

TNT Mines Limited and Controlled Entities

ACN 107 244 039

Annual Report

for the year ended 30 June 2016

Corporate Information

ACN 107 244 039

Directors

Ian Plimer (Non-executive Chairman)
Andrew Drummond (Non-executive Director)
Tracey Lake (Managing Director)

Company Secretary

Mark Ohlsson

Registered Office

Suite 50, 14 Narabang Way
BELROSE NSW 2085

Principal Place of Business

Suite 50, 14 Narabang Way
BELROSE NSW 2085

Bankers

National Australia Bank Limited
1232 Hay Street
WEST PERTH WA 6005

Share Registry

Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St George's Terrace
PERTH WA 6000
Telephone: 1300 787 272

Independent Auditor

Bentleys
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Directors Report (cont.)

DIRECTORS' REPORT

Your directors submit their report on the consolidated entity (referred to hereafter as the Group) consisting of TNT Mines Limited ("TNT Mines") and the entities it controlled at the end of, or during, the year ended 30 June 2016.

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.

Names, qualifications, experience and special responsibilities

Tracey Lake – Managing Director

Mr Lake holds a Bachelor of Commerce Degree from the University of New South Wales – Major in Accounting and Finance. He has held senior management and principal positions in both private and public companies and has over 35 years business experience in a number of industries.

Professor Ian Plimer B.Sc.(Hons), PhD, FTSE, FAusIMM, FGS – Chairman (Member of the Nomination, Audit and Remuneration Committees)

Professor Plimer is the Professor of Mining Geology (The University of Adelaide) and Emeritus Professor of Earth Sciences (The University of Melbourne). He has previously held academic positions as Professor at the Ludwig Maximilians University in Munich and at the University of Newcastle. His academic career includes the Leopold von Buch Medal for Science, the Centenary Medal and the Eureka Prize (twice).

Professor Plimer has previously been on the staff of North Broken Hill Ltd, and is a prominent Australian geologist who has spent most of his industry, consulting and scientific life working on base metal deposits, particularly in Broken Hill, epithermal gold deposits, especially in the Mediterranean, and tungsten-tin-molybdenum deposits. He has predicted and discovered a number of epithermal gold deposits in the Mediterranean.

Professor Plimer is one of Australia's best known geologists, has published seven books for the general public and 130 specialist scientific papers, many of which are on tin and tungsten ore deposits. His PhD was on a tungsten-molybdenum-bismuth deposit and, while with North Broken Hill Ltd in the 1980s, he was involved in tin and tungsten exploration. He edited the Encyclopaedia of Geology (Academic Press). He is a Fellow of the Australian Academy of Technical Sciences and Engineering, Fellow of the Geological Society (London) and Fellow of the Australasian Institute of Mining and Metallurgy.

Professor Plimer brings to TNT Mines his extensive experience in mineral discovery and vast knowledge of economic geology.

Andrew Drummond B.Sc.(Hons), FAusIMM, MAIG, MGSA – Non-Executive Director (Member of the Remuneration and Audit Committees)

Mr Drummond is a geologist with 40 years of industry experience in exploration, development, mining, management and development capital raising. Mr Drummond was Managing Director of Minemakers Ltd from inception in 2006 until December 2011 and then Chairman from January 2012 until May 2013 and he has had senior management and/or directorship roles with Zephyr Minerals NL (now Ashburton Minerals NL), Black Range Minerals NL, Catalpa Ltd, the ACM Group, Homestake Gold Australia Ltd, BCD Resources NL and Westgold Resources Limited.

Mr Drummond brings to the Company his extensive experience with many commodities in hardrock and alluvial environments in Australia, New Zealand, The Philippines, Russia, China and Namibia and in company promotion and raising of evaluation and development funds.

COMPANY SECRETARY

Mark Ohlsson FCPA

Mr Ohlsson has over 30 years of Company Secretarial experience with both listed and unlisted entities.

PRINCIPAL ACTIVITIES

During the year, the Group carried out exploration activities on its tenements, or tenements in which it has an interest, with the objective of identifying economic mineral deposits.

