

AUSROC METALS LTD

(Subject to Deed of Company Arrangement)(In Liquidation)

ACN 073 155 781

FULL YEAR STATUTORY ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015

To prepare this financial report, the appointed Deed Administrators and Liquidators have extracted data that is available to them from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company for the reporting period. The Deed Administrators and Liquidators were not in office and were not involved with the Company during the reporting period nor did they have oversight or control over the Group's financial reporting systems during the reporting period. It is not possible for the Deed Administrators and Liquidators to state that this financial report gives a true and fair view of the Group's financial position during or as at the end of the reporting period.

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DEED ADMINISTRATORS/LIQUIDATOR REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

David Ashley Norman Hurt and Christopher Michael Williamson who are the appointed Administrators of the Deed of Company Arrangement ("DOCA") ("the Deed Administrators") and Liquidators of Ausroc Metals Ltd (Subject to Deed of Company Arrangement)(in Liquidation)("Ausroc" or "Consolidated Entity" or "Company") formerly AusAmerican Mining Ltd submit herewith the annual financial report for the year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

Based on ASIC records, the Directors of the Company in office during or since the end of the financial year are;

Peter Landau	-	Executive Chairman (appointed Director 1 August 2013, appointed Executive Chairman 10 July 2014 and resigned 1 December 2015)
Malenga Machel	-	Non-Executive Director (appointed 10 July 2014 and resigned 10 December 2015)
Vinod Sharma	-	Non-Executive Director (appointed 10 September 2015 and resigned 27 June 2016)
Ben Mead	-	Executive Director (resigned 10 July 2014, re-appointed 10 December 2015)
Jim Malone	-	Executive Director (appointed 10 December 2015 and resigned 9 June 2016)
Richard Holmes	-	Managing Director (resigned 10 July 2014)
Justyn Peters	-	Non-Executive Director (appointed 10 July 2014 and resigned 5 September 2014)
Don Falconer	-	Non-Executive Director (resigned 10 July 2014)

All directors held office from the start of the financial year to the date of this report unless otherwise stated.

NEW BOARD APPOINTMENTS

The powers of the directors were suspended upon liquidation of the company on the 23rd August 2016 at which the Deed Administrators and Liquidators assumed control of the Company's business property and affairs.

INCOMPLETE RECORDS

The financial report has been compiled from the extracted MYOB records for the Company that were made available to the Deed Administrators and Liquidators. The Deed Administrators and Liquidators were not in office for the periods presented in this report, nor were they parties involved with the Company and did not have oversight or control over the group's financial reporting systems including but not limited to being able to obtain access to accounting records of the Company. Reasonable effort has been made by the appointed Deed Administrators and Liquidators to ascertain the position of the Company as at 30 June 2015.

Refer below to Significant Events after Balance Date – Recapitalisation Proposal, for further information.

To prepare the financial report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed deed administrators and liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators/Liquidators.

Consequently, the appointed Deed Administrators and Liquidators have extracted the information for this financial report and they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial position as at 30 June 2015 and for the period then ended.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Significant changes in the state of affairs of the Company during the year were as follows:

On 5 September 2014 the company announced that it had acquired an exclusive option to acquire 77.58% of Shenglong International Investments Ltd, a BVI based company. Shenglong owns 100% of a Congolese company called Societe Lulu De Mine which holds 90% of two Polymetallic exploitation permits titled M'Passa-Moubiri and Mindouli under which rights are granted over a total of 372km². The exploitation permits are valid until 2036. The other 10% of the projects are owned by the Congolese Government.

On 29 September 2014 the company announced it amended the terms of the exclusive option to purchase the interest in Shenglong.

On 23 October 2014 the company announced a Confirmation of high grade Cu/Pb/Zn drilling results from Moubiri.

On 19 November 2014 the company announced that it had undertaken an Unsecured Corporate Bond Offering.

On 20 November 2014 the company announced High Grade results were confirmed from the Moubiri stockpile and there was a favourable amendment to the Shenglong Heads of Agreement by the Vendor.

On 26 November 2014 the company announced that the first drill core assays showed a significant upgrade of copper grades at Moubiri.

On 27 November 2014 the company announced a confirmation of the consolidation of share capital.

To the best of the knowledge of the Deed Administrators and Liquidators (which is incomplete), no other significant changes in the nature of the Company's activities have occurred during the year.

SUBSEQUENT EVENTS

Following the appointment of the Deed Administrators and Liquidators, the powers of the Company's officers (including Directors) were suspended and the Deed Administrators and Liquidators assumed control of the Company's business, property and affairs.

On 10 December 2015 Peter Landau Executive Chairman resigned as a Director.

On 10 December 2015 Malenga Machel Non-Executive Director resigned as a Director.

