
2. **Orbis Gold Ltd (ASX: OBS)** DGR 15% www.orbisgold.com.au
3. **Aus Tin Mining Ltd (ASX: ANW)** DGR 12.5% www.austinmining.com.au
4. **Navaho Gold Ltd (ASX: NVG)** DGR 21.5% www.navahogold.com
5. **Armour Energy Ltd (ASX: AJQ)** DGR 25% www.armourenergy.com.au

FUTURE DEVELOPMENTS

DGR Global aims to hold its key positions in the listed resource companies that it has created as the companies mature and development.

This review has outlined two unlisted subsidiaries that are prepared for listing within the next year which will bring the number of new companies created to seven.

New projects under development that may well form the basis for new unlisted subsidiaries to proceed to independent listing include applications for exploration permits targeting gold, silver, uranium, rare earths, antimony and chromite.

Footnotes:

[1] SOLG LSE.AIM Release 23/5/12
[2] OBS ASX Release 4/8/14
[3] ANW ASX Release 26/8/13
[4] AJQ ASX Release 13/8/12
[5] NVG ASX Release 18/9/14
[6] DGR ASX Release 21/10/13
[7] DGR ASX Release 31/1/12

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2014.

DIRECTORS

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

William (Bill) Stubbs
Nicholas Mather
Brian Moller
Vince Mascolo

William (Bill) Stubbs – Non-Executive Chairman
LLB

Mr Stubbs is a lawyer of over 35 years experience and has previously worked with DGR Global CEO Nick Mather on the Boards of numerous emerging globally significant resource companies. He was the co-founder of the legal firm Stubbs Barbeler and has practiced extensively in the area of Commercial Law including Stock Exchange listings and all areas of mining law.

Mr Stubbs has held the position of Director of various public companies over the past 25 years in the mineral exploration and biotech fields. He is also the former Chairman of Alchemia Ltd, and Bemax Resources NL which discovered and developed extensive mineral sands resources in the Murray Basin. He was the founding Chairman of Arrow Energy NL which originally pioneered coal seam gas development in Queensland's Bowen and Surat Basins from 1998, and is now a world-wide coal seam gas company.

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

- Armour Energy Ltd
- Lakes Oil NL (appointed 7 February 2012)
- Stradbroke Ferries Ltd
- Coalbank Ltd

Mr Stubbs is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Nicholas Mather – Managing Director and Chief Executive Officer
BSc (Hons, Geol) (Univ. QLD), MAusIMM

Mr Mather has 30 years of experience in exploration and resource company management. His career has taken him to a variety of countries exploring for precious and base metals and fossil fuels. He has focused his attention on the identification of and investment in large resource exploration projects.

Mr Mather was Managing Director of Bemax Resources NL and instrumental in the discovery of the world class Gingko mineral sand deposit in the Murray Basin in 1998. As an Executive Director of Arrow Energy NL, Mr Mather drove the acquisition and business development of Arrow's large Surat Basin Coal Bed Methane project in South East Queensland. He was Managing Director of Auralia Resources NL, a junior gold explorer before its $23 million merger with Ross Mining NL in 1995. He was also a Non-Executive Director of Ballarat Goldfields NL, having assisted that company in its re-emergence as a significant emerging gold producer.

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

- Armour Energy Ltd
- Lakes Oil NL (appointed 7 February 2012)
- Orbis Gold Ltd
- Aus Tin Mining Ltd
- Navaho Gold Ltd
- Bow Energy Ltd (resigned 11 January 2012)
- SolGold plc, which is listed on the London Stock Exchange (AIM)

DIRECTORS' REPORT (continued)

Brian Moller – Non Executive Director
LLB (Hons)

Brian Moller is a corporate partner in the Brisbane based law firm HopgoodGanim. He was admitted as a solicitor in 1981 and has been a partner since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions.

He holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.

Mr Moller acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas. During the past three years Mr Moller has also served as a director of the following listed companies:

- Aus Tin Mining Ltd
- Platina Resources Ltd
- Navaho Gold Ltd
- SolGold plc, which listed on the London Stock Exchange (AIM)
- Buccaneer Energy Ltd (appointed 2 July 2013, resigned 29 November 2013)
- Aguia Resources Ltd (appointed 18 December 2013)

Mr Moller is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Vincent Mascolo – Non Executive Director
BEng Mining, MAusIMM, MEI Aust

Mr Mascolo is a qualified mining engineer with extensive experience in a variety of fields including, gold and coal mining, quarrying, civil-works, bridge-works, water and sewage treatment and estimating.

Mr Mascolo has completed numerous assignments in the Civil and Construction Industry, including construction and project management, engineering, quality control and environment and safety management. He is also a member of both the Australian Institute of Mining and Metallurgy and the Institute of Engineers of Australia.

Mr Mascolo has not served as a director of any other listed companies in the last 3 years.

Mr Mascolo is a member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

As at the date of this report, the interest of the directors in the shares and options of DGR Global Ltd were:

	Number of ordinary shares	Number of options over ordinary shares
William (Bill) Stubbs	1,422,466	2,625,000
Nicholas Mather	55,134,278	4,750,000
Brian Moller	1,883,694	2,625,000
Vince Mascolo	3,569,733	2,000,000

COMPANY SECRETARY

Karl Schlobohm – Company Secretary
B.Comm, B.Econ, M.Tax, CA, AICD

Karl Schlobohm is a Chartered Accountant with over 20 years of experience across a wide range of industries and businesses. He has extensive experience with financial accounting, corporate governance, company secretarial duties and board reporting. Prior to joining DGR Global Ltd, Mr Schlobohm was contracted into roles as CFO and/or Company Secretary for a number of ASX-listed resource companies including Linc Energy, Discovery Metals and Meridian Minerals.

He currently acts as the Company Secretary for ASX-listed Armour Energy Ltd, Navaho Gold Ltd, Aus Tin Mining Ltd and LSE (AIM)-listed SolGold Plc.

Mr Schlobohm also serves as director of ASX-listed Navaho Gold Ltd.

DIRECTORS' REPORT (continued)

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was mineral exploration. There were no significant changes in the nature of the Group's principal activities during the financial year.

DIVIDENDS PAID OR RECOMMENDED

There were no dividends paid or recommended during or since the financial year.

REVIEW OF OPERATIONS

Detailed comments on operations and exploration programs up to the date of this report are included separately in the Annual Report under Review of Operations and Future Developments.

REVIEW OF FINANCIAL CONDITION

Capital structure

Ordinary Shares

On 29 July 2013, the Group issued 1,172,580 $0.025 shares to Ord Minett Limited as Nominee for Ineligible Holders pursuant to DGR Global's Non Renounceable Rights Issue.

On 6 August 2013, the Group issued 65,039,411 $0.025 shares to raise $1,625,985 pursuant to a fully underwritten Non Renounceable Rights Issue and also issued 12,021,658 $0.025 shares to raise $300,541 pursuant to a private placement.

On 30 August 2013 1,709,146 shares were issued at an average price of $0.035, being conversion to equity of interest payable on convertible note for the period 16 November 2012 to 15 November 2013 at the note holder's election.

On 6 March 2014, 1,160,134 shares were issued at an average price of $0.026, being conversion to equity of interest payable on convertible note for the period 16 November 2013 to 15 May 2014 at the note holder's election.

Options

On 2 October 2013, 4,634,838 unlisted options exercisable at $0.06, expiring 1 October 2014 were issued to the underwriter of the Company's rights issue in August 2013.

On 2 December 2013, 12,000,000 unlisted options exercisable at $0.12, expiring 30 November 2016 were issued to directors as remuneration and incentive.

On 29 May 2014, 11,000,000 unlisted options exercisable at $0.12, expiring 29 May 2017 were issued to executives and employees as remuneration and incentive.

Position at 30 June 2014 and Position at the Date of this Report

Financial position

The net assets of the Group have increased by $4,971,915 to $35,817,506 as at 30 June 2014 from $30,845,591 as at 30 June 2013. This increase has largely resulted from:

- An increase in the carrying value of the Group's investment holding in Orbis Gold Limited;
- An increase in the carrying value of the Group's investment holding in SolGold Plc;
- A decrease in the carrying value of the Group's investment holding in Armour Energy Limited.

During the past year the Group has continued investing in its mineral exploration tenements.

Treasury policy

The Group does not have a formally established treasury function. The Board is responsible for managing the Group's currency risks and finance facilities. The Group does not currently undertake hedging of any kind.

Liquidity and funding

On 8 August 2014, the Group sold 2,464,551 Orbis Gold Ltd shares at $0.38 to raise $936,529.

The Directors are currently involved in a number of discussions with third parties with a view to securing a funding facility of up to $10 million to finance the Group's generative and development program.

OPERATING RESULTS

For the year ended 30 June 2014, the Group loss after income tax was $7,251,697 (2013 loss of $4,323,528).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or the financial statements of the Group for the financial year.

SIGNIFICANT EVENTS AFTER BALANCE DATE

On 8 August 2014, the Group sold 2,464,551 Orbis Gold Ltd shares at $0.38 to raise $936,529.

The Directors are not aware of any other significant changes in the state of affairs of the Group or events after the balance date that would have a material impact on the consolidated financial statements.

FUTURE DEVELOPMENTS

Likely developments in the operations of the Group and the expected results of those operations in subsequent financial years have been discussed where appropriate in the Annual Report under Review of Operations and Future Developments.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to environmental regulation in relation to its exploration activities. The Group has conducted an extensive review of the environmental status of the Mining Leases and has estimated the potential costs for future rehabilitation and restoration to be $838,778. There are no matters that have arisen in relation to environmental issues up to the date of this report.

REMUNERATION REPORT (AUDITED)

Remuneration policy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

The Remuneration and Nomination Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The Remuneration and Nomination Committee assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and Executive team. Such officers are given the opportunity to receive their base remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Company. Further details on the remuneration of Directors and Executives are set out in this Remuneration Report.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

The Company aims to reward the Executive Director and Senior Management with a level and mix of remuneration commensurate with their position and responsibilities within the Company. The Board's policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives. During the year the Group did not engage the services of Remuneration consultants.

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive Director and Senior Management remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Company's specific policy for determining the nature and amount of remuneration of Board members of the Company is as follows:

The Constitution of the Company provides that the Non-Executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is $350,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

If a Non-Executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to Non-Executive Directors. A Non-Executive Director is entitled to be paid travelling and other expenses properly incurred by them in attending Director's or general meetings of the Company or otherwise in connection with the business of the Company.

All Directors have the opportunity to qualify for participation in the Directors' and Executive Officers' option plan, subject to the approval of shareholders.

The remuneration of Non-Executive Directors for the year ended 30 June 2014 is detailed in this Remuneration Report.

Executive Director and Senior Management Remuneration

The Company aims to reward the Executive Director and Senior Management with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- reward Executives for company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Executive Director and Senior Management may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options.

During 2014 there were no performance based salary increases or bonuses paid and no options issued that were performance related.

All Directors and Executives have the opportunity to qualify for participation in the Directors' and Executive Officers' Option Plan, subject to the approval of shareholders. All employees have the opportunity to qualify for participation in the DGR Global Employee Share Option Plan.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

The remuneration of the Executive Director and Senior Management for the year ended 30 June 2014 is detailed in this Remuneration Report.

Relationship between remuneration and Company performance

The Company and its subsidiaries' principal activity is mineral exploration and accordingly does not generate any revenues from operations and historically has generated losses.

The Company listed on the ASX on 21 August 2003. The following table shows the share price at the end of the financial year for the Company for the last five (5) years:

	2010	2011	2012	2013	2014
Share price at year end	$0.04	$0.10	$0.06	$0.024	$0.03

During the year ended 30 June 2014 the market price of the Company's ordinary shares ranged from a low of $0.023 to a high of $0.057.

There were no dividends paid during the 5 year period.

As the Company is still in the exploration and development stage, the link between remuneration, company performance and shareholder wealth is tenuous. Share prices are subject to the influence of metals prices and market sentiment toward the sector, and as such increases or decreases may occur quite independent of Executive performance or remuneration.

Employment contracts

It is the Board's policy that employment agreements are entered into with all Executive Directors, Executives and employees. Contracts do not provide for pre-determining compensation values or method of payment. Rather the amount of compensation is determined by the Board in accordance with the remuneration policy set out above.

The current employment agreement with the Managing Director has a notice period of three (3) months. All other Executive employment agreements have a one month notice period. No current employment contracts contain early termination clauses. The terms of appointment for Non-Executive Directors are set out in letters of appointment.

Key Management Personnel are entitled to their statutory entitlements of accrued annual leave and long service leave together with any superannuation on termination. No other termination payments are payable.

Managing Director

DGR Global Ltd has an agreement with Samuel Capital Pty Ltd, an entity associated with Nicholas Mather and Nicholas Mather for the provision of certain consultancy services. Samuel Capital Pty Ltd will provide Nicholas Mather as the managing Director of DGR Global Ltd for a base fee of $199,413 per annum. There is no fixed term specified in this agreement.

Under the terms of the present contract:

- Both DGR Global Ltd and Samuel Capital Pty Ltd are entitled to terminate the contract upon giving three (3) months written notice;
- DGR Global Ltd is entitled to terminate the agreement upon the happening of various events in respect of Samuel Capital Pty Ltd's solvency or other conduct or if Nicholas Mather ceases to be a Director of DGR Global Ltd;
- The contract provides for a six monthly review of performance by DGR Global Ltd. The Company currently has not set any specific KPIs.

There is no termination payment provided for in the Executive Service Contract with Samuel Capital Ltd.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Senior Management

Employment contracts entered into with senior management contain the following key terms:

Event	Company Policy
Performance based salary increases and/or bonuses	Board discretion
Short and long-term incentives, such as options	Board discretion
Resignation/ notice period	1 – 3 months
Serious misconduct	Company may terminate at any time
Payouts upon resignation or termination, outside industrial regulations (i.e. 'golden handshakes')	None

Details of Key Management Personnel

(i) Directors

Bill Stubbs
Nicholas Mather
Brian Moller
Vincent Mascolo

(ii) Other Key Management Personnel

The following persons were Senior Executives of the Company:

Greg Runge	General Manager
Karl Schlobohm	Company Secretary
Priy Jayasuriya	Chief Financial Officer
Barry Stoffell	Chief Geologist, New Opportunities Group
Amanda Geard	Business Generation, New Opportunities Group
Neil Wilkins	Exploration Manager

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Remuneration Details

Remuneration of Key Management Personnel

Directors	Short term benefits			Post-employment	Share based payments Equity settled		Total	Consisting of options	Consisting of performance related
	Salary & fees	Cash bonus	Other	Superannuation	Options	Shares			
	$	$	$	$	$	$	$	%	%
Bill Stubbs									
- 2014	70,000	-	7,146	-	41,627	-	118,773	35%	-
- 2013	70,000	-	9,901	-	-	-	79,901	-	-
Nicholas Mather									
- 2014	328,580	-	12,846	-	94,733	-	436,159	22%	-
- 2013	199,413	-	15,601	-	-	-	215,014	-	-
Brian Moller									
- 2014	50,000	-	7,146	-	41,627	-	98,773	42%	-
- 2013	50,000	-	9,901	-	-	-	59,901	-	-
Vince Mascolo									
- 2014	292,500	-	7,146	-	70,533	215,200	585,379	12%	-
- 2013	50,000	-	9,901	-	-	-	59,901	-	-
Sub-total remuneration									
- **2014**	**741,080**	**-**	**34,284**	**-**	**248,520**	**215,200**	**1,239,084**		
- **2013**	**369,413**	**-**	**45,304**	**-**	**-**	**-**	**414,717**		

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Remuneration Details (continued)

Remuneration of Key Management Personnel

Other Key Management Personnel	Short term benefits			Post-employment	Share based payments Equity settled		Total	Consisting of options	Consisting of performance related
	Salary & fees	Cash bonus	Other	Superannuation	Options	Shares			
	$	$	$	$	$	$	$	%	%
Greg Runge									
- 2014	147,354	-	12,846	13,630	33,170	-	207,000	16%	-
- 2013	160,692	-	5,700	14,462	-	-	180,854	-	-
Karl Schlobohm									
- 2014	170,000	-	7,146	-	33,170	-	210,316	16%	-
- 2013	162,916	-	15,601	-	-	-	178,517	-	-
Neil Wilkins									
- 2014	51,275	-	-	-	26,700	-	77,975	34%	-
- 2013	98,770	-	-	-	-	-	98,770	-	-
Priy Jayasuriya									
- 2014	211,009	-	12,846	19,518	33,170	-	276,543	12%	-
- 2013	211,009	-	5,700	18,991	-	-	235,700	-	-
Carlie Rogers[1]									
- 2014	-	-	-	-	-	-	-	-	-
- 2013	129,581	-	4,750	11,662	-	-	145,993	-	-
Amanda Geard									
- 2014	269,936	-	-	-	61,441	201,375	532,752	12%	-
- 2013	207,885	-	-	-	-	-	207,885	-	-
Barry Stoffell									
- 2014	269,936	-	-	-	61,441	201,375	532,752	12%	-
- 2013	207,885	-	-	-	-	-	207,885	-	-
Sub-total remuneration									
- **2014**	**1,119,510**	**-**	**32,838**	**33,148**	**249,092**	**402,750**	**1,837,338**		
- **2013**	**1,178,738**	**-**	**31,751**	**45,115**	**-**	**-**	**1,255,604**		
Total remuneration									
- **2014**	**1,860,590**	**-**	**67,122**	**33,148**	**497,612**	**617,950**	**3,076,422**		
- **2013**	**1,548,151**	**-**	**77,055**	**45,115**	**-**	**-**	**1,670,321**		

[1]Ms Carlie Rogers resigned as the Business Development Executive effective 24 April 2013.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Performance income as a proportion of total remuneration

Performance based bonuses are paid on set monetary figures, rather than proportions of salaries. The remuneration committee has set these bonuses to encourage achievement of specific goals that have been given a high level of importance in relation to the future growth of the consolidated Group.