There was no significant change in the nature of the Group's activities during the year.

DIVIDENDS

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

Directors Report (cont.)**OPERATING AND FINANCIAL REVIEW****Operating Review**

In the September 2015 quarter an extension of term to August 2017 was granted for the Great Pyramid tenement RL2/2009 and in the June 2016 quarter an extension of term to 26 November 2016 was granted for EL27/2004, the Aberfoyle/Rossarden/Royal George tenement.

RL 63/2004 (the Montana Flats/Oonah tenement) was relinquished in the March 2016 quarter.

The Group plans to commence a focused exploration program comprising 7 diamond core drill holes (to 1030 m total depth) on the Lutwyche deposit within the Aberfoyle Tin and Tungsten Project. The aim of this program is to obtain an Inferred Mineral Resource for the Lutwyche deposit. Further holes are planned for the Great Pyramid deposit with the aim of increasing both the grade and size of the current Great Pyramid deposit Inferred Mineral Resource.

At 30 June, 2016 the company had 109,541,285 shares on issue and there are no options outstanding at the date of this report.

Corporate and Financial Review

The Group has recorded an operating loss after income tax for the year ended 30 June 2016 of \$521,801 (2015: \$1,524,751).

Operating Results for the Year

Summarised operating results are as follows:

	Revenue		Results	
	2016 \$	2015 \$	2016 \$	2015 \$
Consolidated entity revenues and loss from ordinary activities after income tax expense	724	533	(521,801)	(1,524,751)

Shareholder Returns

	2016	2015
Basic loss per share (cents)	(0.5)	(1.4)
Diluted loss per share (cents)	(0.5)	(1.4)

Risk Management

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Company believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There has been no significant change in the state of affairs of the Group during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

As at the date of this report there is no matter or circumstance that has arisen since 30 June 2016 which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group expects to maintain the level of operations and, subject to funding, undertake resource and exploration drilling at the Great Pyramid and Lutwyche deposits.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to significant environmental regulation with respect to its exploration activities.

The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, as far as it is aware is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the year under review.

Directors Report (cont.)**DIRECTORS' MEETINGS**

During the year the Company held 2 Board meetings. The attendance of directors at meetings of the Board was:

	Directors Meetings	
	A	B
Ian Plimer	2	2
Andrew Drummond	2	2
Tracey Lake	2	2

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the director held office or was a member of the Committee during the year.

The audit, nomination, remuneration, corporate governance and safety and environmental committees did not hold any meetings during the year.

SHARES UNDER OPTION

There were no shares under option during the year.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the directors.


Tracey Lake

Director

Sydney 30 September 2016

Auditor's Independence Declaration



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To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of TNT Mines Limited for the financial year ended 30 June 2016, 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
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

Dated at Perth this 30th day of September 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income**30 JUNE 2016**

	Notes	Consolidated 2016 \$	2015 \$
REVENUE			
Other Income	4	724	533
EXPENDITURE			
Corporate expenses		(29,904)	(26,487)
Administration expenses		(183,237)	(184,534)
Interest expense		(498)	(755)
Consulting fees		--	(36,000)
Exploration costs written off		(308,886)	(1,627,307)
LOSS BEFORE INCOME TAX	5	(521,801)	(1,874,550)
INCOME TAX BENEFIT	5	--	349,799
LOSS FOR THE YEAR		(521,801)	(1,524,751)
Other comprehensive income		--	--
TOTAL COMPREHENSIVE LOSS		(521,801)	(1,524,751)
Loss for the year is attributable to:			
Owners of TNT Mines Limited		(521,801)	(1,524,751)
Total comprehensive loss for the year is attributable to:			
Owners of TNT Mines Limited		(521,801)	(1,524,751)
Basic loss per share for loss attributable to the ordinary equity holders of the Company (cents per share)	21	(0.5)	(1.4)
Diluted loss per share for loss attributable to the ordinary equity holders of the Company (cents per share)		(0.5)	(1.4)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Financial Position**30 JUNE 2016**