On 9 June 2016 Jim Malone resigned as a Director.

On 27 June 2016 Vinod Sharma Non-Executive Director resigned as a Director.

On 23 August 2016, David Ashley Norman Hurt and Christopher Michael Williamson were appointed Liquidators of the Company, at which time, the powers of the Company's officers (including Director) were suspended and the Liquidators' assumed control of the Company's business, property and affairs.

At the meeting of creditors held on 9 February 2017, the creditors of the Company resolved to authorise the Liquidators to appoint themselves as Voluntary Administrators of the Company. The Liquidators subsequently appointed themselves as Voluntary Administrators of the Company on 10 February 2017.

On 13 March 2017, a meeting of creditors was convened for 20 March 2017 to consider the future of the Company, and whether to accept a Deed of Company Arrangement proposal (DOCA1) formulated by Trident Capital Pty Ltd (Trident). On 20 March 2017, creditors resolved to adjourn the meeting for a period not exceeding fifteen (15) business days. At the reconvened meeting of creditors held on 10 April 2017, creditors resolved to further adjourn the meeting for a period not exceeding thirty (30) business days.

On 10 May 2017, an alternative DOCA proposal (DOCA2) was received from one of the secured creditors, Caason Group Pty Ltd (Caason).

On 17 May 2017, the adjourned meeting of creditors was reconvened for 25 May 2017. At the meeting on 25 May 2017, the creditors resolved that the Company execute the DOCA2 proposal and that Christopher Michael Williamson and David Ashley Norman be appointed as Administrators of the DOCA2.

A summary of the material terms of the Recapitalisation Proposal is set out below, the Company is currently subject to DOCA2.

Key conditions precedent for completion of the DOCA2 include:

- Satisfying the conditions of the ASX;
- Payment of \$750,000 to the Deed Administrators' trust account for the shell structure of the Company within 14 days of the latter of:
 - o Execution of the DOCA2;
 - o The Court prospectively approving the termination of the liquidation simultaneously with the effectuation of the DOCA2 (subject to shareholder approval, receipt of \$750,000 and distribution of funds); and
 - o Shareholders' approval of all resolutions to conduct the proposed capital raising.
 - o DOCA2 be acceptable to the secured creditors.
- The DOCA2 proposal is conditional upon and subject to the following:
 - o the passing of all necessary shareholder, creditor and court approvals to implement the proposal;
 - o all secured creditors providing their written consent to be bound by the Reconstruction Deed; and
 - o the parties executing a Reconstruction Deed to give legal effect to the offer within thirty (30) days of acceptance of the binding offer.

If the conditions are not waived by mutual agreement or satisfied by 31 October 2017, this offer will be at an end.

- The DOCA2 proposal is contingent on successful shareholder approval to conduct each of the capital raisings (listed in Schedule 1 Clause 5).
- The DOCA2 sum (\$750,000) will be applied by the Deed Administrators (with reference to sections 556, 560 and 561 of the Act) in the manner and order of priority as follows:
 - o To pay any liabilities properly incurred by the Liquidators, Administrators, and Deed Administrators during the course of the liquidation, administration and the DOCA2;
 - o To pay the Liquidators, Administrators, and Deed Administrators' remuneration and out of pocket expenses as negotiated with Caason;
 - o To pay any outstanding employee entitlements as at 10 February 2017 as negotiated with Caason; and
 - o To part pay secured creditors of the Company as at 10 February 2017 on a pari passu basis (the balance of the debt owing to the secured creditors has been agreed to be converted into shares under DOCA2 proposal or used to fund the relisting of the company on the ASX at the discretion of the secured creditors); and
 - o To pay dividends to the ordinary unsecured creditors of the Company whose debt and claims arose on or before 10 February 2017 and are admitted to proof.
- any existing Convertible Notes to prove as debt on the basis the debt is secured;
- the company proposes to consolidate its share capital on a maximum 100:1 reduction basis; and
- unlisted options or partly paid options are to be cancelled.

On 22 September 2017, the Deed Administrators convened a meeting of creditors to be held on 10 October 2017 where the creditors are to vote to vary the original DOCA2.

At the meeting of creditors held on 10 October 2017, creditors resolved that the proposed variations to the original DOCA2 be accepted.