The remuneration committee will review the performance bonuses to gauge their effectiveness against achievement of the set goals, and adjust future years' incentives as they see fit, to ensure the most cost effective and efficient methods.

There were no bonus payments made during the year ended 30 June 2014 (2013: nil).

Shares and options issued in DGR Global Ltd as part of remuneration for the year ended 30 June 2014

Shares and options are not issued based on performance criteria, as the Board does not consider this appropriate for a junior exploration company. Options are issued to the majority of key management personnel and executives to align comparative shareholder return and reward for Directors and executives. There were no shares issued in DGR Global Ltd to directors or key management personnel during the year. The terms and conditions of the grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follow:

	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Director Options	02/12/2013	02/12/2013	30/11/2016	$0.12	$0.0159
Key Management Personnel Options	29/05/2014	29/05/2014	29/05/2017	$0.12	$0.018

Options granted carry no dividend or voting rights. There was no amount paid or payable by the recipients

The number of options over ordinary shares granted to and vested by directors and other key management personnel by as part of compensation during the year ended 30 June 2014 are set out below:

	Number of options granted during the year 2014	Number of options vested during the year 2014
Directors		
Bill Stubbs	2,625,000	2,625,000
Nicholas Mather	4,750,000	4,750,000
Brian Moller	2,625,000	2,625,000
Vince Mascolo	2,000,000	2,000,000
Other Key Management Personnel		
Greg Runge	1,500,000	1,500,000
Karl Schlobohm	1,500,000	1,500,000
Neil Wilkins	1,500,000	1,500,000
Priy Jayasuriya	1,500,000	1,500,000
Amanda Geard	1,500,000	1,500,000
Barry Stoffell	1,500,000	1,500,000
Total	**21,000,000**	**21,000,000**

All options issued will convert to 1 share in DGR Global Limited on exercise.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of DGR Global Ltd options for the year %	Vested Options %
Directors					
Bill Stubbs	41,627	-	-	35%	100%
Nicholas Mather	75,325	-	-	17%	100%
Brian Moller	41,627	-	-	42%	100%
Vince Mascolo	31,716	-	-	5%	100%
Other Key Management Personnel					
Greg Runge	26,700	-	-	13%	100%
Karl Schlobohm	26,700	-	-	13%	100%
Neil Wilkins	26,700	-	-	35%	100%
Priy Jayasuriya	26,700	-	-	10%	100%
Amanda Geard	26,700	-	-	5%	100%
Barry Stoffell	26,700	-	-	5%	100%
Total	**350,495**	**-**	**-**		

Shares and options issued in IronRidge Resources Ltd as part of remuneration for the year ended 30 June 2014

Shares and options are not issued based on performance criteria, as the Board does not consider this appropriate for a junior exploration company. Options are issued to the majority of key management personnel and executives to align comparative shareholder return and reward for Directors and executives. During the year ended 30 June 2014, IronRidge Resources, a 46% owned subsidiary, issued 8,060,000 shares to directors and key management personnel. The terms and conditions of the grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follow:

	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Director Options	31/01/2014	31/01/2014	31/12/2017	£0.25	£0.007
Key Management Personnel Options	31/01/2014	31/01/2014	31/12/2017	£0.25	£0.007

	Number of options granted during the year 2014	Number of options vested during the year 2014	Number of shares granted during the year 2014
Directors			
Bill Stubbs	-	-	-
Nicholas Mather	1,500,000	1,500,000	-
Brian Moller	-	-	-
Vince Mascolo	3,000,000	3,000,000	2,690,000
Other Key Management Personnel			
Greg Runge	500,000	500,000	-
Karl Schlobohm	500,000	500,000	-
Neil Wilkins	-	-	-
Priy Jayasuriya	500,000	500,000	-
Amanda Geard	2,685,000	2,685,000	2,685,000
Barry Stoffell	2,685,000	2,685,000	2,685,000
Total	**11,370,000**	**11,370,000**	**8,060,000**

All options issued will convert to 1 share in IronRidge Resources Limited on exercise.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Values of ordinary shares granted to directors and other key management personnel as part of compensation during the year ended 30 June 2014 are set out below:

	Value of shares granted during the year $
Directors	
Bill Stubbs	-
Nicholas Mather	-
Brian Moller	-
Vince Mascolo	215,200
Other Key Management Personnel	
Greg Runge	-
Karl Schlobohm	-
Neil Wilkins	-
Priy Jayasuriya	-
Amanda Geard	201,375
Barry Stoffell	201,375
Total	**617,950**

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2014 are set out below:

	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of IronRidge Resources Ltd options for the year %	Vested options %
Directors					
Bill Stubbs	-	-	-	-	-
Nicholas Mather	19,408	-	-	4%	100%
Brian Moller	-	-	-	-	-
Vince Mascolo	38,817	-	-	7%	100%
Other Key Management Personnel					
Greg Runge	6,470	-	-	3%	100%
Karl Schlobohm	6,470	-	-	3%	100%
Neil Wilkins	-	-	-	-	-
Priy Jayasuriya	6,470	-	-	2%	100%
Amanda Geard	34,741	-	-	7%	100%
Barry Stoffell	34,741	-	-	7%	100%
Total	**147,117**	**-**	**-**		

No other entity within the group has granted shares or options to the directors and other key management personnel as part of compensation.

Shares issued on exercise of remuneration options

There were no options exercised into ordinary shares by employees during the year that were previously granted as remuneration. No options were exercised into ordinary shares since the 30 June 2014.

The Board's current policy does not allow Directors and executives to limit their risk exposure in relation to equities or options without the approval of the Board.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel

Shareholding

The number of shares in the company and controlled subsidiaries held during the financial year by each director and other member of the key management personnel of the consolidated entity, including their personally related parties is set out below:

DGR Global Ltd

	Balance at the start of the year	Received as part of remuneration	Received on exercise of options	Other#	Balance at the end of the year
Directors					
Bill Stubbs	1,185,389	-	-	237,077	1,422,466
Nicholas Mather	45,945,233	-	-	9,189,045	55,134,278
Brian Moller	1,730,480	-	-	153,214	1,883,694
Vince Mascolo	2,974,778	-	-	594,955	3,569,733
Other Key Management Personnel					
Greg Runge	4,321,382	-	-	1,240,000	5,561,382
Karl Schlobohm	2,415,638	-	-	120,000	2,535,638
Neil Wilkins	2,292,857	-	-	860,000	3,152,857
Priy Jayasuriya	28,000	-	-	40,000	68,000
Amanda Geard	-	-	-	-	-
Barry Stoffell	-	-	-	-	-
Total	**60,893,757**	**-**	**-**	**12,434,291**	**73,328,048**

#Other includes the balance of shares held on appointment / resignation, and shares acquired and sold for cash in on-market transactions.

There were no shares held nominally at the end of the year.

Archer Resources Ltd

	Balance at the start of the year	Received as part of remuneration	Received on exercise of options	Other	Balance at the end of the year
Directors					
Bill Stubbs	-	-	-	-	-
Nicholas Mather	-	-	-	-	-
Brian Moller	100,000	-	-	-	100,000
Vince Mascolo	100,000	-	-	-	100,000
Other Key Management Personnel					
Greg Runge	100,000	-	-	-	100,000
Karl Schlobohm	-	-	-	-	-
Neil Wilkins	-	-	-	-	-
Priy Jayasuriya	-	-	-	-	-
Amanda Geard	-	-	-	-	-
Barry Stoffell	-	-	-	-	-
Total	**300,000**	**-**	**-**	**-**	**300,000**

There were no shares held nominally at the end of the year.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel (continued)

IronRidge Resources Ltd

	Balance at the start of the year	Received as part of remuneration	Received on exercise of options	Other#	Balance at the end of the year
Directors					
Bill Stubbs	-	-	-	-	-
Nicholas Mather	-	-	-	1,303,703	1,303,703
Brian Moller	-	-	-	-	-
Vince Mascolo	3,317,000	2,690,000	-	1,903,291	7,910,291
Other Key Management Personnel					
Greg Runge	400,000	-	-	100,000	500,000
Karl Schlobohm	200,000	-	-	92,500	292,500
Neil Wilkins	600,000	-	-	60,000	660,000
Priy Jayasuriya	-	-	-	-	-
Amanda Geard	-	2,685,000	-	-	2,685,000
Barry Stoffell	-	2,685,000	-	-	2,685,000
Total	**4,517,000**	**8,060,000**	**-**	**3,459,494**	**16,036,494**

#Net Change Other includes the balance of shares held on appointment / resignation, and shares acquired and sold for cash (Company not listed) on similar terms and conditions to other shareholders.

There were no shares held nominally at the end of the year.

Pinnacle Gold Pty Ltd

	Balance at the start of the year	Received as part of remuneration	Received on exercise of options	Other	Balance at the end of the year
Directors					
Bill Stubbs	200,000	-	-	-	200,000
Nicholas Mather	200,000	-	-	-	200,000
Brian Moller	-	-	-	-	-
Vince Mascolo	200,000	-	-	-	200,000
Other Key Management Personnel					
Greg Runge	500,000	-	-	-	500,000
Karl Schlobohm	100,000	-	-	-	100,000
Neil Wilkins	400,000	-	-	-	400,000
Priy Jayasuriya	50,000	-	-	-	50,000
Amanda Geard	-	-	-	-	-
Barry Stoffell	-	-	-	-	-
Total	**1,650,000**	**-**	**-**	**-**	**1,650,000**

There were no shares held nominally at the end of the year.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel (continued)

Option holding
The number of options over ordinary shares in the company and controlled subsidiaries held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

DGR Global Ltd

	Balance at the start of the year	Granted as remuneration	Exercised	Other	Balance at the end of the year	Vested at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year
Directors								
Bill Stubbs	3,500,000	2,625,000	-	(3,500,000)	2,625,000	2,625,000	2,625,000	-
Nicholas Mather	6,500,000	4,750,000	-	(6,500,000)	4,750,000	4,750,000	4,750,000	-
Brian Moller	3,500,000	2,625,000	-	(3,500,000)	2,625,000	2,625,000	2,625,000	-
Vince Mascolo	2,500,000	2,000,000	-	(2,500,000)	2,000,000	2,000,000	2,000,000	-
Other Key Management Personnel								
Greg Runge	1,250,000	1,500,000	-	(1,250,000)	1,500,000	1,500,000	1,500,000	-
Karl Schlobohm	2,500,000	1,500,000	-	(2,500,000)	1,500,000	1,500,000	1,500,000	-
Neil Wilkins	1,250,000	1,500,000	-	(1,250,000)	1,500,000	1,500,000	1,500,000	-
Priy Jayasuriya	1,550,000	1,500,000	-	(1,250,000)	1,800,000	1,800,000	1,800,000	-
Amanda Geard	2,500,000	1,500,000	-	-	4,000,000	4,000,000	4,000,000	-
Barry Stoffell	2,500,000	1,500,000	-	-	4,000,000	4,000,000	4,000,000	-
Total	**27,550,000**	**21,000,000**	**-**	**(22,250,000)**	**26,300,000**	**26,300,000**	**26,300,000**	**-**

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel (continued)

Archer Resources Ltd

	Balance at the start of the year	Granted as remuneration	Exercised	Other	Balance at the end of the year	Vested at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year
Directors								
Bill Stubbs	-	-	-	-	-	-	-	-
Nicholas Mather	-	-	-	-	-	-	-	-
Brian Moller	-	-	-	-	-	-	-	-
Vince Mascolo	-	-	-	-	-	-	-	-
Other Key Management Personnel								
Greg Runge	-	-	-	-	-	-	-	-
Karl Schlobohm	300,000	-	-	-	300,000	300,000	300,000	-
Neil Wilkins	-	-	-	-	-	-	-	-
Priy Jayasuriya	-	-	-	-	-	-	-	-
Amanda Geard	-	-	-	-	-	-	-	-
Barry Stoffell	-	-	-	-	-	-	-	-
Total	**300,000**	**-**	**-**	**-**	**300,000**	**300,000**	**300,000**	**-**

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel (continued)

IronRidge Resources Ltd

	Balance at the start of the year	Granted as remuneration	Exercised	Other	Balance at the end of the year	Vested at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year
Directors								
Bill Stubbs	-	-	-	-	-	-	-	-
Nicholas Mather	-	1,500,000	-	-	1,500,000	1,500,000	1,500,000	-
Brian Moller	-	-	-	-	-	-	-	-
Vince Mascolo	-	3,000,000	-	-	3,000,000	3,000,000	3,000,000	-
Other Key Management Personnel								
Greg Runge	-	500,000	-	-	500,000	500,000	500,000	-
Karl Schlobohm	-	500,000	-	-	500,000	500,000	500,000	-
Neil Wilkins	-	-	-	-	-	-	-	-
Priy Jayasuriya	-	500,000	-	-	500,000	500,000	500,000	-
Amanda Geard	-	2,685,000	-	-	2,685,000	2,685,000	2,685,000	-
Barry Stoffell	-	2,685,000	-	-	2,685,000	2,685,000	2,685,000	-
Total	**-**	**11,370,000**	**-**	**-**	**11,370,000**	**11,370,000**	**11,370,000**	**-**

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel (continued)

Pinnacle Gold Pty Ltd

	Balance at the start of the year	Granted as remuneration	Exercised	Other	Balance at the end of the year	Vested at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year
Directors								
Bill Stubbs	-	-	-	-	-	-	-	-
Nicholas Mather	-	-	-	-	-	-	-	-
Brian Moller	-	-	-	-	-	-	-	-
Vince Mascolo	-	-	-	-	-	-	-	-
Other Key Management Personnel								
Greg Runge	-	-	-	-	-	-	-	-
Karl Schlobohm	-	-	-	-	-	-	-	-
Neil Wilkins	-	-	-	-	-	-	-	-
Priy Jayasuriya	-	-	-	-	-	-	-	-
Amanda Geard	-	-	-	-	-	-	-	-
Barry Stoffell	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Loans to Directors and Key Management Personnel

There were no loans made, guaranteed or secured to directors and key management personnel by the entity or any of it's controlled entities.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited) (continued)

Additional disclosures relating key management personnel (continued)

Other transactions with Key Management Personnel

(i) Mr Brian Moller (a Director), is a partner in the firm Hopgood Ganim Lawyers. Hopgood Ganim Lawyers were paid $331,973 (2013: $118,303) for the provision of legal services to the Group during the year. The services were based on normal commercial terms and conditions. At 30 June 2014 there was a balance of $258,991 owing (2013: $93,091) included within current liabilities.