	Notes	Consolidated 2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	6	--	180
Trade and other receivables	7	29,984	28,307
TOTAL CURRENT ASSETS		29,984	28,487
NON-CURRENT ASSETS			
Capitalised exploration and evaluation expenditure	8	1,640,246	1,933,160
TOTAL NON-CURRENT ASSETS		1,640,246	1,933,160
TOTAL ASSETS		1,670,230	1,961,647
CURRENT LIABILITIES			
Trade and other payables	9	144,869	146,150
TOTAL CURRENT LIABILITIES		144,869	146,150
NON CURRENT LIABILITIES			
Loan from Niuminco Group Limited	9	708,405	476,740
TOTAL NON-CURRENT LIABILITIES		708,405	476,740
TOTAL LIABILITIES		853,274	622,890
NET ASSETS/(LIABILITIES)		816,956	1,338,757
EQUITY			
Issued capital	10	4,502,406	4,502,406
Accumulated losses	11	(3,685,450)	(3,163,649)
TOTAL EQUITY		816,956	1,338,757

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Changes in Equity**30 JUNE 2016**

Consolidated	Notes	Attributable to Owners of TNT Mines Limited			Total
		Issued Capital	Reserves	Accumulated Losses	
		\$	\$	\$	\$
BALANCE AT 30 JUNE 2014		4,502,406	--	(1,638,898)	2,863,508
Loss for the year		--	--	(1,524,751)	(1,524,751)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		--	--	(1,524,751)	(1,524,751)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year		--	--	--	--
Employee Share Options		--	--	--	--
BALANCE AT 30 JUNE 2015		4,502,406	--	(3,163,649)	1,338,757
Loss for the year		--	--	(521,801)	(521,801)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		--	--	(521,801)	(521,801)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year		--	--	--	--
Employee Share Options		--	--	--	--
BALANCE AT 30 JUNE 2016		4,502,406	--	(3,685,450)	816,956

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Cash Flows**30 JUNE 2016**

	Notes	Consolidated 2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(30,839)	(27,982)
Interest paid		(498)	--
Interest received		724	533
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	20	(30,613)	(27,449)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration and evaluation expenditure		(15,972)	(117,958)
Movements in security deposits		(276)	(533)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(16,248)	(118,491)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from Niuminco Group Limited		46,664	145,276
NET CASH INFLOW FROM FINANCING ACTIVITIES		46,664	145,276
NET INCREASE IN CASH AND CASH EQUIVALENTS		(197)	(664)
Cash and cash equivalents at the beginning of the financial year		180	844
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	9	(17)	180

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

30 JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of TNT Mines Limited and its subsidiaries. The financial statements are presented in the Australian currency. TNT Mines Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 30 September 2016.

(a) Basis of accounting

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial statements have been prepared on an accruals basis, are based on historical cost and except where stated do not take into account changing money values or current valuations of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

The consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The preparation of the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position are disclosed where appropriate.

(b) Going Concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Group has a net deficit of current assets to current liabilities of \$114,885 as at 30 June 2016 (30 June 2015: \$117,663) and recorded an operating loss after income tax of \$521,801 (2015: \$1,524,751) for the year then ended.

The continuing viability of the Group and its ability to continue on a going concern basis and meet its debts and commitments as they fall due is dependent upon Niuminco Group Limited providing financial support. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern. The Directors believe it is appropriate to prepare these accounts on a going concern basis because:

- The major shareholder, Niuminco Group Limited has resolved that they will not call for repayment of the loan of \$708,405 which is payable to them as at 30 June 2016 for the next twelve months from the date of this annual financial report.
- Niuminco Group Limited has provided a letter of support to TNT Mines Limited for a period of 12 months from the date of this financial report.
- Niuminco Group Limited intends to raise additional funding from the equities markets.
- The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this half year financial report.
- Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate.

In the event the above matters are not achieved, the Group will be required to raise funds for working capital from equity sources or from the sale of part or some of its exploration assets.