A summary of the key proposed variations to the DOCA2 and Reconstruction Deed are outlined below:

- payment to the Deed Administrators of \$451,869 (compared to the original DOCA2 sum of \$750,000) on or before 31 October 2017 (or such later date as agreed between Caason and the Deed Administrators).
- the varied DOCA2 and Reconstruction Deed are not conditional upon successful shareholder approval to implement the restructuring proposal and conduct the capital raisings.
- the conditions precedent to payment of the DOCA2 sum of \$451,869 are outlined in Clause 3.1 of the proposed varied DOCA2 (refer Annexure A), as follows:
 - a) all secured creditors providing their written consent to release their security;
 - b) the Deed Administrators providing written notice to all Instrument Holders that upon termination of the DOCA2 due to it being fully effectuated all instruments will be cancelled and all claims by Instrument Holders will be extinguished (unless otherwise agreed in writing between the parties);
 - c) the Deed Administrators providing written notice to Caason that, with the exception of the secured creditors (Caason and Robert Jesse Hunt ("Hunt")) and Trident Capital Pty Ltd ("Trident") debt, upon termination of the DOCA2 there will be no enforceable claims against the Company by Instrument Holders;
 - d) Caason is satisfied in its absolute discretion that no claims will be made against the Company by Instrument Holders;
 - e) execution of the Reconstruction Deed by the Company, Deed Administrators and Caason;
 - f) all conditions precedent in Clause 2.1 of the Reconstruction Deed (refer Annexure B) have been satisfied or waived, including:
 - i. ASX confirming that nothing contemplated by the DOCA2 and the Reconstruction Deed will prevent the Company from retaining its ASX listing;
 - ii. Trident agreeing to convert its debt (\$27,500) into shares;
 - iii. Hunt agrees to convert its remaining debt into shares and options;
 - iv. all the conditions in the DOCA2 have been satisfied or waived (with the exception of the condition precedent in clause 3.1(f) of the DOCA2;
 - v. the Deed Administrators issue the meeting documents to convene the shareholder meeting; and
 - vi. the Deed Administrators or the Liquidators applying for an order to the effect that the winding up of the Company is or will be terminated pursuant to section 482 of the Act;
 - g) Caason pays \$15,000 into the Trust Account of Jackson McDonald (for the purpose of the application to terminate the winding up of the Company).

If the conditions are not waived by mutual agreement or satisfied by 31 October 2017, this offer will be at an end.

The Company proposes to consolidate its share capital on a maximum 50:1 reduction basis (previously on a 100:1 basis).

OPERATING RESULTS

The loss of the Consolidated Entity for the year ended 30 June 2015 after income tax was \$5,049,208 (2014: loss \$9,542,322).

DIVIDENDS

To the best of the Deed Administrators'/Liquidators' knowledge (which is incomplete), no dividend was paid for the year ended 30 June 2015 nor have any amounts been paid or declared by way of dividend during the year.

MEETINGS OF DIRECTORS

To the best of the Deed Administrators'/Liquidators' knowledge (which is incomplete), information on the attendance at Directors' meetings is not available.

REMUNERATION REPORT

This remuneration report, which forms part of the Directors' Report, sets out information about the remuneration of AUSROC METALS LTD directors' and its senior management for the financial year ended 30 June 2015. The Deed Administrators and Liquidators had no involvement in adopting, implementing or complying with these remuneration policies. These policies may or may not have been in place during the financial period.

If the recapitalisation process is successful, it is expected that the Directors who are then in office will adopt a remuneration policy in accordance with the corporate governance framework to be adopted by the then Board.

The report contains the following sections:

- (a) Principles of compensation
- (b) Fixed compensation
- (c) Equity based compensation
- (d) Key management personnel compensation
- (e) Contracts for services of key management personnel
- (f) Details of share-based compensation and bonuses
- (g) Equity instruments held by key management personnel
- (h) Loans to key management personnel
- (i) Other transactions with key management personnel

(a) PRINCIPLES OF COMPENSATION

During the reporting period, following a review of the company's corporate structure to reflect the Company's financial circumstances, the principles of compensation have been revised for certain key management roles in line with the entity's requirements effective from 1st July 2014.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the consolidated entity. Key management personnel comprise the directors of the Company and executives for the Company and the consolidated entity.

Aside from the company's corporate re-structuring detailed above, the principles of compensation in place are as follows.

The objective of the Company's remuneration policies is for the Board, executives and staff to be remunerated on terms that are fair and competitive with those offered by entities of a similar size within the same industry. Packages are reviewed annually at full board level. The Board believes that due to the size of the company, individual salary negotiation is more appropriate than formal remuneration policies. The Board reviews market comparisons in determining remunerations and seeks independent external advice as necessary.

Non-executive directors are remunerated by way of directors' fees within the limit approved by shareholders. The Board determines fees paid to individual Board members. As an exploration Entity, performance outcomes are uncertain, notwithstanding endeavour. As such, remuneration packages are not linked to profit performance. Present policy is to reward successful performance via incentive options that are priced on market conditions at the time of issue.

Compensation packages include a mix of fixed and equity-based compensation designed to retain suitably qualified executives and to affect the broader outcome of improving the asset value of the consolidated entity. The compensation structures take into account the:

- overall level of compensation for each director and executive;
- ability of the executive to control performance; and
- incentives component of each executive's compensation.