(ii) Samuel Holdings Pty Ltd, an entity associated with Nicholas Mather (a Director), during the prior year purchased a motor vehicle from the Group. The consideration for the motor vehicle was $16,500 and was based on normal commercial terms and conditions. No other transactions occurred with the related entity during the year ended 30 June 2014.

(iii) Mather Investments Pty Ltd, an entity associated with Nicholas Mather (a Director), during the year underwrote the Group's Non Renounceable Rights Issue. The consideration for the service under the underwriting agreement was cash payment of 7% of the raising, being $115,871 and the issue of 4,634,838 options exercisable at $0.06, expiring 1 October 2014.

(iv) On 28 February 2014, BillTed Investments, an entity associated with DGR Global Chairman Mr Bill Stubbs provided a secured loan for $500,000 at an interest rate of 12% per annum. The loan is secured by 2,816,901 Orbis Gold Ltd shares and is repayable by 1 October 2014. A total of $24,658 interest was accrued and paid during the year ended 30 June 2014.

(v) On 5 March 2014, Mather Investments, an entity associated with DGR Global CEO and Managing Director Mr Nicholas Mather provided a secured loan for $200,000 at an interest rate of 12% per annum. The loan is secured by 1,126,760 Orbis Gold Ltd shares and is repayable by 1 October 2014. A total of $7,890 interest was accrued and paid during the year ended 30 June 2014.

(End of Remuneration Report)

DIRECTORS' REPORT (continued)

DIRECTORS' MEETINGS

The number of meetings of Directors held during the period and the number of meetings attended by each Director were as follows:

	Board		Audit & Risk Management Committee		Remuneration & Nomination Committee	
	Number of meetings held while in office	Meetings attended	Number of meetings held while in office	Meetings attended	Number of meetings held while in office	Meetings attended
Nicholas Mather	10	10	N/A	N/A	N/A	N/A
Bill Stubbs	10	10	2	2	-	-
Brian Moller	10	10	2	2	-	-
Vincent Mascolo	10	8	2	1	-	-

INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS AND AUDITORS

Each of the Directors and secretary of the Company has entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors. The Company has insured all of the Directors of DGR Global Ltd. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The Corporations Act does not require disclosure of the information in these circumstances.

The Company has not indemnified or insured its auditor.

OPTIONS

At the date of this report, the unissued ordinary shares of DGR Global Ltd under option are as follows:

Grant date	Date of Expiry	Exercise Price	Number under Option
28 February 2012	28 February 2015	$0.28	300,000
25 April 2012	25 April 2015	$0.28	5,000,000
2 October 2013	1 October 2014	$0.06	4,634,838
2 December 2013	30 November 2016	$0.12	12,000,000
29 May 2014	29 May 2017	$0.12	11,000,000

At the date of this report, the unissued ordinary shares of Archer Resources Ltd under option are as follows:

Grant date	Date of Expiry	Exercise Price	Number under Option
15 December 2010	31 December 2014	$0.20	15,000,000
30 June 2011	31 December 2014	$0.20	300,000

At the date of this report, the unissued ordinary shares of IronRidge Resources Ltd under option are as follows:

Grant date	Date of Expiry	Exercise Price	Number under Option
31 January 2014	31 December 2017	£0.25	13,270,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

DIRECTORS' REPORT (continued)

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor BDO Audit Pty Ltd. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

BDO Audit Pty Ltd received the following amounts for the provision of non-audit services:

Tax services	$7,783
Other assurance services related to IPO	$9,800

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of DGR Global Ltd support and have adhered to the principles of corporate governance. The Company's corporate governance statement can be found on page 40.

AUDITORS INDEPENDENCE DECLARATION

The Auditor Independence Declaration forms part of the Directors Report and can be found on page 37.

Signed in accordance with a resolution of the Directors.

Nicholas Mather
Managing Director
Brisbane
Date: 30 September 2014

Competent Persons Statement
The information herein that relates to Exploration Targets and Exploration Results is based on information compiled by Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd which provides certain consultancy services including the provision of Mr Mather as the Managing Director of DGR Global Limited (and a director of DGR Global Limited's subsidiaries).

Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

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DECLARATION OF INDEPENDENCE BY TIMOTHY KENDALL TO THE DIRECTORS OF DGR GLOBAL LIMITED

As lead auditor of DGR Global Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of DGR Global Limited and the entities it controlled during the period.

T J Kendall
Director

BDO Audit Pty Ltd

Brisbane, 30 September 2014

SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 29 September 2014.

(a) Distribution Schedule

Fully Paid Ordinary Shares, and Unlisted Options

	Ordinary Shares		Unlisted $0.28 options exercisable on or before 28 February 2015		Unlisted $0.28 options exercisable on or before 24 April 2015	
	Number of holders	Number of shares	Number of holders	Number of options	Number of holders	Number of options
1 – 1,000	201	16,696	-	-	-	-
1,001 – 5,000	220	701,853	-	-	-	-
5,001 – 10,000	278	2,410,736	-	-	-	-
10,001 – 50,000	537	14,648,996	-	-	-	-
50,001 – 100,000	171	13,655,920				
100,001 and over	431	380,728,614	1	300,000	1	5,000,000
Total	**1,838**	**412,162,815**	**1**	**300,000**	**1**	**5,000,000**

	Unlisted $0.12 options exercisable on or before 30 November 2016		Unlisted $0.12 options exercisable on or before 29 May 2017	
	Number of holders	Number of options	Number of holders	Number of options
1 – 1,000	-	-	-	-
1,001 – 5,000	-	-	-	-
5,001 – 10,000	-	-	-	-
10,001 – 100,000	-	-	-	-
100,001 and over	4	12,000,000	11	11,000,000
Total	**1**	**12,000,000**	**11**	**11,000,000**

The number of shareholders holding less than a marketable parcel of shares is 858 (holding a total of 5,393,816 ordinary shares).

(b) Substantial shareholders

The following parties are substantial shareholders in the Company:

Name	Number of Shares	%
Nicholas Mather*	55,134,278	13.47
Tenstar Trading Limited	43,575,131	10.57

* Includes indirect holdings

(c) Voting rights

All ordinary shares carry one vote per share without restriction.

(d) Restricted securities

As at the date of this report, there were no restrictions over the Company's shares.

SHAREHOLDER INFORMATION (continued)

(e) Twenty Largest Holders

The names of the twenty largest holders, in each class of quoted security in DGR Global Ltd are:

Ordinary shares:

1	NICHOLAS MATHER & JUDITH MATHER	41,310,000	10.02%
2	TENSTAR TRADING LTD	38,072,786	9.24%
3	BT PORTFOLIO SERVICES LIMITED	16,700,000	4.05%
4	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	14,766,339	3.58%
5	GURRAVEMBI INVESTMENTS PTY LTD	9,000,000	2.18%
6	MATHER FOUNDATION LIMITED	7,020,788	1.70%
7	MR YEE TECK TEO	6,179,172	1.50%
8	SAMUEL HOLDINGS PTY LTD	5,897,084	1.43%
9	TENSTAR TRADING LIMITED	5,502,345	1.33%
10	KHUMBU PTY LTD	5,321,428	1.29%
11	WADLEY BICKLE PTY LTD	5,142,856	1.25%
12	MR GUY LANCE JONES	4,537,500	1.10%
13	MR JEFFREY DOUGLAS PAPPIN	3,800,000	0.92%
14	LIMITS PTY LIMITED	3,600,000	0.87%
15	MR VINCENT DAVID MASCOLO	3,569,733	0.87%
16	PINEGOLD PTY LTD	3,553,850	0.86%
17	MR ANDREW THOMAS GLADMAN	3,530,000	0.86%
18	FORTUNATO PTY LTD	3,491,072	0.85%
19	DR LEON EUGENE PRETORIUS	3,222,727	0.78%
20	ASCRY PTY LTD	3,152,857	0.76%
	Top 20	**187,370,537**	**45.46%**
	Total	**412,162,815**	**100.00%**

* These shareholders have more than one shareholding and these shareholdings have been merged for the purposes of this table.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of DGR Global Ltd is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of DGR Global Ltd on behalf of the shareholders by whom they are elected and to whom they are accountable.

DGR Global Ltd's Corporate Governance Statement is structured with reference to the Australian Stock Exchange ("ASX") Corporate Governance Council's (the "Council") "Corporate Governance Principles and Recommendations, 2nd Edition", which are as follows:

Principle 1	Lay solid foundations for management and oversight
Principle 2	Structure the Board to add value
Principle 3	Promote ethical and responsible decision making
Principle 4	Safeguard integrity in financial reporting
Principle 5	Make timely and balanced disclosure
Principle 6	Respect the rights of shareholders
Principle 7	Recognize and manage risk
Principle 8	Remunerate fairly and responsibly

A copy of the eight Corporate Governance Principles and Recommendations can be found on the ASX's website.

Any departures to the Council's best practice recommendations as at the date of this report, or throughout the year ended 30 June 2014, are set out below.

Board

The Board has adopted a formal Board charter that outlines the roles and responsibilities of Directors and senior Executives. The Board Charter has been made publicly available on the Company's website.

The skills, experience and expertise relevant to the position of Director held by each Director on office at the date of the Annual Report is included in the Director's Report. Corporate Governance Council Recommendation 2.1 requires a majority of the Board should be independent Directors. The Corporate Governance Council defines and independent Director as a Non-Executive Director who is not a member of management and who is free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the independent exercise of their judgment.

In the context of Director independence, "materiality" is considered from both the Company and the individual Director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal or less than 10% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 10% of the appropriate base amount. Qualitative factors considered included whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the Director in question to shape the direction of the Company's loyalty.

Factors that may impact on a Director's independence are considered each time the Board meets.

At the date of this report:

In accordance with the Council's definition of independence above, and the materiality thresholds set, the following Directors are considered to be independent:

Name	**Position**
Bill Stubbs	Non-Executive Chairman
Vince Mascolo	Non-Executive Director

In accordance with the Council's definition of independence above, and the materiality thresholds set, the following Directors are not considered to be independent:

Name	Position	Reason for non-compliance
Nicholas Mather	Executive Director	Mr Mather is employed by the Company in an Executive capacity
Brian Moller	Non-Executive Director	Mr Moller is a principal of a material professional advisor to the Company

For the whole of the current year, half of the Board were considered independent. DGR Global Ltd considers industry experience and specific expertise, as well as general corporate experience, to be important attributes of its Board members. The Directors noted above have been appointed to the Board of DGR Global due to their considerable industry and corporate experience. The Board believes that the Company is not currently of a sufficient size to warrant the inclusion of more independent Directors.

There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the Company's expense.

The term in office held by each Director in office at the date of this report is as follows:

Name	**Term in office**
Nicholas Mather	12 years, 11 months
Bill Stubbs	4 years, 9 months
Brian Moller	12 years, 1 month
Vincent Mascolo	11 years, 7 months

Trading Policy

The Directors of the Company are subject to a number of restrictions in relation to them dealing in Shares of the Company, all of which are incorporated in a Trading Policy which is part of the Company's Corporate Governance Policies and Procedures. Directors can only deal in Shares in the Company during certain periods or in certain circumstances (e.g. a bonus issue), and then only after receiving written clearance for the intended transaction from the Chairman of the Board.

Remuneration and Nomination Committees

The Board has established a Remuneration and Nomination Committee to:

- Discharge the Board's responsibilities in relation to remuneration of the Company's Executives; and
- Determine the state of Director Nominees for election to the Board, to identify and recommend candidates to fill casual vacancies.

For the whole of the year, the Remuneration and Nomination Committee comprised all three Non-Executive Directors.

During the financial year there was no cause for the Remuneration and Nomination Committee to meet.

Audit and Risk Management Committee

The Board has established an Audit and Risk Management Committee, which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the Group to the Audit and Risk Management Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. All members of the audit committee are Non-Executive Directors.

The members of the Audit and Risk Management Committee for the whole of the year, and to the date of this report are as follows:

- Vincent Mascolo (chairman of Audit and Risk Management Committee)
- Brian Moller
- Bill Stubbs

Recommendation 4.2 requires that the composition of audit committees comprise a majority of independent Directors and that the committee have at least three members. At all times during the year ended 30 June 2014 and until the date of this report, the Company did not satisfy these requirements, as Mr Moller is technically not considered "independent" as outlined above. The Board considers this matter immaterial to the conduct and good governance practices of the committee.

For additional details of Directors' attendance at Board and Audit and Risk Management Committee meetings and to review the qualifications of the members of the Audit and Risk Management Committee, please refer to the Directors' Report.

The Audit and Risk Management Charter has been made publicly available on the Company's website.

Risk Management

The Company has developed a basic framework for risk management and internal compliance and control systems which cover organizational, financial and operational aspects of the Company's affairs. Further detail of the Company's risk management policies can be found under the Role of the Audit and Risk Management Committee available as part of the Company's Corporate Governance Policies (www.dgrglobal.com.au).

Recommendation 7.2 requires that the Board disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks. Business risks are considered regularly by the Board and management. A formal report as to the effectiveness of the management of the Company's material business risks has not been provided to the Board and is not considered necessary for the size and nature of the Company's current activities.

As required by Recommendation 7.3, the Board has received assurances from the Managing Director and Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that they system is operating effectively in all material respects in relation to financial reporting risks.

Performance Evaluation

The Remuneration and Nominations Committee considers remuneration and nomination issues annually and otherwise as required in conjunction with the regular meetings of the Board.

The performance of the Board is considered at regular meetings of the Board. No formal performance evaluation of the Directors was undertaken during the year ended 30 June 2014.

Remuneration

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality Board and Executive team by remunerating Director and key Executives fairly and appropriately with reference to relevant and employment market conditions. To assist in achieving this objective, the Board links the nature and amount of Executive Director's and Officer's emoluments to the Company's financial and operations performance. The expected outcomes of the remuneration structure are:

- Retention and motivation of key Executives;
- Attraction of quality management to the Company;
- Performance incentives which allow Executives to share the rewards of the success of the Company.

For details on the amount of remuneration and all monetary and non-monetary components for the Company's (non-Director) Executives during the year, and for all Directors, please refer to the Remuneration Report within the Directors' Report. In relation to the payment of bonuses, options and other incentive payments, discretion is exercised by the Board, having regard to the overall performance of the Company and the performance of the individual during the period.

There is no scheme to provide retirement benefits, other than statutory superannuation, to Non-Executive Directors.

The Board is responsible for determining and reviewing compensation arrangements for the Directors themselves, subject to the Company's constitution and prior shareholder approvals, and the Executive team. As noted above, the Board has established a Remuneration and Nomination Committee.

Diversity Policy

The Company has established a Diversity Policy in accordance with the ASX Corporate Governance recommendations. The Company recognizes and values the potential competitive advantages associated with diversity (including gender, age, ethnicity and cultural background) and the benefits of its integration throughout the Company.

The Company aims to attract, nurture and develop the collective skills and diverse experience and attributes of personnel within the Company.

When the Board considers that the Company to be of sufficient size, having regard to the nature and scale of its operations, it will seek to develop, measure and monitor strategies, initiatives, programs and objectives for the achievement of diversity within its personnel, executives and Board as appropriate.

Notwithstanding its Diversity Policy, the Company will maintain the principal criteria for the selection and promotion of current and prospective employees as their prospect of adding value to the Company and enhancing the probability of the Company achieving its business objectives, having regard to their relative experience, and the nature of the industry in which the Company operates.