Should the Group be unable to continue as a going concern which is not contemplated in the forecast prepared by the directors, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)****(c) Principles of consolidation***Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of TNT Mines as at 30 June 2016 and the results of all subsidiaries for the period then ended. TNT Mines and its subsidiaries together are referred to in this report as the Group or the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer Note 1(g)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Investments in subsidiaries are accounted for at cost in the individual financial statements of TNT Mines.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(e) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

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

(f) Income tax

The income tax expense or revenue 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 and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associated entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016**

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(h) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is capitalised in respect of each identifiable area of interest. These costs are only carried forward where the right of tenure of the area of interest is current and they are expected to be recouped through sale or the successful development of the area or, where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an area of interest that is abandoned or the directors decide that it is not commercial are written off in full against profit in the period in which the decision 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.

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

(i) Investments and other financial assets**Classification**

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) 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.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Financial liabilities

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

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)*****Recognition and de-recognition***

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Company's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial investments is determined are disclosed in Note 2.

Impairment

The Company assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of comprehensive income.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(j) Trade creditors

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Issued capital

Ordinary shares are classified as equity.

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

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)****(l) Provisions**

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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 due to the passage of time is recognised as interest expense.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(n) Comparative figures

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

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

(o) Application of new and revised Accounting Standards**New, revised or amending Accounting Standards and Interpretations adopted**

The group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group during the financial year.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2016. The group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016***AASB 9 Financial Instruments*

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

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The group will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the group.

(p) Critical accounting judgements, estimates and assumptions

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Notes to the Consolidated Financial Statements (cont.)

30 JUNE 2016

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

Environmental issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors' understanding thereof. At the current stage of the Group's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

Exploration and evaluation expenditure

The Group capitalises expenditure where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where pre-feasibility activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Such capitalised expenditure is carried at the end of the reporting period at \$1.64m (2015: \$1.93m).

2. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all Board members to be involved in this process. The Managing Director, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on financial risk management.

Specific Financial Risk Exposures and Management

(a) Market risk

(i) Foreign exchange risk

The Group does not have any material foreign exchange risk.

(ii) Price risk

Given the current level of operations, the Group is not presently exposed to price risk.

(iii) Interest rate risk

The Group does not have any material interest rate risk.

(b) Credit risk

The Group does not have any significant concentration of credit risk.

Credit risk related to balances with banks and other financial institutions is managed by investing surplus funds in financial institutions that maintain a high credit rating.

As the Group does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitors the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables and loan payable as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

Notes to the Consolidated Financial Statements (cont.)

30 JUNE 2016

(d) Net fair value

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their fair value.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Notes	Consolidated 2016 \$	2015 \$
Financial Assets			
Cash and cash equivalents	6	--	180
Trade and other receivables	7	29,984	28,307
Total Financial Assets		29,984	28,487
Financial Liabilities			
Loan from Niuminco Group Limited		708,405	476,740
Trade and other payables	9	144,869	146,150
Total Financial Liabilities		853,274	622,890

Financial instruments measured at fair value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in the making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted process included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

3 SEGMENT INFORMATION**Industry and geographical segment**

The group operates in the mining exploration sector solely within the State of Tasmania in Australia.

4 REVENUE**From continuing operations***Other revenue*

Interest from financial institutions	724	533
	724	533

5 INCOME TAX**(a) Income tax expense/(benefit)**

Current tax	--	(349,799)
Deferred tax	--	--
	--	(349,799)

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax expense	(521,801)	(1,874,550)
Prima facie tax benefit at the Australian tax rate of 30% (2015: 30%)	(156,540)	(562,365)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share based payments	--	24,574
Movement in temporary differences	92,666	187,992
Taxable losses not recognised	63,874	--
Income tax benefit	--	(349,799)

Notes to the Consolidated Financial Statements (cont.)