(b) FIXED COMPENSATION

Fixed compensation consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles), as well as employer contributions to superannuation funds.

Compensation levels are reviewed annually by the Board to ensure base pay is set to reflect the market for a comparable role and to consider individual performance against goals set at the start of the year.

(c) EQUITY-BASED COMPENSATION

Executive directors and senior executives may receive options and/or performance rights under the Australian-American Mining Corporation Employee Option and Performance Rights Plans which have already approved by shareholders. Each option converts into one ordinary share of the Company on exercise. No amounts have been paid or are payable by the recipient upon receipt of the options. The options neither carry rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry except to the extent that any terms and conditions imposed in relation to any options granted by the Board at or prior to the time of grant state otherwise.

(d) KEY MANAGEMENT PERSONNEL COMPENSATION

To the best of the Deed Administrators and Liquidators knowledge (which is incomplete), the key management personnel of the Consolidated Entity during the year were:

Directors	Position
R Holmes	Managing Director (resigned on the 10 th July 14)
J Malone	Chairman/Company Secretary (resigned as chairman on the 29 th November 2013, reappointed 10 December 2015 and resigned 9 June 2016)
P Landau	Executive Chairman (appointed non-executive director on the 1 August 2013 and then appointed executive director in the 10 th July 2014 and resigned 1 December 2015)
D Falconer	Non-Executive Director (resigned on the 10 th July 2014)
B Mead	Executive Director (appointed 10 December 2015)
V Sharma	Non-Executive Director (appointed 10 September 2015 and resigned 27 June 2016)
D Peters	Non-Executive Director (appointed 10 July and resigned 5 September 2014)
M Machel	Non-Executive Director (appointed 10 July 2014 and resigned 10 December 2015)

Details of the nature and amount of each major element of remuneration for each member of the key management personnel of the consolidated group who receive the highest remuneration are detailed below. Other than directors, to the best of the Deed Administrators' and Liquidators' knowledge (which is incomplete), there are no other key management personnel.

Remuneration packages contain the following key elements:

- Short-term benefits – cash, salary, fees and non-monetary benefits including provision of motor vehicles and health benefits.
- Post-employment benefits – superannuation.
- Long-term benefits – Annual and long service leave
- Termination benefits
- Share based payments – Share options and performance rights granted as disclosed in Note 23 of the financial statements.
- Other Benefits.

The following tables show details of the remuneration received by the group's key management personnel for the current and previous financial year.

The year ended 30 June 2015 details are unavailable. The Company does not have adequate information to enable the disclosures required by Corporations Act 2001 for the year ended 30 June 2015.

2014	Short-term employee benefits			Post-employment benefits	Long-term benefits	Share based payments			
	Cash salary and fees	Cash bonus	Non-monetary benefits	Superannuation	Annual and long service leave	Termination benefits	Options	Shares	Total
Name	\$	\$	\$	\$	\$	\$	\$	\$	\$
R Holmes ¹	153,999	-	-	-	-	46,667 ¹	-	-	200,666
J Malone	48,000	-	-	4,156	-	-	56,118 ²	155,193 ²	263,467
P Landau ³	-	-	-	-	-	-	15,141 ⁴	30,000 ⁴	45,141
D Falconer	-	-	-	-	-	-	11,776 ⁵	46,667 ⁵	58,443
B Mead ⁶	-	-	-	-	-	-	8,074 ⁷	15,998 ⁷	24,072
Total	201,999	-	-	4,156	-	46,667	91,109	247,858	591,789

¹ At year end Mr. Holmes was owed 5 months director fees along with his accrued annual leave and superannuation entitlements as his employment contract with the company was terminated on the 18th June 2014. Mr Holmes elected to have these liabilities paid out in the company's stock. Accordingly on the 1 September 2014 he was issued 65,830,667 at \$0.003 per share and 32,915,333 attaching options pursuant to the non-renounceable rights issue announced on the 4 April 2014. Further information surrounding the options is disclosed in note 23 of the financial statements.

¹ Mr. Holmes contract with the company was terminated on the 10 July 2014 accordingly Mr. Holmes was remunerated with a cash termination payment, representing 2 months of his gross salary.

² On the 2 Dec 2013 Mr Malone was issued 3,437,500 shares at \$0.0128 per share in compensation of unpaid director's fees from July to Oct 2013. At year end Mr Malone was again owed 5 months unpaid director fees for the period Nov13-March14. Mr. Malone elected to have these dues paid with the company's stock via the non-renounceable rights issue announced on the 4 April 2014. Accordingly on the 31 May 2014 he was issued 42,600,000 shares at \$0.003 per share and 21,300,000 attaching options. Further information surrounding the options is disclosed in notes 23 of the financial statements. An adjustment was made to Mr Malone holdings on the 10th September 2014 to adjust the shares and options issued as the fair value at grant date of the stock did not equal the dollar value of the liability owed to Mr Malone. Consequently 5,535,570 shares and 1,383,892 for each set of options were reduced from his holdings. Mr Malone resigned as executive director on the 29 November 2013.