The Board believes that the Company is not currently of a sufficient size to warrant the establishment of formal measureable diversity objectives. However, the Company is pleased to report the following statistics in line with the ASX Corporate Governance recommendations:

Number of Females at Board Level:	Nil (0%)
Number of Females at Executive Level:	1 (9%)
Number of Female Employees (including Executives):	3 (27%)

Other Information

Further information relating to the Company's corporate governance practices and policies has been made publicly available on the Company's web site at: www.dgrglobal.com.au

INTEREST IN TENEMENTS

As at the date of this report, the Group has an interest in the following tenements.

Tenure Type, Number and Name	Current Holder	Registered Interest of Holder (%)	Date of Expiry
EPM 19379 Three Sisters	Archer Resources Ltd	100	29-Jan-2015
EPM 19411 Drummond North	Archer Resources Ltd	100	08-Apr-2016
EPM 19815 Kola South	Archer Resources Ltd	100	04-Mar-2016
EPMA 25266 Whitehorse	Archer Resources Ltd	100	Under Application
EPMA 25607 Kariboe Creek	Archer Resources Ltd	100	Under Application
EPM 15134 Gayndah	Barlyne Mining Pty Ltd	100	29-Sep-2015
EPM 18451 Calgoa	Barlyne Mining Pty Ltd	100	20-May-2015
EPM 18808 Pinnacle	Barlyne Mining Pty Ltd	100	28-Oct-2014
EPM 19087 Mt Abbot	Barlyne Mining Pty Ltd	100	28-Jul-2016
EPMA 25157 Armistice	Barlyne Mining Pty Ltd	100	28-May-2017
EPM 25189 Mt Abbot North	Barlyne Mining Pty Ltd	100	01-May-2017
EPM 19270 Pandanus Creek	Coolgarra Minerals Pty Ltd	100	17-Sep-2016
EPMA 25416 Pandanus North	Coolgarra Minerals Pty Ltd	100	10-Jul-2017
EPMA 25547 Boyne River	Coolgarra Minerals Pty Ltd	100	Under Application
EL 6652 Cow Flat	DGR Global Ltd	100	19-Oct-2014
EPM 15238 Manumbar	DGR Global Ltd	100	13-Dec-2014
MDL 409 Daddamarine	DGR Global Ltd	100	31-Dec-2015[2]
ML 3678 United Reefs	DGR Global Ltd	100	31-May-2022
ML 3741 Shamrock Extd.	DGR Global Ltd	100	30-Sep-2009[1]
ML 3749 North Chinaman	DGR Global Ltd	100	31-Jul-2017
ML 3752 Shamrock Tailings	DGR Global Ltd	100	31-Jan-2010[1]
ML 3753 Shamrock Tailings Extended	DGR Global Ltd	100	31-Aug-2013
ML 50059 Manumbar	DGR Global Ltd	100	31-Dec-2013
ML 50099 Manumbar Extd.	DGR Global Ltd	100	31-Aug-2015
ML 50148 Tableland	DGR Global Ltd	100	30-Apr-2014
ML 50291 Black Shamrock	DGR Global Ltd	100	Under Application[3]
16999-HQ-LPL	DGR Zambia Ltd	100	20-Aug-2015
17308-HQ-LPL	DGR Zambia Ltd	100	26-Feb-2015
EPM 16260 Cardarga Two	Eastern Exploration Pty Ltd	100	11-Jun-2015
EPM 16261 Cardaga One	Eastern Exploration Pty Ltd	100	27-May-2015
Blackfellow Dam	Hartz Rare Earths Pty Ltd	100	Tender Application
Davidite	Hartz Rare Earths Pty Ltd	100	Tender Application
Mundi Mundi	Hartz Rare Earths Pty Ltd	100	Tender Application
EPM 25158 Toolaru East	Hartz Rare Earths Pty Ltd	100	28-Jan-2017
EPM 25159 Toolaru West	Hartz Rare Earths Pty Ltd	100	28-Jan-2017
EPM 25160 Hamilton	Hartz Rare Earths Pty Ltd	100	28-Jan-2017
EPMA 25295 Elizabeth Springs	Hartz Rare Earths Pty Ltd	100	25-Jun-2017
EPMA 25477 Buck Hill North	Hartz Rare Earths Pty Ltd	100	Under Application
EPMA 25500 Buck Hill	Hartz Rare Earths Pty Ltd	100	Under Application
EPMA 25501 Lagoon Creek	Hartz Rare Earths Pty Ltd	100	Under Application
EPMA 25514 Pandanus	Hartz Rare Earths Pty Ltd	100	Under Application
EPMA 25661 Hamilton East	Hartz Rare Earths Pty Ltd	100	Under Application
EPM 18534 Quaggy Creek	IronRidge Resources Ltd	100	11-Oct-2014
EPMA 19164 Glencoe	IronRidge Resources Ltd	100	29-Sep-2015
EPMA 19419 Tholstrup's North	IronRidge Resources Ltd	100	Under Application

INTEREST IN TENEMENTS (continued)

Tenure Type, Number and Name	Current Holder	Registered Interest of Holder (%)	Date of Expiry
EPM 25115 Glencoe West	IronRidge Resources Ltd	100	07-Apr-2017
Authorisation de Prospection G6-525 Tchibanga	IronRidge Gabon S.A.	100	27 June 2016
Authorisation de Prospection G6-526 Belinga Sud	IronRidge Gabon S.A.	100	27 June 2016
Authorisation de Prospection G5-553 Tchibanga North	IronRidge Gabon S.A.	100	4 December 2016
EPMA 19625 Manumbar South	Pinnacle Gold Pty Ltd	100	7-Oct-2016
EPMA 25525 Mabel Jane	Pinnacle Gold Pty Ltd	100	Under Application

Note:
1. Renewal applications have been lodged in respect of these Exploration Permits and Mining Leases.
2. Tenement being transferred to Barlyne Mining Pty Ltd.
3. Replaces expired ML 3748.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2014

	Notes	2014 $	2013 $
Revenue and other income			
Revenue	2	1,257,357	1,533,291
Other income	2	8,100	7,637,885
Total revenue and other income		**1,265,457**	**9,171,176**
Expenses			
Finance costs		(132,081)	(72,878)
Employee benefits expenses		(1,799,730)	(1,738,682)
Depreciation		(40,328)	(45,588)
Legal expenses		(67,330)	(151,896)
Administration and consulting expenses		(1,897,365)	(1,942,150)
Exploration and evaluation assets written-off		(127,681)	(3,898,311)
Listing costs expensed		(518,453)	-
Revaluation of financial liabilities at fair value through profit or loss		(6,063)	94,640
Share of losses of associates		(1,980,254)	(693,988)
Impairment of investment in associate		(3,725,964)	(3,899,738)
Share based payments expense		(1,175,756)	-
Profit (loss) before income tax	**3**	**(10,205,548)**	**(3,177,415)**
Income tax (expense)/benefit	4	2,953,851	(1,146,113)
Profit (loss) for the year		**(7,251,697)**	**(4,323,528)**
Other comprehensive income: items that may be reclassified into profit or loss			
Change in fair value of available-for-sale financial assets		11,215,476	(6,004,978)
Income tax relating to other comprehensive income		(3,364,643)	1,801,493
Other comprehensive income for the year, net of tax		**7,850,833**	**(4,203,485)**
Total comprehensive income for the year		**599,136**	**(8,527,013)**
Profit / (loss) for the year attributable to:			
Owners of the parent company		(5,902,417)	(3,051,538)
Non-controlling interests		(1,349,280)	(1,271,990)
		(7,251,697)	**(4,323,528)**
Total comprehensive income for the year attributable to:			
Owners of the parent company		1,948,416	(7,255,023)
Non-controlling interests		(1,349,280)	(1,271,990)
		599,136	**(8,527,013)**

Earnings per share attributable to owners of the parent company		Cents / share	Cents / share
Basic earnings per share	**8**	(1.5)	(0.9)
Diluted earnings per share	**8**	(1.5)	(0.9)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2014

	Notes	2014 $	2013 $
Current assets			
Cash and cash equivalents	9	37,186	51,972
Trade and other receivables	10	459,852	252,849
Other current assets	16	387,033	170
Total current assets		**884,071**	**304,991**
Non-current assets			
Other financial assets	11	20,964,862	9,686,701
Investments accounted for using the equity method	13	11,812,139	17,493,357
Property, plant and equipment	14	545,783	581,558
Exploration and evaluation assets	15	6,409,708	5,249,390
Total non-current assets		**39,732,492**	**33,011,006**
Total assets		**40,616,563**	**33,315,997**
Current liabilities			
Trade and other payables	17	2,445,300	1,214,467
Other financial liabilities	18	946,132	216,136
Total current liabilities		**3,391,432**	**1,430,603**
Non-current liabilities			
Other financial liabilities	18	444,487	416,886
Derivative liability	18	28,980	22,917
Deferred tax liabilities	4	334,158	-
Provisions	19	600,000	600,000
Total non-current liabilities		**1,407,625**	**1,039,803**
Total liabilities		**4,799,057**	**2,470,406**
Net assets		**35,817,506**	**30,845,591**
Equity			
Issued capital	20	23,999,223	22,092,180
Reserves	21	27,194,590	17,891,577
Accumulated losses	22	(15,069,116)	(9,166,699)
Equity attributable to owners of the parent company		36,124,697	30,817,058
Non-controlling interests		(307,191)	28,533
Total equity		**35,817,506**	**30,845,591**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2014

	Attributable to Owners of Parent Company							
	Issued Capital	Accumulated Losses	Share-Based Payments Reserve	Available-For-Sale Financial Assets Reserve	Change in Proportionate Interest Reserve	Total	Non-Controlling Interests	Total Equity
	$	$	$	$	$	$	$	$
Balance at 1 July 2012	**21,885,983**	**(6,115,161)**	**5,661,995**	**(990,784)**	**16,890,830**	**37,332,863**	**1,073,052**	**38,405,915**
Loss for the year	-	(3,051,538)	-	-	-	(3,051,538)	(1,271,990)	(4,323,528)
Other comprehensive income	-	-	-	(4,203,485)	-	(4,203,485)	-	(4,203,485)
Total comprehensive income for the year	-	(3,051,538)	-	(4,203,485)	-	(7,255,023)	(1,271,990)	(8,527,013)
Issue of shares	240,000	-	-	-	-	240,000	-	240,000
Issue of shares to non-controlling interests	-	-	-	-	548,298	548,298	227,471	775,769
Share issue costs, net of tax	(33,803)	-	-	-	(15,277)	(49,080)	-	(49,080)
Share based payments	-	-	-	-	-	-	-	-
Non-controlling interest in subsidiary disposed	-	-	-	-	-	-	-	-
Balance at 30 June 2013	**22,092,180**	**(9,166,699)**	**5,661,995**	**(5,194,269)**	**17,423,851**	**30,817,058**	**28,533**	**30,845,591**
Loss for the year	-	(5,902,417)	-	-	-	(5,902,417)	(1,349,280)	(7,251,697)
Other comprehensive income	-	-	-	7,850,833	-	7,850,833	-	7,850,833
Total comprehensive income for the year	-	(5,902,417)	-	7,850,833	-	1,948,416	(1,349,280)	599,136
Issue of shares	2,045,841	-	-	-	-	2,045,841	-	2,045,841
Issue of shares to non-controlling interests	-	-	-	-	885,568	885,568	1,013,556	1,899,124
Share issue costs, net of tax	(138,798)	-	48,820	-	(40,014)	(129,992)	-	(129,992)
Share based payments	-	-	557,806	-	-	557,806	-	557,806
Non-controlling interest in subsidiary disposed	-	-	-	-	-	-	-	-
Balance at 30 June 2014	**23,999,223**	**(15,069,116)**	**6,268,621**	**2,656,564**	**18,269,405**	**36,124,697**	**(307,191)**	**35,817,506**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2014

	Notes	2014 $	2013 $
Cash flows from operating activities			
Receipts in the course of operations (including GST)		995,305	1,497,038
Payments to suppliers and employees (including GST)		(2,562,744)	(3,912,159)
Interest received		18,357	12,994
Interest and other costs of finance paid		(47,894)	(50,020)
Net cash flows from operating activities	**29**	**(1,596,976)**	**(2,452,147)**
Cash flows from investing activities			
Security Deposit (payment)/refunds		56,867	(112,810)
Payments for property, plant and equipment		(4,551)	(99,242)
Payments for investments in available-for-sale financial assets		(119,553)	(880,000)
Payments for investments in associates		-	(351,679)
Proceeds from the sale of investments in associates		-	3,280,016
Payments for exploration and evaluation assets		(1,538,635)	(1,448,544)
Proceeds on sale of subsidiary		-	10
Net cash flows from investing activities		**(1,605,872)**	**387,751**
Cash flows from financing activities			
Proceeds from the issue of shares		1,823,304	240,000
Proceeds from the issue of shares in subsidiaries to non-controlling interests		1,063,972	775,771
Capital raising expenses		(99,328)	(49,080)
Proceeds from borrowings		700,000	500,000
Prepaid IPO costs		(318,296)	-
Repayment of borrowings		(23,906)	(14,075)
Net cash flows from financing activities		**3,145,746**	**1,452,616**
Net increase / (decrease) in cash held		**(57,102)**	**(611,780)**
Cash at the beginning of the year		(148,055)	463,725
Cash at the end of the financial year	**9**	**(205,157)**	**(148,055)**

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies

Corporate Information

The consolidated financial report of DGR Global Ltd for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the Directors on 30 September 2014.

DGR Global Ltd (the "Parent" or the "Company") is a public company limited by shares incorporated and domiciled in Australia. The Company's registered office is located at Level 27, One One One, 111 Eagle Street, Brisbane, Qld 4000. DGR Global Ltd is a for-profit entity.

The nature of the operations and principal activities of the Group are described in the director's report.

Basis of Preparation

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

The financial report covers the Group comprising of DGR Global Ltd and its subsidiaries and is presented in Australian dollars.

Compliance with IFRS
Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes of DGR Global Ltd comply with International Financial Reporting Standards (IFRS).

Going concern
The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. At 30 June 2014 the Group had $37,186 in cash, a net working capital deficiency of $2,507,361 and had not generated significant revenues from operations. As such, the Group's ability to continue to adopt the going concern assumption will depend upon a number of matters including subsequent successful raising in the future of necessary funding and the successful exploration and subsequent exploitation of the Group's tenements and investments. On 8 August 2014, in order to satisfy the Group's short term funding needs, the Group sold 2,464,551 Orbis Gold Ltd shares at $0.38 to raise $936,529. The Directors are currently involved in a number of discussions with third parties with a view to securing a funding facility of up to $10 million to finance the Group's generative and development program.

In the absence of these matters being successful, there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern with the result that the Group may have to realize its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts different from those stated in the financial statements. No adjustments for such circumstances have been made in the financial statements.

Reporting basis and conventions
The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies

(a) New Accounting Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Company has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 July 2013:

Reference	Title	Application date of standard	Application date for the Company
AASB 10	Consolidated Financial Statements	1 January 2013	1 July 2013
AASB 11	Joint Arrangements	1 January 2013	1 July 2013
AASB 12	Disclosure of Interests in Other Entities	1 January 2013	1 July 2013
AASB 13	Fair Value Measurements	1 January 2013	1 July 2013
AASB 2011-8	Amendments to Australian Accounting Standards arising from AASB 13	1 July 2013	1 July 2013
AASB 119	Employee Benefits (September 2011)	1 July 2013	1 July 2013
AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)	1 July 2013	1 July 2013
AASB 127	Separate Financial Statements (Revised)	1 July 2013	1 July 2013
AASB 128	Investments in Associates and Joint Ventures (Reissued)	1 July 2013	1 July 2013
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 July 2013	1 July 2013
AASB 2012-2	Amendments to Australian Accounting Standards – Disclosures - Offsetting Financial Assets and Financial Liabilities	1 July 2013	1 July 2013
AASB 2012-5	Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle	1 July 2013	1 July 2013
AASB 2012-10	Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments	1 July 2013	1 July 2013
AASB 2011-4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement	1 July 2013	1 July 2013

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ending 30 June 2014. The impact of the adoption of these new standards and interpretations is yet to be assessed by the Company.