30 JUNE 2016

	Consolidated	
	2016	2015
	\$	\$
(c) Deferred Tax Assets		
Provisions and accruals	1,800	1,800
Tax losses	490,274	578,148
	492,074	579,948
Offset against deferred tax liabilities	(492,074)	(579,948)
Unused tax losses not recognised as deferred tax assets	--	--
(d) Deferred Tax Liabilities		
Capitalised exploration and evaluation costs	--	(579,948)
Provisions and accruals	--	--
	--	(579,948)
Offset against deferred tax assets	--	579,948
Net deferred tax liabilities	--	--
(e) Unused tax losses		
Unused tax losses for which no deferred tax asset has been recognised	1,073,171	567,343
	1,073,171	567,343
6. CURRENT ASSETS – CASH AND CASH EQUIVALENTS		
Cash at bank and in hand (AA rated)	--	180
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	--	180
7. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES		
Government taxes receivable	10,174	8,774
Security deposits	19,810	19,533
	29,984	28,307
8. NON CURRENT ASSETS – CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE		
Exploration and evaluation costs carried forward in respect of mining areas of interest		
Opening net book amount	1,933,160	3,442,509
Capitalised exploration and evaluation costs	15,972	117,958
Expenditure written off	(308,886)	(1,627,307)
Closing net book amount	1,640,246	1,933,160
The expenditure written off relates to EL63/2004 which was relinquished during the period.		
The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the carried forward for the development phase is not being charged pending the commencement of production.		
9. TRADE AND OTHER PAYABLES		
Current		
Bank overdraft	17	--
Trade payables	138,852	136,240
Other payables and accruals	6,000	9,910
	144,869	146,150
Non-Current		
Loan from Niuminco Group Limited	708,405	476,740
	708,405	476,740

The loan from Niuminco Group Limited is an unsecured, interest free loan, for which repayment will not be demanded for 12 months from the date of this report.

Notes to the Consolidated Financial Statements (cont.)

30 JUNE 2016

	Notes	2016 Number of shares	\$	2015 Number of shares	\$
10. ISSUED CAPITAL					
(a) Share capital					
Ordinary shares fully paid		109,541,285	4,502,406	109,541,285	4,502,406
Total issued capital		109,541,285	4,502,406	109,541,285	4,502,406
(b) Movements in ordinary share capital					
Beginning of the financial year		109,541,285	4,502,406	109,541,285	4,502,406
Transactions during the year:		--	--	--	--
End of the financial year		109,541,285	4,502,406	109,541,285	4,502,406

There were no options issued during the year, or outstanding at year end.

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(d) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group is as follows:

	Consolidated	
	2016 \$	2015 \$
Cash and cash equivalents	--	180
Trade and other receivables	29,984	28,293
Trade and other payables	(144,869)	(146,150)
Working capital position	(114,885)	(117,677)

11. ACCUMULATED LOSSES

Balance at beginning of year	(3,163,649)	(1,638,898)
Net loss for the year	(521,801)	(1,524,751)
Balance at end of year	(3,685,450)	(3,163,649)

12. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

13. KEY MANAGEMENT PERSONNEL DISCLOSURES**(a) Key management personnel compensation**

Short-term benefits	--	36,000
Post-employment benefits	--	--
	--	36,000

(i) Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of TNT Mines Limited and other key personnel of the Group, was nil (2015: nil).

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016****(ii) Shareholdings**

The number of shares in the Company held during the financial year by each director of TNT Mines Limited and other key management personnel of the Group, including their personally related parties, was nil (2015: nil).

In November 2015, Andrew Drummond converted \$5,000 in outstanding fees to shares in Niuminco Group Limited.

(b) Loans to key management personnel

There were no loans to key management personnel during the year.

14. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2016	2015
	\$	\$
Audit services		
Bentleys - audit and review of financial reports	11,000	11,000
	11,000	11,000

15. CONTINGENCIES

In relation to tenement acquisition agreements entered into by the Group, the following additional cash may be paid or shares issued dependent on future events:

(a) Tasmanian Tin and Tungsten Agreement

- \$1,000,000 (or \$1,100,000 of shares in the Company) upon commencement of mining operations, along with a 2.5% net smelter royalty.

(b) Minemakers Royalty Deed

- Upon commencement of mining 1.5% net smelter royalty capped at \$5,000,000 on any TNT Mines Ltd tenement.