³ Mr Peter Landau was appointed non-executive director on the 1 August 2013. He then was appointed executive director on the 10 July 2014 after Mr Holmes resigned.

⁴ Mr Landau was issued 10,000,000 shares at \$0.003 for director's fees, these shares were issued on the 31 May 2014 in conjunction with the company's non-renounceable rights issue. He was also issued 2,500,000 expiry 31 May 2015 options and 2,500,000 expiry 31 May 2017 options. Further information surrounding the options is disclosed in note 23 of the financial statements. OKAP Ventures Pty Ltd, whom is a related party with Mr Landau, was issued shares in lieu of management fees in the company's rights issue this is explained further below in "other transactions with key management personnel".

⁵ Don Falconer was issued 7,777,777 shares at \$0.003 for director's fees outstanding from Nov-13 to May-14, shares were issued on the 31 May 2014 in conjunction with the company's non-renounceable rights issue. In aggregation with the shares issued in the rights Mr Falconer was issued 1,944,445 expiry 31 May 2015 options and 1,944,445 expiry 31 May 2017 options, additional information surrounding the options is disclosed in notes 23 of the financial statements. Mr Falconer was also issued 1,822,916 shares at \$0.0128 on the 31 January 2014 for unpaid director's fees from April-13 to October-14. Mr Falconer resigned as non-executive director on the 10 July 2014.

⁶ Mr Ben Mead was appointed executive director on the 9 September 2013 and resigned on the 10 September 2014, then was reappointed 10 December 2015.

⁷ Mr Mead was owed \$57,334 at year end for outstanding directors fees which resulted from the following events. Mr Mead agreed in May-14 that his fees would be reduced, from March onwards, from \$10,000 per month to \$3,333. At year end he was owed 6 months, Sept 13 – Feb 14, at his original fees and owed 4 months at the advised new rate. Mr Ben Mead was then issued 5,332,500 shares at \$0.003 for unpaid director's fees these shares were issued on the 31 May 2014 in conjunction with the company's non-renounceable rights issue. In aggregation with the rights issue he was also issued 1,333,125 expiry 31 May 2015 options and 1,333,125 expiry 31 May 2017 options. Further information surrounding the options is disclosed in notes 23 of the financial statements. On a separate note, Mr Mead was issued 9,000,000 options, expiry 30 June 2016, for the acquisition of the Victoria copper mine explained below in "Details of share based compensation". At the end of the period there was no share based payment expense as the probability of meeting the vesting conditions is nil due to fact the company is unwilling to proceed with the project under the current terms of the agreement.

CONTRACTS FOR SERVICES OF KEY MANAGEMENT PERSONNEL

The powers of the Director was suspended upon the liquidation of the Company on 23 August 2016.

(e) DETAILS OF SHARE BASED COMPENSATION AND BONUSES

i) Options

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows;

Grant Date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	Performance achieved	% Vested
¹ 6 Sept 13	Upon conditions being met	30 June 16	\$0.03	\$0.0110	Nil	n/a
² 31 May 14	30 May 14	30 May 17	\$0.01	\$0.0035	n/a	n/a

¹ Vesting conditions apply for the options granted on the 6 Sept 2013 additional disclosed is provided in notes 23 of the financial statements.

² The options allotted on the 30 May 2014 were a result of the company's non-renounceable rights issue announced on the 4 April 2014. One free \$0.006 option and one free \$0.01 options were issued for every four shares applied and allotted. Options are exercisable at \$0.01 on or before 31 May 2017. More disclosure is provided above in the director's report and below in notes 23 of the financial statements.

ii) Performance rights

The terms and conditions of each grant of performance rights affecting remuneration in the current or a future reporting period are as follows;

Grant Date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	Performance achieved	% Vested
3 Dec 2012	Upon conditions being met	3 Dec 2017	Nil	\$.033	Nil	n/a
3 Dec 2012	Upon conditions being met	3 Dec 2017	Nil	\$.0326	Nil	n/a

Performance conditions for the above performance rights are set out below;

Performance Hurdle

- 1) On joining the Board of AUSROC
- 2) On finalisation of an agreement to bring in a new project to AUSROC
- 3) On the AUSROC share price trading at greater than 20 cents per share for more than five consecutive days
- 4) On the AUSROC share price trading at greater than 25 cents per share for more than five consecutive days

At reported date the performance rights issued on the 28 May 12, only 1 and 2 of the performance hurdles had been achieved, consequently the rights attached to those hurdles had been vested and exercised. Rights attached to performance hurdle 3 and 4 were still remaining at the reporting date.