The Company anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information of new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below.

Reference	Title	Application date of standard	Application date for the Company
AASB 9	Financial Instruments	1 January 2017	1 July 2017
AASB 14	Regulatory Deferral Accounts	1 January 2016	1 July 2017
AASB 2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities	1 January 2014	1 July 2014
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014	1 July 2014
AASB 2013-4	Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014	1 July 2014
AASB 2013-5	Amendments to Australian Accounting Standards – Investment Entities	1 January 2014	1 July 2014

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(b) Basis of Consolidation

The consolidated financial statements comprise the financial statements of DGR Global Ltd and its subsidiaries as at and for the period ended 30 June each year (the "Group").

Subsidiaries

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity 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. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by DGR Global Ltd are accounted for at cost in the separate financial statements of the parent entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues by the parent entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the parent will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or discount on acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(b) Basis of Consolidation (continued)

Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income where applicable. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint Arrangements

Joint Operations
The proportionate interests in the assets, liabilities and expenses of a joint operation activity have been incorporated in the financial statements under the appropriate headings.

Joint Ventures
Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends receivable from joint venture entities reduces the carrying amount of the investment.

Changes in Ownership Interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of DGR Global Ltd.

When the Group ceases to have control, or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(c) Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value through profit and loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured.

(d) Operating Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This may include start-up operations which are yet to earn revenues.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(e) Cash and Cash Equivalents

For the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(f) Trade and Other Receivables

Receivables generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor or debts more than 90 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(g) Financial Instruments

Recognition and Initial Measurement
Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

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 subsequently measured at amortised cost using the effective interest rate method.

(ii) *Financial assets at fair value through profit or loss*
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. These assets are measured at fair value with gains or losses recognised in the profit or loss.

(iii) *Available-for-sale financial assets*
Available-for-sale financial assets comprise investments in listed and unlisted entities and non-derivatives that are either designated in this category or not classified in any other categories. After initial recognition, these investments are measured at fair value with gains or losses recognised in other comprehensive income.

(iv) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Derecognition
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 derecognized 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 profit of loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(g) Financial Instruments (continued)

Impairment of financial assets
An assessment is made at each balance date to determine whether there is objective evidence that a specific financial asset or a group of financial assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined from available information such as quoted market prices or by calculating the net present value of future anticipated cash flows. In estimating these cash flows, management makes judgments about a counter-party's financial situation and the net realisable value of any underlying collateral. Impairment losses are recognised in the profit or loss.

Impairment losses on assets measured at amortised cost using the effective interest rate method are calculated by comparing the carrying value of the asset with the present value of estimated future cash flows at the original effective interest rate.

Where there is objective evidence that an available for sale financial asset is impaired (such as a significant or prolonged decline in the fair value of an available for sale financial asset) the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. When a subsequent event reduces the impairment of an available for sale debt security the impairment loss is reversed through profit or loss. When a subsequent event reduces the impairment of an available for sale equity instrument the fair value increased is recognised in other comprehensive income.

(h) Property, Plant & Equipment

Property, plant & equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant & equipment constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate portion of fixed and variable costs. 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 profit or loss during the financial year in which they are incurred.

Depreciation
The depreciable amount of all property, plant & equipment is depreciated over their 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.

The depreciation rates used for each class of assets are:

Class of property, plant & equipment	*Depreciation*
Freehold building	2.5% Straight line
Plant and equipment	10% -35% Straight line
Computers and office equipment	33.3% Straight line
Furniture and fittings	20% Straight line
Motor vehicles	25% Straight line

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(i) Exploration and Evaluation Assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

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

A provision is raised against exploration and evaluation assets where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. 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.

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

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

(j) Impairment of Assets

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

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.

(k) Trade and Other Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30-60 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(l) Provisions and Employee Benefits

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wages and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(m) Leases

Leases of property, plant & equipment where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Group are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the year.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(n) Share Capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

(o) Share-Based Payments

The Group may provide benefits to Directors, employees or consultants in the form of share-based payment transactions, whereby services may be undertaken in exchange for shares or options over shares ("equity-settled transactions").

The fair value of options granted to Directors, employees and consultants is recognised as an employee benefit expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the recipients become unconditionally entitled to the options. Fair value is determined using the Black-Scholes option pricing model. An expense is still recognised for options that do not ultimately vest because a market condition was not met.

Where the terms of options are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Where options are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to the profit or loss. If new options are substituted for the cancelled options and designated as a replacement, the combined impact of the cancellation and replacement options are treated as if they were a modification.

(p) Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Services
Management fees are recognised as services are provided.

Interest
Interest revenue is recognized as interest accrues using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

(q) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(q) Income Tax (continued)

Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in profit or loss except where it relates to items that may be recognised directly in other comprehensive income or equity, in which case the deferred tax is recognised in other comprehensive income or directly against equity respectively. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and unused tax losses can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

DGR Global Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. DGR Global Ltd is responsible for recognising the current tax assets and liabilities and deferred tax assets attributable to tax losses for the tax consolidation group. The tax consolidated group have entered a tax funding agreement whereby each company in the tax consolidation group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidation group.

(r) GST

Revenues, expenses and assets are recognised net of GST except where 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.

Receivables and payables 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.

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, are classified as operating cash flows.

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

(s) Borrowings

Loans and borrowings are initially recognised at the fair value of consideration received net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, the loans or borrowings are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(t) Earnings per Share

Basic earnings per share is calculated as net profit (loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(u) Comparatives

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

(v) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(w) 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 judgments – exploration & evaluation assets
The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to balance date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies (continued)

Accounting Policies (continued)

(w) Critical Accounting Estimates and Judgments (continued)

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2014, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for an impairment as noted in Accounting Standard AASB 6 “Exploration for and Evaluation of Mineral Resources”.

Exploration and evaluation assets at 30 June 2014 were $6,409,708 (2013: $5,249,390).

Key judgments – provision for restoration
A provision has been made for the anticipated costs for the future rehabilitation and restoration of the Mining Leases. The provision recognised is based on independent advice received from different parties. Changes to the provision is periodically reviewed and updated based on the facts and circumstances available at the time.

Key judgments – control of IronRidge Resources Ltd
DGR Global Ltd has assessed and determined that it controls IronRidge Resources Ltd. At 30 June 2014 DGR Global held 46% of the equity and voting rights of IronRidge Resources Ltd. DGR Global Ltd has determined that although it holds less than 50% of the voting rights it controls IronRidge Resources Ltd due to other factors including, other shareholdings in IronRidge Resources Ltd being widely dispersed with no other individual holding greater than 10% of the voting rights of the entity. Furthermore DGR Global Ltd and IronRidge Resources Ltd have two common directors being Mr Nicholas Mather and Mr Vincent Mascolo effectively controlling the IronRidge Resources Ltd Board of Directors consisting of a total of three directors.

Key judgments – impairment of available for sale financial assets
Management review the carrying value of available for sale financial assets at the end of each reporting period to assess whether there is any objective evidence that the available for sale financial assets are impaired as a result of a loss event that has an impact on the estimated future cash flows. As part of this review, management reviews the listed market prices at the reporting date and up to the date of signing the financial statements. Where the listed market prices have improved subsequent to reporting date, management have determined that, since there is no impact on the estimated future cash flows from the temporary drop in listed market prices, no loss event has taken place and thus no impairment charge is required in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 2. Revenue and Other Income

	2014 $	2013 $
Revenue		
- Interest	18,357	12,994
- Underwriting fees	-	28,000
- Management fees – related parties	1,239,000	1,492,297
Total Revenue	**1,257,357**	**1,533,291**
Interest revenue from:		
- Deposits held with financial institutions	18,357	12,994
Total Interest Revenue	**18,357**	**12,994**
Other income		
- Gain on loss of control of subsidiaries (refer note 32)	-	8,481
- Gain on sale of investments in associates	-	1,857,198
- Realised gain on loss of significant influence (refer note 13)	-	5,735,434
- Other income	8,100	36,772
Total other income	**8,100**	**7,637,885**

Note 3. Profit / (Loss)

Profit/(Loss) before income tax has been determined after:

	2014 $	2013 $
Finance costs		
- External	104,465	72,878
- Related parties	27,616	-
Total finance costs	**132,081**	**72,878**
Share based payments expense	1,175,756	-
Defined contributions superannuation expense	63,395	95,376
Minimum lease rentals under operating leases	431,609	500,078
(Gain)/loss on foreign exchange	274	(100)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

	2014 $	2013 $
Note 4. Income Tax		
(a) Components of tax expense/(benefit) in profit or loss comprise:		
Current tax	-	-
Deferred tax	(2,953,851)	1,146,113
	(2,953,851)	**1,146,113**
Components of tax expense/(benefit) in other comprehensive income comprise:		
Deferred tax	3,364,643	(1,801,493)
	3,364,643	**(1,801,493)**
(b) The prima facie tax on profit / (loss) before income tax is reconciled to the income tax expense/(benefit) as follows:		
Prima facie tax on profit / (loss) before income tax at 30% (2013: 30%)	(3,061,664)	(953,225)
Add tax effect of:		
Permanent differences	561,728	250,938
Deferred tax assets de-recognised	-	2,168,817
Other	751	-
	(2,499,186)	**1,466,530**
Less tax effect of:		
Prior year loss now recognised	(441,772)	-
Other	(12,893)	(320,417)
Income tax expense/(benefit)	**(2,953,851)**	**1,146,113**
Amounts recognised directly in equity:		
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:		
Current tax – credited directly to equity	-	-
Net deferred tax – debited (credited) directly to equity	(76,634)	-
	(76,634)	**-**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 4. Income Tax (continued)

(c) Recognised deferred tax assets and liabilities

2014	Opening balance $	Net charged to income $	Net charged to other comprehensive income $	Net charged to other equity $	Closing balance $
Deferred tax asset					
Carried forward tax losses	6,606,607	1,380,798	-	-	7,987,405
Accruals/provisions	179,838	(160,487)	-	-	19,351
Capital raising costs expensed	33,099	(2,556)	-	76,634	107,177
Investment in associates	107,302	248,390	-	-	355,692
AFS revaluation	2,226,114	(600)	(1,682,905)	-	542,609
	9,152,960	**1,465,546**	**(1,682,905)**	**76,634**	**9,012,235**
Deferred tax liability					
AFS revaluation	(2,508,442)	-	(1,681,737)	-	(4,190,179)
Investment in associates	(4,953,292)	1,463,475	-	-	(3,489,817)
Exploration and evaluation assets	(1,691,226)	92,427	-	-	(1,598,799)
Property Plant and Equipment	-	(67,599)	-	-	(67,599)
	(9,152,960)	**1,488,303**	**(1,681,737)**	**-**	**(9,346,393)**
Net deferred tax recognised	**-**	**2,953,850**	**(3,364,642)**	**76,634**	**(334,158)**
Deferred tax assets not recognised					
Unused tax losses	9,017,410	(2,127,832)	-	-	6,889,578
Tax benefit at 30%	**2,705,223**	**(638,350)**	**-**	**-**	**2,066,873**

2013	Opening balance $	Net charged to income $	Net charged to other comprehensive income $	Net charged to other equity $	Closing balance $
Deferred tax asset					
Carried forward tax losses	8,228,522	(1,621,915)	-	-	6,606,607
Accruals/provisions	227,018	(47,180)	-	-	179,838
Capital raising costs expensed	110,399	(77,300)	-	-	33,099
Capital raising costs in equity	25,958	(25,958)	-	-	-
Investment in associates	-	107,302	-	-	107,302
AFS revaluation	-	-	2,226,114	-	2,226,114
	8,591,897	**(1,665,051)**	**2,226,114**	**-**	**9,152,960**
Deferred tax liability					
AFS revaluation	424,621	(2,508,442)	(424,621)	-	(2,508,442)
Investment in associates	(7,431,824)	2,478,532	-	-	(4,953,292)
Exploration and evaluation assets	(2,240,074)	548,848	-	-	(1,691,226)
	(9,247,277)	**518,938**	**(424,621)**	**-**	**(9,152,960)**
Net deferred tax recognised	**(655,380)**	**(1,146,113)**	**1,801,493**	**-**	**-**
Deferred tax assets not recognised					
Unused tax losses	1,787,819	7,229,591	-	-	9,017,410
Tax benefit at 30%	**536,346**	**2,168,877**	**-**	**-**	**2,705,223**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 4. Income Tax (continued)

In order to recoup carried forward losses in future periods, either the Continuity of Ownership Test (COT) or Same Business Test must be passed. The majority of losses are carried forward at 30 June 2014 under COT.

Deferred tax assets which have not been recognised as an asset, will only be obtained if:

(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;

(ii) the Company continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the Company in realising the losses.

Note 5. Key Management Personnel

Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's Key Management Personnel for the year ended 30 June 2014. The totals of remuneration for Key Management Personnel during the year are as follows:

	2014 $	2013 $
Short-term employee benefits	1,927,712	1,625,206
Post-employment benefits	33,148	45,115
Share-based payments	1,115,562	-
Total	**3,076,422**	**1,670,321**

Note 6. Dividends and Franking Credits

There were no dividends paid or recommended during the year or since the end of the year. There are no franking credits available to shareholders of the Company.

	2014 $	2013 $
Note 7. Auditors Remuneration		
Amounts paid/payable to the auditor of the parent of the Group for:		
Audit and review of the financial reports of the Group	119,184	115,309
Other assurance related services (investigating accountants report)	9,800	1,900
Taxation services	7,783	39,510
	136,767	**156,719**

Note 8. Earnings per Share (EPS)

(a) Earnings	2014	2013
Earnings used to calculate basic and diluted earnings per share	(5,902,417)	(3,051,538)

	Number of Shares	Number of Shares
(b) Weighted average number of shares		
Used in calculating basic EPS	403,346,017	324,805,584
Weighted average number of dilutive options	-	-
Weighted average number of ordinary shares and potential ordinary shares, used in calculating dilutive EPS	403,346,017	324,805,584

Options are not considered dilutive as they were out of the money. Options may become dilutive in the future.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

	2014 $	2013 $
Note 9. Cash and Cash Equivalents		
Cash at bank and in hand	37,186	51,972
Short term deposits	-	-
	37,186	**51,972**

Reconciliation to cash at the end of the year
The above figures are reconciled to cash at the end of the year as shown in the statement of cash flows as follows:

	2014 $	2013 $
Cash at bank and in hand	37,186	51,972
Bank overdraft (refer note 18)	(242,343)	(200,027)
	(205,157)	**(148,055)**

	2014 $	2013 $
Note 10. Trade and Other Receivables		
Trade receivables	374,983	164,727
GST receivable	84,869	88,122
	459,852	**252,849**

The receivables were not exposed to foreign exchange risk. No receivables were impaired at 30 June 2014 (2013: nil).

Past due receivables were as follows:

	2014			2013		
	Total $	Amount Impaired $	Amount not impaired $	Total $	Amount Impaired $	Amount not impaired $
Not past due	374,983	-	374,983	164,727	-	164,727
Past due 30 days	-	-	-	-	-	-
Past due 30-45 days	-	-	-	-	-	-
Past due 45-60 days	-	-	-	-	-	-
Past due >60 days	-	-	-	-	-	-
Total	**374,983**	**-**	**374,983**	**164,727**	**-**	**164,727**

All receivables that are neither past due nor impaired are with long standing clients who have a good credit history with the entity.