16. COMMITMENTS**(a) Exploration commitments**

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	Consolidated	
	2016	2015
	\$	\$
within one year	355,000	115,000
later than one year but not later than five years	--	265,000
later than five years	--	--
	355,000	380,000

17. RELATED PARTY TRANSACTIONS**(a) Parent entity**

The ultimate parent entity within the Group is TNT Mines Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 18.

(c) Key management personnel

Disclosures relating to key management personnel are set out in Note 13.

Notes to the Consolidated Financial Statements (cont.)**30 JUNE 2016****18. SUBSIDIARIES**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(c):

Name	Country of Incorporation	Class of Shares	Equity Holding ⁽¹⁾	
			2016 %	2015 %
TNT Mines (Moina) Pty Ltd	Australia	Ordinary	100	100

19. EVENTS OCCURRING AFTER THE BALANCE DATE

As at the date of this report there is no matter or circumstance that has arisen since 30 June 2016 which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

	Consolidated	
	2016 \$	2015 \$

20. STATEMENT OF CASH FLOWS**Reconciliation of loss after income tax to net cash outflow from operating activities**

Net loss for the year	(521,801)	(1,524,751)
Non-Cash Items		
Management fees charged by Niuminco Group Limited	180,000	180,000
Exploration costs written off	308,886	1,627,307
Change in operating assets and liabilities, net of effects from purchase of controlled entities		
(Increase)/decrease in trade and other receivables	(1,400)	18,231
Increase in trade and other payables	3,702	21,563
(Decrease) in tax liabilities	--	(349,799)
Net cash outflow from operating activities	(30,613)	(27,449)

21. LOSS PER SHARE**(a) Reconciliation of earnings used in calculating loss per share**

Loss attributable to the owners of the Company used in calculating basic and diluted loss per share	(521,801)	(1,524,751)
---	-----------	-------------

Number of shares	Number of shares
------------------	------------------

(b) Weighted average number of shares used as the denominator

Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	109,541,285	109,541,285
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Notes to the Consolidated Financial Statements (cont.)

30 JUNE 2016

	Consolidated	
	2016	2015
	\$	\$
22. PARENT ENTITY INFORMATION		
The following information relates to the parent entity, TNT Mines Limited, at 30 June 2016. The information presented here has been prepared using accounting policies consistent with those presented in Note 1.		
(a) Financial position		
Assets		
Current assets	29,984	28,487
Non-current assets	1,640,246	2,783,848
Total assets	1,670,230	2,812,335
Liabilities		
Current liabilities	144,869	146,150
Non-current liabilities	708,405	476,740
Total liabilities	853,274	622,890
Equity		
Contributed equity	4,502,406	4,502,406
Accumulated losses	(3,685,450)	(2,312,961)
Total equity	816,956	2,189,445
(b) Financial Performance		
Loss for the year	(1,372,490)	(150,775)
Total comprehensive loss for the year	(1,372,490)	(150,775)
(c) Details of any contingent liabilities of the parent entity		
Refer to Note 16(a) for details on the contingent liabilities of the parent entity.		
(d) Details of any commitments by the parent entity for the acquisition of property, plant and equipment		
There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment as at reporting date.		
(e) Loans to related parties		
Loans to subsidiaries		
Beginning of the year	--	--
Loans advanced	--	49,107
Provision for impairment	--	(49,107)
End of the year	--	--

Director's Declaration

The directors' declare that:

- a) the financial statements and notes set out on pages 7 to 23 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2016 and of their performance for the financial year ended on that date;
- b) in their opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.

A handwritten signature in blue ink, appearing to read 'Tracey Lake', is written over a light yellow rectangular background.

Tracey Lake
Managing Director

Sydney, 30 September 2016

Independent Auditor's Report

To the Members of TNT Mines Limited

We have audited the accompanying financial report of TNT Mines Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standards 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



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Independent Auditor's Report

Independent Auditor's ReportTo the Members of TNT Mines Limited (*Continued*)**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Opinion

In our opinion:

- a. The financial report of TNT Mines Limited and Controlled Entities is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company and Consolidated Entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
- b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a net loss after tax of \$521,801 for the year ended 30 June 2016. This condition, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

Dated at Perth this 30th day of September 2016