For the rights that were issued on the 3 Dec 12, no performance hurdle had been achieved at reporting date accordingly no rights had vested and had been exercised by the directors.

Details of options and performance rights over ordinary shares in the company provided as remuneration to key management personnel are shown below. When exercised, each option is convertible into one ordinary share of AUSROC METALS Corporation Limited. Options/Rights may be exercised at any time from the date of vesting to the date of their expiry except to the extent that any terms and conditions imposed in relation to any options granted by the Board at or prior to the time of grant state otherwise.

Name	Year of Grant	Years in which options may vest	Number of options granted	Value of options at grant date ¹	Number of options vested during the year	Vested %	Number of options forfeited during the year	Value at date of forfeiture	Forfeited %	MAX Value to Vest
R Holmes	2012	2015	3,500,000	\$ 133,000	0	0	0	0	0	\$ 133,000
	2012	2015	4,500,000	\$ 171,000	0	0	0	0	0	\$ 171,000
J Malone	2012	2017	4,000,000	\$ 132,000	0	0	0	0	0	\$ 132,000
	2012	2017	6,000,000	\$ 195,600	0	0	0	0	0	\$ 195,600
	2014	2015	9,266,157	\$ 23,653	0	0	0	0	0	\$ 23,653
	2014	2017	9,266,157	\$ 32,466	0	0	0	0	0	\$ 32,466
P Landau	2014	2015	2,500,000	\$ 6,382	0	0	0	0	0	\$ 6,382
	2014	2017	2,500,000	\$ 8,759	0	0	0	0	0	\$ 8,759
	2014	2015	14,875,000	\$ 37,970	0	0	0	0	0	\$ 37,970
	2014	2017	14,875,000	\$ 52,118	0	0	0	0	0	\$ 52,118
D Falconer	2014	2015	1,944,445	\$ 4,963	0	0	0	0	0	\$ 4,963
	2014	2017	1,944,445	\$ 6,813	0	0	0	0	0	\$ 6,813
B Mead	2014	2015	1,333,125	\$ 3,403	0	0	0	0	0	\$ 3,403
	2014	2017	1,333,125	\$ 4,671	0	0	0	0	0	\$ 4,671
	2013	2016	9,000,000	\$ 99,000	0	0	0	0	0	\$ 99,000

¹ Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. For more information on this refer to note 23.

(f) EQUITY INSTRUMENTS HELD BY KEY MANAGEMENT PERSONNEL

The tables below show the number of:

- i) Options and rights over ordinary shares in the company
- ii) Shareholdings in the company that was held during the financial year by key management personnel of the group.

Share options/performance rights

2014 Name	1 JULY 2014	GRANTED AS REMUNERATION	EXERCISED	NET CHANGE OTHER	30 JUNE 2014	VESTED/ EXERCISABLE	NOT VESTED/ NOT EXERCISABLE
Directors							
R Holmes	8,000,000	-	-	-	8,000,000	-	-
J Malone	10,000,000	12,500,000 ¹	-	-	22,500,000	-	-
P Landau	-	5,000,000 ¹	-	29,750,000	34,750,000	-	-
D Falconer	4,000,000	3,888,890 ¹	-	-	7,888,890	-	-
B Mead	-	2,666,250 ¹	-	9,000,000 ²	11,666,250	-	-

¹ All options granted as remuneration were in combination with the company's non-renounceable right issue announced to the market on the 4th of April 2014. Details of these options are explained above in "Details of share based compensation".

² 9,000,000 options, expiry 30 June 2016, in conjunction with the acquisition of the Victoria copper mine explained in note 23 of the financial statements.

LOANS TO KEY MANAGEMENT PERSONNEL

The company went into liquidation on 23 August 2016, to the best of the knowledge of the Deed Administrators/Liquidators (which is incomplete), they are not aware of any loans to Key Management Personnel during the financial year.

OTHER TRANSACTION WITH KEY MANAGEMENT PERSONNEL

The company went into liquidation on 23 August 2016, to the best of the knowledge of the Deed Administrators/Liquidators (which is incomplete), they are not aware of any other transactions with Key Management Personnel from 1 July 2014 to 30 June 2015

END OF AUDITED REMUNERATION REPORT

PROCEEDINGS ON BEHALF OF THE COMPANY

The company went into liquidation on 23 August 2016 and is currently under a DOCA process.

NON-AUDIT SERVICES

The company may decide to employ the auditor, "BDO Audit (WA) Pty Ltd", on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or the group are important. Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are outlined in note 25 to the financial statements.