Note 11. Other Financial Assets

Non-Current	2014 $	2013 $
Available for sale financial assets (refer below)	20,263,903	8,928,874
Cash on deposit held as security	314,000	314,000
Security bonds	386,959	443,827
	20,964,862	**9,686,701**
Movements in available for sale financial assets		
Opening balance at 1 July	8,928,874	2,445,875
Additions	119,553	882,000
Additions – reclassification on loss of significant influence from investments accounted for using the equity method recognised at fair value	-	5,870,543
Fair value adjustment on initial recognition as available for sale financial asset	-	5,735,434
Disposal of available for sale financial assets on loss of control of subsidiary	-	-
Sale of available for sale financial assets	-	-
Fair Value adjustment through other comprehensive income	11,215,476	(6,004,978)
	20,263,903	**8,928,874**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 11. Other Financial Assets (continued)

Available for sale financial assets comprise an investment in the ordinary issued capital of SolGold plc, listed on the London Stock Exchanges Alternative Investment Market ("AIM"), an investment in the ordinary issued capital of Lions Gate Metals Inc, listed on the Toronto Stock Exchange ("TSX"), an investment in the ordinary issued capital of Orbis Gold Ltd, a company listed on the Australian Securities Exchange and an investment in the ordinary issued capital of Aus Tin Mining Ltd (formerly AusNiCo Ltd), a company listed on the Australian Securities Exchange.

Cash on deposit held as security is held in a term deposit account restricted under a bond with the Department of Natural Resources and Mining as security for rehabilitation works required.

Security bonds are held with the Department of Natural Resources and Mining as security for rehabilitation works required.

Refer to note 31 for fair value disclosures.

Note 12. Controlled Entities and Transactions with Non-Controlling Interests

(a) Controlled Entities	Country of Incorporation	Principle Activity	Principle place of business	Percentage Owned (%)	
				2014	2013
Parent entity:					
DGR Global Ltd	Australia	Mineral Exploration	Australia		
Subsidiaries of DGR Global Ltd:					
AimFire Pty Ltd [1]	Australia	Mineral Exploration	Australia	67%	67%
Archer Resources Ltd[1]	Australia	Mineral Exploration	Australia	67%	67%
Barlyne Mining Pty Ltd[1]	Australia	Mineral Exploration	Australia	67%	67%
Coolgarra Minerals Pty Ltd	Australia	Mineral Exploration	Australia	100%	100%
Eastern Exploration Pty Ltd[2]	Australia	Mineral Exploration	Australia	46%	54%
Hartz Rare Earths Pty Ltd	Australia	Mineral Exploration	Australia	100%	100%
IronRidge Resources Ltd[2]	Australia	Mineral Exploration	Australia	46%	54%
IronRidge Botswana Pty Ltd [2]	Botswana	Mineral Exploration	Botswana	46%	54%
IronRidge Gabon S.A. [2]	Gabon	Mineral Exploration	Gabon	46%	54%
Pinnacle Gold Pty Ltd	Australia	Mineral Exploration	Australia	94%	94%
Quiver Coal Pty Ltd[2]	Australia	Mineral Exploration	Australia	46%	54%
Tinco Pty Ltd	Australia	Mineral Exploration	Australia	100%	92%

[1] Archer Resources Ltd is the immediate parent of Barlyne Mining Pty Ltd and AimFire Pty Ltd. These companies are wholly owned and directly held by Archer Resources Ltd and indirectly by DGR Global Ltd.
[2] IronRidge Resources Ltd is the immediate parent of Eastern Exploration Pty Ltd, IronRidge Botswana Pty Ltd, IronRidge Gabon S.A. and Quiver Coal Pty Ltd. These companies are wholly owned and directly held by IronRidge Resources Ltd and indirectly by DGR Global Ltd. Refer to Note 1(v) for the significant assumptions and judgments taken in determining control.

(b) Transactions with Non-Controlling Interests

The effect of changes in the ownership interest of the above subsidiaries (for which control was not lost) on the equity attributable to owners of DGR Global Ltd during the year is summarised as follows:

	2014 $	2013 $
Proceeds received from issue of shares to non-controlling interests net of costs	1,899,124	775,769
Increase in non-controlling interests share of subsidiary net assets	(1,013,556)	(227,471)
Excess of consideration received recognised in the change in proportionate interest reserve	**885,568**	**548,298**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 12. Controlled Entities and Transactions with Non-Controlling Interests (continued)

(c) Summarised financial information

Summarised financial information of the subsidiaries with non-controlling interests that are material to the consolidated entity is set out below:

Archer Resources Ltd – Non-controlling interest 33% (2013 – 33%)	2014 $	2013 $
Summarised statement of financial position		
Current assets	11,374	27,996
Non-current assets	1,643,239	2,009,736
Total assets	1,654,613	2,037,732
Current liabilities	233,014	218,882
Non-current liabilities	945,650	1,022,971
Total liabilities	1,178,664	1,241,853
Net assets	475,949	795,879
Summarised statement of profit or loss and other comprehensive income		
Revenue	4	15,045
Expenses	(319,935)	(3,496,408)
Profit(loss) before income tax expense	(319,931)	(3,481,363)
Income tax (expense)/benefit	-	375,238
Profit(loss) after income tax expense	(319,931)	(3,106,108)
Other comprehensive income	-	-
Total comprehensive income	(319,931)	(3,106,108)
Statement of cash flows		
Net cash used in operating activities	(2,927)	(46,225)
Net cash used in investing activities	(53,417)	(306,765)
Net cash from financing activities	56,788	260,398
Net increase/(decrease) in cash and cash equivalents	444	(92,592)
Other financial information		
Profit (loss) attributable to non-controlling interests	(106,642)	(1,160,437)
Accumulated non-controlling interests at the end of reporting period	(489,895)	(383,252)
Dividends paid to non-controlling interests	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 12. Controlled Entities and Transactions with Non-Controlling Interests (continued)

(c) Summarised financial information (continued)

IronRidge Resources Ltd - Non-controlling interest 54% (2013: 46%)	2014 $	2013 $
Summarised statement of financial position		
Current assets	443,499	32,451
Non-current assets	1,664,929	1,104,866
Total assets	2,108,428	1,137,317
Current liabilities	1,303,036	186,180
Non-current liabilities	-	-
Total liabilities	1,303,036	186,180
Net assets	805,392	951,137
Summarised statement of profit or loss and other comprehensive income		
Revenue	2,221	1,811
Expenses	(2,589,250)	(986,423)
Profit (loss) before income tax expense	(2,587,029)	(984,612)
Income tax expense	-	-
Profit (loss) after income tax expense	(2,587,029)	(984,612)
Other comprehensive income	-	-
Total comprehensive income	(2,587,029)	(984,612)
Statement of cash flows		
Net cash used in operating activities	(566,998)	(361,217)
Net cash used in investing activities	(463,256)	(476,282)
Net cash from financing activities	1,028,194	653,029
Net increase/(decrease) in cash and cash equivalents	(2,061)	(184,470)
Other financial information		
Profit (loss) attributable to non-controlling interests	(1,242,388)	(373,251)
Accumulated non-controlling interests at the end of reporting period	182,726	411,558
Dividends paid to non-controlling interests	-	-

There are no significant restrictions on the ability of DGR Global Ltd to access the assets of the subsidiaries with non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 13. Investments Accounted for Using the Equity Method

Name	Country of incorporation and principle place of business	Principle Activity	Shares	Ownership Interest		Carrying Amount	
				2014 %	2013 %	2014 $	2013 $
Armour Energy Ltd	Australia	Oil & Gas Exploration	ORD	25%	25%	11,632,748	16,511,000
Navaho Gold Ltd	Australia	Mineral Exploration	ORD	21%	28%	179,391	982,357
						11,812,139	**17,493,357**

(A) Movements during the year in equity accounted investments	2014 $	2013 $
Balance at beginning of year	17,493,357	28,968,765
Additional investment	25,000	411,679
Sale of investment	-	(1,422,818)
Share of associates losses after income tax	(1,980,254)	(693,988)
Impairment	(3,725,964)	(3,899,738)
Reclassification on loss of significant influence to available for sale financial assets – derecognised carrying amount	-	(5,870,543)
Balance at end of year	**11,812,139**	**17,493,357**

Impairment relates to the investments in Navaho Gold Ltd and Armour Energy Ltd. On initial recognition the share price of Navaho Gold Ltd and Armour Energy Ltd was $0.20 and $0.50, respectively. At 30 June 2014 the share price of Navaho Gold Ltd and Armour Energy Ltd had fallen to $0.003 and $0.155, respectively. On this basis the investments in the associates has been written down to fair value, less costs to sell.

During the year ended 30 June 2013, DGR Global Ltd's investments in Aus Tin Mining Ltd and Orbis Gold Ltd fell below 20%. Accordingly, the Company having lost significant influence, reclassified its investments in these entities from investments accounted for using the equity method to available for sale financial assets. The carrying value of the investments at the date of loss of significant influence was $5,870,543. The fair value, based on the ASX quoted bid prices, of the retained investments was $11,605,977. In accordance with accounting standard AASB 128, *Investments in Associates*, the difference between fair value and carrying value was recognised as a gain of $5,735,434 in profit or loss.

(B) Fair value of investments in associates with published price quotations	2014 $	2013 $
Fair Value of investment in Armour Energy Ltd	11,632,748	16,511,000
Fair Value of investment in Navaho Gold Ltd	179,391	982,357
	11,812,139	**17,493,357**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 13. Investments Accounted for Using the Equity Method (continued)

(C) Summarised financial information of associates

The results of the Group's associates and its aggregated assets (including goodwill) and liabilities are as follows:

	Ownership interest %	Current assets $	Non-current assets $	Current liabilities $	Non-current liabilities $	Revenues $	Profit/loss $	Other comprehensive income
2014								
Armour Energy Ltd	25%	8,052,222	77,860,898	688,069	2,799,721	1,939,917	(1,694,418)	-
Navaho Gold Ltd	21%	27,914	2,028,200	521,130	5,538	1,448	(3,983,395)	-
		8,080,136	**79,889,098**	**1,209,199**	**2,805,259**	**1,941,365**	**(5,677,813)**	**-**
2013								
Armour Energy Ltd	25%	40,284,245	53,668,331	9,101,674	24,334	4,785,368	1,579,900	-
Navaho Gold Ltd	28%	93,666	4,915,803	329,574	-	18,921	(3,566,999)	-
		40,377,911	**58,584,134**	**9,431,248**	**24,334**	**4,804,289**	**(1,987,099)**	**-**

(d) Reconciliation of the carrying amount of the Group's investment in associates

	Armour Energy Ltd		Navaho Gold Ltd	
	2014 $	2013 $	2014 $	2013 $
Opening carrying amount	16,511,000	20,638,750	982,357	405,791
Share of profits (loss) after tax	(1,125,210)	798,579	(855,044)	(1,005,300)
Additional investment	-	-	25,000	411,679
Impairment	(3,753,042)	(4,926,129)	27,078	1,170,187
Closing carrying amount	**11,632,748**	**16,511,000**	**179,391**	**982,357**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 14. Property Plant and Equipment

	2014 $	2013 $
Land at cost	385,000	385,000
Freehold building at cost	62,975	59,889
Accumulated depreciation	(26,872)	(25,354)
	36,103	34,535
Plant and equipment at cost	381,912	363,857
Accumulated depreciation	(330,454)	(317,373)
	51,458	46,484
Site infrastructure at cost	2,443,532	2,443,532
Accumulated depreciation	(2,443,532)	(2,443,532)
	-	-
Motor vehicles at cost	25,082	60,678
Accumulated depreciation	(25,082)	(40,959)
	-	19,719
Computers and office equipment at cost	151,856	149,330
Accumulated depreciation	(142,553)	(129,989)
	9,303	19,341
Furniture and fittings at cost	90,099	90,099
Accumulated depreciation	(26,180)	(13,620)
	63,919	76,479
	545,783	**581,558**

Movements in carrying amounts

2014	Land $	Freehold Building $	Plant & Equipment $	Motor Vehicles $	Computers & office equipment $	Furniture & Fittings $	Total $
Balance at the beginning of the year	385,000	34,535	46,484	19,719	19,342	76,478	581,558
Additions	-	3,086	18,055	-	2,526	-	23,667
Disposals	-	-	-	(19,114)	-	-	(19,114)
Depreciation expenses	-	(1,518)	(13,081)	(605)	(12,564)	(12,560)	(40,328)
Carrying amount at the end of the year	**385,000**	**36,103**	**51,458**	**-**	**9,304**	**63,918**	**545,783**

2013	Land $	Freehold Building $	Plant & Equipment $	Motor Vehicles $	Computers & office equipment $	Furniture & Fittings $	Total $
Balance at the beginning of the year	385,000	35,779	45,148	29,798	30,851	1,327	527,903
Additions	-	250	13,802	-	2,539	82,651	99,242
Disposals	-	-	-	-	-	-	-
Depreciation expenses	-	(1,494)	(12,466)	(10,079)	(14,048)	(7,500)	(45,587)
Carrying amount at the end of the year	**385,000**	**34,535**	**46,484**	**19,719**	**19,342**	**76,478**	**581,558**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 14. Property Plant and Equipment (continued)

Assets Pledged as Security

Motor Vehicles include the following amounts where the assets are secured under a finance lease:

	2014 $	2013 $
Leased Motor Vehicles		
Cost	-	35,596
Accumulated Depreciation	-	(15,877)
	-	**19,719**

Note 15. Exploration and Evaluation Assets

Exploration and evaluation assets	**6,409,708**	**5,249,390**
Movements in carrying amounts		
Balance at the beginning of the year	5,249,390	7,466,917
Additions	1,287,999	1,723,761
Assets disposed on disposal of subsidiary (refer Note 31)	-	(42,977)
Written-off	(127,681)	(3,898,311)
Carrying amount at the end of the year	**6,409,708**	**5,249,390**

The exploration and evaluation assets written off during the year are as a result of the total abandonment of certain areas of tenure. The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

Note 16. Other Assets	2014 $	2013 $
Prepayments	**387,033**	**170**

Note 17. Trade and Other Payables

Current		
Trade payables	2,132,252	903,849
Sundry payables and accrued expenses	225,927	215,657
Employee benefits	87,121	94,961
	2,445,300	**1,214,467**

Trade and other payables are non-interest bearing and are generally on 30-60 day terms.

Note 18. Other Financial Liabilities

Current		
Bank overdraft	242,343	200,027
Lease Liabilities – Secured	3,789	16,109
Borrowings – Director loans	700,000	-
	946,132	**216,136**
Non-Current		
Lease Liabilities – Secured	-	11,585
Borrowings – convertible notes	444,487	405,301
	444,487	**416,886**

The bank overdraft was secured by 5,000,000 of DGR Global Ltd's shares in Orbis Gold Ltd and repayable in full by 31 August 2014. It was subsequently paid in full after 30 June 2014.

Lease liabilities are secured over the leased assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 18. Other Financial Liabilities (continued)

Director Loans

On 28 February 2014, an entity associated with DGR Global Chairman Mr Bill Stubbs provided a secured loan for $500,000 at an interest rate of 12% per annum. The loan is secured by 2,816,901 Orbis Gold Ltd shares and is repayable by 1 October 2014. A total of $24,658 interest was accrued and paid during the year ended 30 June 2014.

On 5 March 2014, an entity associated with DGR Global CEO and Managing Director Mr Nicholas Mather provided a secured loan for $200,000 at an interest rate of 12% per annum. The loan is secured by 1,126,760 Orbis Gold Ltd shares and is repayable by 1 October 2014. A total of $7,890 interest was accrued and paid during the year ended 30 June 2014.