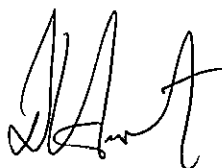
AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 11 and forms part of the directors' report.

Signed by Christopher Michael Williamson and David Ashley Norman Hurt in their capacity as Deed Administrators and Liquidators of the Company



Christopher Michael Williamson
Perth, 13 October 2017



David Ashley Norman Hurt

**DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF AUSROC METALS LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT/IN LIQUIDATION)**

As lead auditor for the audit of Ausroc Metals Limited (Subject to Deed of Company Arrangement/In Liquidation) for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Ausroc Metals Limited (Subject to Deed of Company Arrangement/In Liquidation) and the entities it controlled during the year.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 13 October 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

		CONSOLIDATED	
	NOTE	2015 \$	2014 \$
CONTINUING OPERATIONS			
Interest Income		150	1,056
Joint venture contribution		-	17,187
Other Income		45,917	-
Total revenue and other income	3 (a)	46,067	18,243
Exploration and evaluation expenditure	3 (b)	(2,952,884)	(1,101,609)
Finance expenses	3 (c)	(878,181)	(112,364)
Administration expenses	3 (d)	(1,015,838)	(2,087,345)
Other expenses	3 (e)	(248,372)	(6,259,247)
Loss before income tax		(5,049,208)	(9,542,322)
Income tax	4	-	-
Loss from continuing operations after tax		(5,049,208)	(9,542,322)
Loss for the year attributable to equity holders of the parent		(5,049,208)	(9,542,322)
Foreign currency translation		75,132	35,266
Total other comprehensive income net of tax		75,132	35,266
Total comprehensive (loss) for the year		(4,974,076)	(9,507,056)
Loss per share for the year attributable to the members of AUSROC METALS Corporation Ltd:			
Basic and diluted EPS on loss for the year	15	(1.76)	(3.27)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators/Liquidators.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	NOTE	CONSOLIDATED	
		2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,304	290,240
Trade and other receivables	6	53,413	40,070
Other financial assets	7	8,895	26,927
TOTAL CURRENT ASSETS		63,612	357,237
NON-CURRENT ASSETS			
Property, plant and equipment	8	47,672	72,526
Exploration and evaluation expenditure	9	54,291	268,559
TOTAL NON-CURRENT ASSETS		101,963	341,085
TOTAL ASSETS		165,575	698,321
CURRENT LIABILITIES			
Trade and other payables	10	902,059	750,931
Borrowings	11	2,800,680	420,180
Provisions	12	33,578	51,628
TOTAL CURRENT LIABILITIES		3,736,317	1,222,739
NON-CURRENT LIABILITIES			
Deferred tax liabilities	13	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		3,736,317	1,222,739
NET ASSETS / (LIABILITIES)		(3,570,742)	(524,418)
EQUITY			
Issued capital	14	59,838,056	58,070,242
Reserves	14	4,723,537	4,488,467
Accumulated losses		(68,132,335)	(63,083,127)
TOTAL EQUITY / (DEFICIENCY IN EQUITY)		(3,570,742)	(524,418)

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

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators/Liquidators.

CONSOLIDATED STATEMENT OF CHANGE OF EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	SHARE CAPITAL	AVAILABL E-FOR-SALE SECURITIES	OPTIONS RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	ACCUMULATED LOSSES	TOTAL
CONSOLIDATED						
Balance at 1 July 2013	55,993,353	-	4,934,948	(890,414)	(53,540,805)	6,497,082
Translation of foreign controlled entities	-	-	-	35,266	-	35,266
Available-for-sale securities revaluation	-	-	-	-	-	-
Loss for the Year	-	-	-	-	(9,542,322)	(9,542,322)
Total comprehensive income/(loss) for the year	-	-	-	35,266	(9,542,322)	(9,507,056)
Transaction with owners in their capacity as owners	1,529,923	-	-	-	-	1,529,923
Share based payments	-	-	408,667	-	-	408,667
Balance at 30 June 2014	58,070,242	-	5,343,615	(855,148)	(63,083,127)	(524,418)
Translation of foreign controlled entities	-	-	-	75,132	-	75,132
Available-for-sale securities revaluation	-	-	-	-	-	-
Loss for the Year	-	-	-	-	(5,049,208)	(5,049,208)
Total comprehensive income/(loss) for the year	-	-	-	75,132	(5,049,208)	(4,974,076)
Transaction with owners in their capacity as owners	-	-	-	-	-	-
Shares issued during the year	1,755,413	-	-	-	-	1,755,413
Share Issue Costs	(120,699)	-	-	-	-	(120,699)
Share based payments	133,100	-	159,938	-	-	293,038
Balance at 30 June 2015	59,838,056	-	5,503,553	(780,016)	(68,132,335)	(3,570,742)