Convertible Notes

DGR Global Ltd issued 500,000 $1.00 convertible notes to raise $500,000 on 16 November 2012. The notes are convertible to ordinary shares in DGR Global or into a basket of shares in listed unencumbered entities held by DGR Global (calculated based on the proportional value of the basket of shares held by DGR), at the Noteholder's election up until 16 July 2015. The number of shares to be converted will be dependent on the conversion price, which is the higher of $0.12 or 8% of the last published net tangible asset value of DGR's investments. If the Noteholder elects to convert into a basket of shares, the proportional value of the basket will be determined by the 5 day VWAP of the listed unencumbered shares. The convertible notes are presented in the balance sheet as follows:

Face value of notes issued	500,000	500,000
Derivative liability – fair value initially recognised	(117,557)	(117,557)
	382,443	382,443
Accretion of interest expense	62,044	22,858
	444,487	**405,301**
Derivative liability		
Fair value initially recognised	117,557	117,557
Fair value movement to 30 June	(88,577)	(94,640)
	28,980	**22,917**

Note 19. Provisions - Non-current

	2014 $	2013 $
Site restoration	**600,000**	**600,000**

The Group has conducted an extensive review of the environmental status of the Mining Leases with a view to making an assessment of the appropriate provision it should make for liabilities in respect of rehabilitation and restoration. In the course of this exercise, advice was received from different parties providing estimations on the potential costs for future rehabilitation and restoration. Based on this information, the Group has provided in respect of these restoration liabilities to $600,000.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 20. Issued Capital	2014 $	2013 $
412,162,815 (30 June 2013: 331,059,886) fully paid ordinary shares	25,193,291	23,147,450
Share issue costs	(1,194,068)	(1,055,270)
	23,999,223	**22,092,180**

Ordinary shares participate in dividends and the proceeds on winding up the Company. At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on show of hands.

There is no par value or authorised capital.

(a) Ordinary Shares	2014 Number	2013 Number	2014 $	2013 $
At 1 July	331,059,886	324,202,760	23,147,450	22,907,450
29 May 2013[1]	-	6,857,126	-	240,000
29 July 2013[2]	1,172,580	-	29,315	-
6 August 2013[3]	65,039,411		1,625,985	-
7 August 2013[4]	12,021,658	-	300,541	-
30 August 2013[5]	1,709,146	-	60,000	-
6 March 2014[6]	1,160,134	-	30,000	-
At 30 June	**412,162,815**	**331,059,886**	**25,193,291**	**23,147,450**

[1] On 29 May 2013, 6,857,126 $0.035 ordinary shares were issued pursuant to a share purchase plan.
[2] On 29 July 2013, 1,172,580 $0.025 ordinary shares were issued to Ord Minett Limited as nominee for ineligible holders pursuant to the Non Renounceable Rights Issue.
[3] On 6 August 2013, 65,039,411 $0.025 ordinary shares were issued to eligible holders pursuant to the fully-subscribed Non Renounceable Rights Issue. Of the 65,039,411 shares issued, 59,451,167 shares were issued for cash and 5,588,244 shares were issued for debt conversions.
[4] On 7 August 2013, 12,021,658 $0.025 ordinary shares were issued pursuant to a private placement.
[5] On 30 August 2013, 1,709,146 ordinary shares at an average price of $0.035 (based on 80% of the 5 day VWAP of DGR shares) were issued to the convertible note holder for conversion of interest payable for the period 16 November 2012 to 16 November 2013.
[6] On 6 March 2014 1,160,134 ordinary shares at an average price of $0.026 (based on 80% of the 5 day VWAP of DGR shares) were issued to the convertible note holder for conversion of interest payable for the period 16 November 2013 to 15 May 2014.

(b) Options

As at 30 June 2014, there were 32,934,838 unissued ordinary shares of DGR Global Ltd under option, held as follows:

Options on Issue in DGR Global Ltd	Number	Exercise Price	Expiry
Unlisted employee options	300,000	$0.28	28/02/15
Unlisted employee options	5,000,000	$0.28	24/04/15
Unlisted underwriter options	4,634,838	$0.06	01/10/14
Unlisted Director options	12,000,000	$0.12	30/11/16
Unlisted employee options	11,000,000	$0.12	29/05/17

(c) Capital Management

Management controls the capital of the Group in order to provide capital growth to shareholders and ensure the Group can fund its operations and continue as a going concern. The Group's capital comprises equity as shown on the statement of financial position. There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risk and adjusting its capital structure in response to changes in these risks and the market. These responses include the management of share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 21. Reserves

Nature and Purpose of Reserves

(i) Share-based Payments Reserve

The share-based payments reserve is used to recognise the grant date fair value of options issued to employees and other service providers.

(ii) Change in Proportionate Interest Reserve

The change in proportionate interest reserve is used to recognise differences between the amount by which non-controlling interests are adjusted and any consideration paid or received which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

(iii) Available-for-Sale Financial Assets Reserve

Changes in the fair value of investments, such as equities, classified as available-for-sale financial assets, are recognised in other comprehensive income, as described in note 1(g) and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

Movements in the available-for-sale financial assets reserve are as follows:

	2014 $	2013 $
Balance 1 July	(5,194,269)	(990,784)
Revaluation – gross	11,215,476	(6,004,978)
Deferred tax	(3,364,643)	1,801,493
Reclassification adjustments arising on disposal	-	-
Deferred tax	-	-
	2,656,564	**(5,194,269)**

Note 22. Accumulated Losses

	2014 $	2013 $
Accumulated losses attributable to members of DGR Global Ltd at beginning of the financial year	(9,166,699)	(6,115,161)
Profit/(loss) for the year	(5,902,417)	(3,051,538)
Accumulated losses attributable to members of DGR Global Ltd at the end of the financial year	**(15,069,116)**	**(9,166,699)**

Note 23. Commitments for Expenditure

(a) Future Exploration

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group.

The commitments to be undertaken are as follows:	2014 $	2013 $
Payable within one year	10,056,990	3,922,879
Payable between one and five years	11,573,000	5,873,600
	21,629,990	**9,796,479**

To keep the exploration permits in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Group has the option to negotiate new terms or relinquish the tenements. The Group also has the ability to meet expenditure requirements by joint venture or farm in agreements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 23. Commitments for Expenditure (continued)

(b) Lease Expenditure Commitments

Operating Leases (non-cancellable)	2014 $	2013 $
Minimum lease payments		
- Not later than one year	418,498	402,402
- Later than one year and not later than five years	1,848,223	1,777,137
- Later than five years	-	489,584
	2,266,721	**2,669,123**

Operating leases relate to office premises. The terms of the operating leases range from 1 year to 7 years with options to renew.

Finance Leases	2014 $	2013 $
Minimum lease payments		
- Not later than one year	3,991	18,830
- Later than one year and not later than five years	-	12,127
- Later than five years	-	-
Total minimum lease payments	3,991	30,956
- Future finance charges	(202)	(3,262)
Lease liability	**3,789**	**27,694**
- Current liability	3,789	16,109
- Non-current liability	-	11,585
	3,789	**27,694**

Note 24. Contingent Liabilities

The Directors are not aware of any contingent assets and liabilities at 30 June 2014.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 25. Share-Based Payments

DGR Global Ltd Options

On 2 December 2013, 12,000,000 DGR Global Ltd share options were granted to Directors under the Employee Share Option Plan and following approval granted by shareholders. The options are to take up one ordinary share in DGR Global at a price of 12 cents each. The options vested immediately and are due to expire on 30 November 2016. A value of $190,295 was calculated using the Black Scholes valuation methodology (refer below).

On 29 May 2014, 11,000,000 DGR Global Ltd share options were granted to employees under the Employee Share Option Plan. The options are to take up one ordinary share in DGR Global at a price of 12 cents each. The options vested immediately and are due to expire on 29 May 2017. A value of $195,800 was calculated using the Black Scholes valuation methodology (refer below).

On 2 October 2013 4,634,838 DGR Global Ltd share options were granted to Mather Investments Pty Ltd, an entity associated with Nicholas Mather (a Director), as part consideration for underwriting the Group's Non Renounceable Rights Issue. The options are to take up one ordinary share in DGR Global at a price of 6 cents each. The options vested immediately and are due to expire on 1 October 2014. A value of $48,820 was calculated using the Black Scholes valuation methodology (refer below).

Movements in a number of options are as follows:

	2014		2013	
	No. of Options	Weighted average exercise price $	No. of Options	Weighted average exercise price $
Outstanding at the beginning of the year	32,550,000	$0.28	33,300,000	$0.28
Granted	27,634,838	$0.11	-	-
Forfeited	-	-	(750,000)	$0.28
Exercised	-	-	-	-
Expired	(27,250,000)	$0.28	-	-
Outstanding at year-end	32,934,838	$0.14	32,550,000	$0.28
Exercisable at year-end	32,934,838	$0.14	32,550,000	$0.28

The weighted average exercise price of options outstanding at the end of the year was $0.14 (2013: $0.28).

The weighted average remaining contractual life of the options was 2.31 years (2013: 0.7 years).

All options on issue will settle for one share each when exercised. There are no vesting conditions attached to the options.

IronRidge Resources Ltd Options

On 31 January 2014, 13,270,000 IronRidge Resources Ltd share options were granted to Directors and employees under the Employee Share Option Plan. The options are to take up one ordinary share in IronRidge Resources at a price of 25 pence. The options vested immediately and are due to expire on 31 December 2017. A value of $171,711 was calculated using the Black Scholes valuation methodology (refer below).

	2014		2013	
	No. of Options	Weighted average exercise price $	No. of Options	Weighted average exercise price $
Outstanding at the beginning of the year	-	-	-	-
Granted	13,270,000	£0.25	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year-end	13,270,000	£0.25	-	-
Exercisable at year-end	13,270,000	£0.25	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 25. Share-Based Payments (continued)

IronRidge Resources Ltd Shares

During the year ended 30 June 2014, IronRidge Resources, a 46% owned subsidiary, issued 8,060,000 shares to directors and key management personnel totaling $617,950. No such share issues occurred during the year ended 30 June 2013.

Archer Resources Ltd Options

There were no options issued in Archer Resources during the year (2013: nil).

Movements in the number of options are as follows:

	2014		2013	
	No. of Options	Weighted average exercise price $	No. of Options	Weighted average exercise price $
Outstanding at the beginning of the year	8,100,000	$0.20	12,000,000	$0.20
Granted	-	-	-	-
Forfeited	(300,000)	$0.20	(3,900,000)	$0.20
Exercised	-	-	-	-
Expired	(7,500,000)	$0.20	-	-
Outstanding at year-end	300,000	$0.20	8,100,000	$0.20
Exercisable at year-end	300,000	$0.20	8,100,000	$0.20

The exercise price of options outstanding at the end of the year was $0.20 (2013: $0.20). The weighted average remaining contractual life of the options was 0.5 years (2013: 1.5 years).

All options on issue will settle for one share each when exercised. There are no vesting conditions attached to the options.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 25. Share-Based Payments (continued)

Fair Value

The fair values of options granted in 2014 were calculated by using a Black-Scholes options pricing model applying the following inputs (there were no options granted during 2013):

DGR Global Ltd:

	DGR Global Ltd ESOP	DGR Global Ltd Underwriter Options
Weighted average exercise price	$0.12	$0.06
Weighted average life of the option	3.0 years	1 year
Underlying share price	$0.031 -$0.032	$0.044
Expected share price volatility	119.9% - 134.19%	85%
Risk free interest rate	2.79% - 3.06%	2.82%
Number of options issued	23,000,000	4,634,838
Fair value (black-scholes) per option	$0.0159 - $0.018	$0.0105
Total value of options issued	**$386,095**	**$48,820**

IronRidge Resources Ltd:

	IronRidge Resources Ltd ESOP
Weighted average exercise price	£0.25
Weighted average life of the option	3.92 years
Underlying share price	£0.042
Expected share price volatility	72.736%
Risk free interest rate	1.78%
Number of options issued	13,270,000
Fair value (black-scholes) per option	£0.007
Total value of options issued	**$171,711**

Historical volatility has been the basis for determining expected volatility. The life of the options is based on the term to expiry.

Reconciliation of Reserve Movements

	2014 $	2013 $
Opening balance at 1 July	5,661,995	5,661,995
Total share issue costs recognised in equity	48,820	-
Total share-based payments expense	557,806	-
Closing balance at 30 June	**6,268,621**	**5,661,995**

Reconciliation of share based payments expense

	2014 $	2013 $
DGR Global Ltd options	386,095	-
IronRidge Resources options	171,711	-
IronRidge Resources shares	617,950	-
Total share base payments expense	**1,175,756**	**-**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 26. Related Party Disclosures

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

(a) Parent and ultimate controlling entity

(i) The parent entity and ultimate controlling entity is DGR Global Ltd which is incorporated in Australia. The names and other information about subsidiaries are provided in Note 12.

(b) Transactions

(i) DGR Global Ltd has a commercial agreement with SolGold Plc, for the provision of Services. In consideration for the provision of the Services, Solgold Plc pays DGR Global Ltd a monthly management fee. For the year ended to 30 June 2014 $264,000 (2013: $352,000) was paid or payable to DGR Global Ltd for the provision of the Services. The total amount receivable at year end was nil (2013: $24,915).

(ii) DGR Global Ltd has a commercial agreement with Navaho Gold Ltd for the provision of resources and services including the provision of administration and exploration staff, its premises (for the purposes of conducting business operations), use of existing office furniture, equipment and certain stationery, together with general telephone, reception and other office facilities (‘‘Services’’). In consideration for the provision of the Services, Navaho Gold Ltd pays DGR Global Ltd a monthly management fee. For the year ended 30 June 2014 $300,000 was paid or payable to DGR Global (2013: $300,000) for the provision of the Services. The total amount receivable at year end was $165,000 (2013: $10,000).

(iii) DGR Global Ltd has a commercial agreement with Aus Tin Mining Ltd for the provision of Services. In consideration for the provision of the Services, Aus Tin Mining Ltd pays DGR Global Ltd a monthly management fee. For the year ended to 30 June 2014 $192,000 (2013: $205,325) was paid or payable to DGR Global Ltd for the provision of the Services. The total amount receivable at year end was $128,000 (2013: $73,927).

(iv) DGR Global Ltd has a commercial agreement with Armour Energy Ltd for the provision of Services. In consideration for the provision of the Services, Armour Energy Ltd pays DGR Global Ltd a monthly management fee. For the year ended 30 June 2014 $483,000 (2013: $544,500) was paid or payable to DGR Global for the provision of the Services. The total amount receivable at year end was nil (2013: $100).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 27 Operating Segments

Segment information

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.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

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, being 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) Inter-segment transactions
Corporate charges are allocated to segments based on the segments' overall proportion of overhead expenditure within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

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

(d) Unallocated items
The following items of revenue, expenses and assets are not allocated to operating segments as they are not considered part of the core operations of any segment:

- impairment of assets and other non-recurring items of revenue or expense
- income tax expense
- current and deferred tax

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 27. Operating Segments (continued)

Segment reporting

The Group reports information to the Board of Directors along company lines. That is, the financial position of DGR and each of its subsidiary companies is reported discreetly, together with an aggregated Group total. Accordingly, each company within the Group that meets or exceeds the relevant threshold tests is separately disclosed below. The financial information of the subsidiaries that do not exceed the relevant thresholds outlined above, and are therefore not reported separately, is aggregated and disclosed as Other.

30 June 2014	DGR Global $	Archer $	IronRidge $	Others $	Total $
Segment Performance					
Revenue					
External revenue	1,247,100	-	-	-	1,247,100
Interest revenue	16,130	4	2,221	2	18,357
Inter-segment revenue	941,645				941,645
Total segment revenue	2,204,875	4	2,221	2	**2,207,102**
Reconciliation of segment revenue to Group revenue					
Elimination of intersegment revenue					(941,645)
Total Group revenue					**1,265,457**
Segment net profit (loss) before tax	(1,585,765)	(319,931)	(2,587,028)	(6,605)	**(4,499,329)**
Reconciliation of segment result to Group net profit (loss) before tax					
Impairment of investment in associate					(3,725,964)
Share losses of associates					(1,980,254)
Net profit (loss) before tax					**(10,205,547)**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 27. Operating Segments (continued)

30 June 2013	DGR Global $	Archer $	IronRidge $	Others $	Total $
Segment Performance					
Revenue					
External revenue	1,520,297	-	-	-	1,520,297
Interest revenue	11,042	61	1,811	80	12,994
Inter-segment revenue	730,148				730,148
Total segment revenue	2,261,488	61	1,811	80	**2,263,440**
Reconciliation of segment revenue to Group revenue					
Elimination of intersegment revenue					(730,148)
Total Group revenue					**1,533,291**
Segment net profit (loss) before tax	399,642	(3,483,382)	(984,064)	(259,832)	(4,327,636)
Reconciliation of segment result to Group net profit (loss) before tax					
Impairment of investment in associate					(3,899,738)
Gain on loss of control of subsidiary					8,481
Gain on loss of significant influence					5,735,465
Share losses of associates					(693,988)
Recycling adjustment on disposal of available for sale financial asset					-
Net profit (loss) before tax					**(3,177,416)**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 27 Operating Segments (continued)

30 June 2014	DGR Global $	Archer $	IronRidge $	Others $	Total $
(ii) Segment Assets					
Reconciliation of segment assets to Group assets	43,407,793	1,663,912	2,137,582	371,779	47,581,066
Inter-segment receivables and investments eliminated					(6,964,503)
Total Group Assets					40,616,563
Segment asset additions for the period					
- Exploration and evaluation assets	350,630	114,225	579,520	243,624	1,287,999
- Property, plant and equipment	23,667	-	-	-	23,667
- Investments accounted for using the equity method	25,000	-	-	-	25,000
- Investments in available for sale financial assets	119,553	-	-	-	119,553

30 June 2013	DGR Global $	Archer $	IronRidge $	Others $	Total $
(ii) Segment Assets	36,015,827	1,586,284	1,157,466	181,956	38,941,533
Reconciliation of segment assets to Group assets					
Inter-segment receivables and investments eliminated					(5,625,536)
Total Group Assets					33,315,997
Segment asset additions for the period					
- Exploration and evaluation assets	640,396	453,888	442,376	187,102	1,723,762
- Property, plant and equipment	99,242	-	-	-	99,242
- Investments accounted for using the equity method	411,679	-	-	-	411,679

Investments in associates are allocated to the DGR Global operating segment as the investment is held by that Company. The share of losses of associates is disclosed as a reconciling item as this only occurs on consolidation. All operations and assets are located in Australia, with the exception of IronRidge whereby the assets are located in Gabon, Africa. The total of non-current assets located in Gabon, Africa, is $823,655 (2013: $132,008).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 28. Parent Company

The Corporations Act requirement to prepare parent entity financial statements where consolidated financial statements are prepared has been removed and replaced by Regulation 2M.3.01 which requires the following limited disclosure in regard to the parent entity (DGR Global Ltd). The consolidated financial statements incorporate the assets, liabilities and results of the parent entity in accordance with the accounting policy described in Note 1(b).

Parent Entity	2014 $	2013 $
Statement of Financial Position		
Current Assets	717,387	208,147
Non-current Assets		
- Loans (intragroup receivables)	1,413,437	879,126
- Security bonds	600,976	617,843
- Property plant and equipment	534,739	545,590
- Exploration and evaluation assets	2,915,304	2,669,345
- Investment in Lions Gate Metals Inc	-	12,339
- Investment in SolGold plc	7,914,842	3,030,100
- Investment in Orbis Gold Ltd	12,090,000	5,459,999
- Investment in Navaho Gold Ltd	179,420	982,387
- Investment in Aus Tin Mining Ltd	251,060	418,436
- Investment in Armour Energy Ltd	11,632,750	16,510,972
- Investment in Archer Resources Ltd	4,056,400	4,056,400
- Investment in IronRidge Resources Ltd	1,101,468	690,001
- Investment in other subsidiaries	10	10
Total Non-current Assets	42,690,406	35,872,548
Total Assets	43,407,793	36,080,695
Current Liabilities	2,084,767	988,985
Non-current liabilities	1,407,625	1,031,998
Total Liabilities	3,492,392	2,020,983
Net Assets	**39,915,401**	**34,059,712**
Issued Capital	23,999,223	22,092,180
Share-Based Payments Reserve	3,905,818	3,519,723
Available-For-Sale Financial Assets Reserve	26,786,484	21,132,644
Accumulated Losses	(14,776,124)	(12,684,835)
Total Shareholder's equity	**39,915,401**	**34,059,712**
Statement of Comprehensive Income		
Profit/(loss) for the year	**(2,091,289)**	**(1,401,851)**
Total comprehensive income for the year	**3,562,551**	**(15,996,275)**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 28. Parent Company (continued)

At 30 June 2014, the Company's investments in each of its controlled entities, associates and available for sale assets are as follows:

Investment	Number of Shares	Number of Options / Warrants (unlisted)	Share price[#]
Lions Gate Metals Inc	75,000	-	C$0.00
SolGold plc	54,517,440	-	£0.08
Orbis Gold Ltd	39,000,000	-	$0.31
Navaho Gold Ltd	59,806,749	-	$0.003
Aus Tin Mining Ltd	83,687,100	-	$0.003
Armour Energy Ltd[1]	75,050,000	18,837,500	$0.155
Archer Resources Ltd[2]	40,000,000	7,500,000	$0.100
IronRidge Resources Ltd	69,293,333	-	$0.08

[#] Share price represents the market quoted price for listed investments at 30 June 2014 or the price at which the last round of financing was raised for unquoted investments.

[1] The Armour Energy Ltd ("Armour") options allow the Company to take up one ordinary share in Armour at an exercise price of $0.50. The options are fully vested and expire on 31 August 2014.
[2] The Archer Resources Ltd ("Archer") options allow the Company to take up one ordinary share in Archer at an exercise price of $0.20. The options are fully vested and expire on 31 December 2014.

Guarantees

No guarantees have been entered into by the parent entity in relation to debts of its subsidiaries.

Contractual commitments

There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2014 (2013: nil).

Contingent liabilities

The parent entity has no contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 29. Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit/ (Loss) after Tax:

	2014 $	2013 $
Profit/(loss) after tax	(7,251,697)	(4,323,528)
Depreciation	40,328	45,588
Exploration and evaluation assets written off	127,681	3,898,311
Share based payments expense	1,175,756	-
Share of losses associates	1,980,254	693,988
Impairment of investment in associate	3,725,964	3,899,739
Gain on sale of investments	-	(1,857,198)
Gain on loss of significant influence	-	(5,735,465)
Realised gain on disposal of subsidiary	-	(8,481)
Revaluation of financial liabilities at fair value through profit and loss	6,063	(94,640)
Accretion of interest expense on convertible notes	39,186	22,858
Changes in operating assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (Increase)/decrease in trade and other receivables	(226,795)	(90,386)
- (Increase)/decrease in other assets	(387)	18,277
- Increase/(decrease) in trade and other payables	1,740,522	(67,323)
- Increase/(decrease) in deferred tax liabilities	(2,953,851)	1,146,113
Net cash flow from operations	**(1,596,976)**	**(2,452,147)**

Non-cash investing and financing activities

	2014 $	2013 $
Additional investment in Associates through issue of shares in lieu of cash owing	(25,000)	(60,000)
Issue of shares for interest on convertible note	(90,000)	-
Issue of shares in lieu of cash for services	(139,706)	-

Note 30. Financial Risk Management

	2014 $	2013 $
Financial Assets		
Cash and cash equivalents	37,186	51,972
Trade and other receivables	459,852	252,849
Available for sale financial assets	20,263,903	8,928,874
Cash on deposit	314,000	314,000
Security bonds	386,959	443,827
	21,461,900	**9,991,522**
Financial Liabilities		
Bank overdraft	242,343	200,027
Trade and other payables	2,445,300	1,214,467
Convertible note	444,487	405,301
Director loans	700,000	-
Finance leases	3,789	27,694
	3,835,919	**1,847,489**

(a) General Objectives, Policies and Processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note. The Group's financial instruments consist mainly of deposits with banks, receivables and payables, and shares in listed corporations.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 30. Financial Risk Management (continued)

(a) General Objectives, Policies and Processes (continued)

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Group's risk management policies and objectives are designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these matters are set out below:

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when counterparties fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, in the event other parties fail to discharge their obligations under financial instruments in relation to each class of financial asset at reporting date is the carrying amount in the statement of financial position which, for the relevant assets, is summarised in the table above.

Credit risk is reviewed regularly by the Board and the audit committee. It primarily arises from exposure to receivables as well as through deposits with financial institutions. There is no collateral held as security.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group. Bank deposits are held with Macquarie Bank, Westpac, Bank of Queensland, First National Bank Zambia and B.I.C.I. Du Gabon.

(c) Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meets its liabilities when they fall due, under both normal and stressed conditions.

Liquidity risk is reviewed regularly by the Board and the audit committee.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group's working capital, being current assets less current liabilities, has decreased from a deficit of $1,125,612 in 2013 to a deficit of $2,507,361 in 2014. At 30 June 2014 the Group had a secured overdraft facility of $250,000.

Maturity Analysis 2014	**Carrying Amount $**	**Contractual Cash Flows $**	**<6 Months $**	**6-12 Months $**	**1-3 Years $**	**> 3 Years $**
Financial liabilities						
Bank overdraft	242,343	242,343	242,343	-	-	-
Trade and other payables	2,445,300	2,445,300	2,445,300	-	-	-
Convertible note	444,487	575,000	30,000	30,000	515,000	-
Director loans	700,000	721,000	721,000	-	-	-
Finance leases	3,789	3,991	3,991	-	-	-
Total	**3,835,919**	**3,987,634**	**3,442,634**	**30,000**	**515,000**	**-**

Maturity Analysis 2013	**Carrying Amount $**	**Contractual Cash Flows $**	**<6 Months $**	**6-12 Months $**	**1-3 Years $**	**> 3 Years $**
Financial liabilities						
Bank overdraft	200,027	200,027	200,027	-	-	-
Trade and other payables	1,214,467	1,214,467	1,214,467	-	-	-
Convertible note	405,301	635,000	30,000	30,000	575,000	-
Finance leases	27,694	30,656	9,415	9,415	12,127	-
Total	**1,847,489**	**2,080,150**	**1,453,909**	**39,415**	**587,127**	**-**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 30. Financial Risk Management (continued)

(d) Market Risk

Market risk arises from the use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The Group does not have any material exposure to market risk other than interest rate risk and other equity securities price risk.

Interest rate risk

The objective of interest rate risk management is to manage and control interest rate risk exposures with acceptable parameters while optimising the return. Interest rate risk is managed with a mixture of fixed and floating rate instruments. For further details on interest rate risk refer to the tables below:

	Floating Interest Rate 2014 $	Fixed Interest rate 2014 $	Non-interest bearing 2014 $	Total Carrying Amount 2014 $	Weighted Average effective interest Rate* 2014 %
(i) Financial Assets					
Cash and cash equivalents	37,186	-	-	37,186	0.25%
Trade and other receivables	-	-	459,852	459,852	-
Other financial assets	-	314,000	20,650,862	20,964,862	3.7%
Total financial assets	**37,186**	**314,000**	**21,110,714**	**21,461,900**	
(ii) Financial Liabilities					
Trade and other payables	-	-	2,445,300	2,445,300	-
Other financial liabilities	242,343	1,203,789	(55,513)	1,390,619	11.66%
Total financial liabilities	**242,343**	**1,203,789**	**2,389,787**	**3,835,919**	

* on interest bearing portion

	Floating Interest Rate 2013 $	Fixed Interest rate 2013 $	Non-interest bearing 2013 $	Total Carrying Amount 2013 $	Weighted Average effective interest Rate* 2013 %
(i) Financial Assets					
Cash and cash equivalents	51,972	-	-	51,972	0.3%
Trade and other receivables	-	-	252,849	252,849	N/A
Other financial assets	-	314,000	9,372,701	9,686,701	4.35%
Total financial assets	**51,972**	**314,000**	**9,625,550**	**9,991,522**	
(ii) Financial Liabilities					
Trade and other payables	-	-	1,214,467	1,214,467	N/A
Other financial liabilities	200,027	527,694	(94,699)	633,022	11.56%
Total financial liabilities	**200,027**	**527,694**	**1,119,768**	**1,847,489**	

* on interest bearing portion

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk. This demonstrates the effect on the profit and equity which could result from a change in these risks.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 30. Financial Risk Management (continued)

(d) Market Risk (Continued)

Interest rate risk (continued)

At 30 June 2014 the effect on profit and equity as a result of changes in the interest rate at that date would be as follows:

	2014 $	2013 $
Change in profit and equity		
- Increase in interest rate by 1%	(2,052)	(1,481)
- Decrease in interest rate by 1%	2,052	1,481

Equity securities price risk

The Group has performed a sensitivity analysis relating to its exposure to equity securities price risk. The sensitivity demonstrates the effect on pre-tax profit and equity which could result from a change in these risks.

At 30 June 2014 the effect on profit and equity as a result of changes in equity security prices would be as follows:

	2014 $	2013 $
Change in profit		
- Increase in equity security price by 10%	-	-
- Decrease in equity security price by 10%	-	-
Change in equity*		
- Increase in equity security price by 10%	2,026,390	892,887
- Decrease in equity security price by 10%	(2,026,390)	(892,887)

***** Available for sale financial assets reserve/other comprehensive income.

The analysis assumes all other variables remain constant. It also assumes the investment in SolGold plc, Lions Gate Metals Inc, Orbis Gold Ltd and Aus Tin Mining Ltd were remeasured to fair value on 30 June 2014 (and that the 10% change had occurred as at that date).

It should be noted that the investment in associate is not included in the above analysis as it is outside the scope of Accounting Standard AASB 7 Financial Instruments: Disclosures, as it is accounted for in accordance with Accounting Standard AASB 128 Investments in Associates.

Note 31 Fair Value

Fair value hierarchy
The following table details the consolidated entity's assets and liabilities, measured or disclosed 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.
Level 3: Unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 30 June 2014

Note 31 Fair Value (continued)

The following table presents the Group's assets and liabilities measured and recognised at fair value at 30 June.

	Level 1 $	Level 2 $	Level 3 $	Total $
2014				
Available for sale financial assets	20,263,903	-	-	20,263,903
Investments accounted for using the equity method	11,812,139	-	-	11,812,139
Derivative liability	-	(28,980)	-	(28,980)
2013				
Available for sale financial assets	8,928,887	-	-	8,928,887
Investments accounted for using the equity method	17,493,357	-	-	17,493,357
Derivative liability	-	(22,917)	-	(22,917)

The available for sale financial assets are measured based on the quoted market prices at 30 June.

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Note 32. Disposal of Subsidiaries

2013

On 26 March 2013, DGR Global Ltd sold Ripple Resources Pty Ltd to Armour Energy Ltd.

	2013 $
Cash Consideration received	10
Assets and liabilities disposed:	
Investments – ANW shares	2,000
Security deposits	2,500
Exploration and evaluation assets	42,277
Trade and other payables	(55,248)
	(8,471)
Net gain on disposal	**8,481**

Note 33. Significant Events After Balance Date

On 8 August 2014, the Group sold 2,464,551 Orbis Gold Ltd shares at $0.38 to raise $936,529.

The Directors are not aware of any significant changes in the state of affairs of the Group or events after balance date that would have a material impact on the consolidated financial statements.

DIRECTORS' DECLARATION

1. In the opinion of the Directors:

   (a) The financial statements and notes of DGR Global Ltd for the financial year ended 30 June 2014 are 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 2014 and performance for the year then ended;

      (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001;*

   (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and

   (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, as disclosed in note 1.

   (d) The remuneration disclosures contained in the Remuneration Report comply with s300A of the Corporations Act 2001.

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 2014.

Signed in accordance with a resolution of the Directors.

Nicholas Mather
Managing Director

Brisbane
Date: 30 September 2014

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INDEPENDENT AUDITOR'S REPORT

To the members of DGR Global Limited

Report on the Financial Report

We have audited the accompanying financial report of DGR Global Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of 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 company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements 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 company'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 company'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. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of DGR Global Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of DGR Global Limited 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 2014 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 financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 34 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of DGR Global Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

BDO Audit Pty Ltd

BDO

Tim Kendall

T J Kendall
Director

Brisbane, 30 September 2014