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

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators/Liquidators.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	NOTE	CONSOLIDATED	
		2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts of other income		*	17,178
Exploration and evaluation expenditure		*	(1,038,783)
Payments to suppliers and employees		*	(629,475)
Net cash (used in) operating activities	22(b)	*	(1,651,080)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		*	1,055
Interest Paid		*	(25,000)
Payment for property, plant, and equipment		*	(2,685)
Payments for security deposits		*	-
Payments for other Investments		*	-
Net cash (used in) investing activities		*	(26,630)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and other equity securities		*	1,227,864
Payment of share issue costs		*	(102,461)
Loans repaid		*	(110,000)
Loans advanced		*	470,180
Proceeds from issue of convertible notes and options		*	350,000
Net cash provided by financing activities		*	1,835,583
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		*	157,873
Net foreign exchange differences		*	28,910
Cash and cash equivalents at the beginning year		*	103,457
Cash and cash equivalents at the end of the year	5	*	290,240

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

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators/Liquidators.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

The Financial Report is a general purpose Financial Report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The Financial Report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Financial Report has also been prepared on a historical cost basis, except for available-for-sale investments, which have been measured at fair value. Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

The presentation currency of the Group is Australian dollars.

b) Incomplete Records

The financial report has been compiled from the extracted MYOB records for the Company that were made available to the Deed Administrators and Liquidators. The Deed Administrators and Liquidators were not in office for the periods presented in this report, nor were they parties involved with the Company and did not have oversight or control over the group's financial reporting systems including but not limited to being able to obtain access to accounting records of the Company. Reasonable effort has been made by the appointed Deed Administrators and Liquidators to ascertain the position of the Company as at 30 June 2015.

To prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all the required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the subsequently appointed Deed Administrators/Liquidators.

Consequently, the appointed Deed Administrators and Liquidators have extracted the information for this financial report and they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the *Corporations Act 2001*, nor is it possible to state this financial report gives a true and fair view of the Group's financial position as at 30 June 2015 and for the period then ended.

c) Going Concern

The Group incurred a net loss after income tax of \$5,049,208 for the year ended 30 June 2015 (2014: net loss after income tax of \$9,542,322), net operating cash outflows of \$* (2014: \$1,651,080) and at reporting date has net liabilities of \$(3,570,742), (2014: \$(524,418)). As at 30 June 2015, the Company had cash and cash equivalents of \$1,304 (2014: \$290,240).

*

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the subsequently appointed Deed Administrators and Liquidators.

The company was suspended from the ASX on 27 November 2014 and subsequently placed in liquidation and then administration.

The ability of the Group to continue as a going concern is dependent on securing additional funding through the DOCA2.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The DOCA2 provides for the compromise of creditors' claims, recapitalisation of the Company and (subject to regulatory approval) re-quotations of its securities on the ASX.

The Company expects to recapitalise following completion of the DOCA2 with sufficient funds to continue as a going concern.

The Proponent of the DOCA2 has informed the Deed Administrators that there will be an initial capital raising of between \$750,000 and \$1,000,000, which will be utilised to undertake a relisting process. Then through an IPO the company will look to raise a minimum of \$2,000,000.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

d) New Accounting Standards and Interpretations

Australian accounting standards and Interpretations that have recently been issued or amended but are not yet effective and to the best of the Deed Administrators'/Liquidators' knowledge, have not been adopted by the Group for the year ended 30 June 2015. Relevant Standards and Interpretations are outlined in the table below.

Title	Summary	Application date for Group
AASB 15 <i>Revenue from Contracts with Customers</i>	AASB 15 provides a single, principles-based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.	1 July 2018
AASB 16 <i>Leases</i>	AASB 16 provides a new lessee accounting model which requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. AASB 16 contains disclosure requirements for lessees.	1 July 2019
AASB 9 <i>Financial Instruments</i>	A finalised version of AASB 9 which contains accounting requirements for financial instruments, replacing AASB 139 Financial Instruments: Recognition and Measurement. The standard contains requirements in the areas of classification and measurement, impairment, hedge accounting and derecognition.	1 July 2018

To the best of the Deed Administrators' and Liquidators' knowledge (which is incomplete), the Group has decided not to early adopt any of the new and amended pronouncements. The impact of the above standards is yet to be determined.

e) Significant Accounting Judgements, Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Available-for-Sale Financial Assets

The Group measures the fair value of available-for-sale financial assets by reference to the fair value of the equity instruments at the date at which they are valued.

(ii) Deferred Tax Assets and Liabilities

The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining deferred tax assets and liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(iii) Carrying Value of Exploration and Evaluation Expenditure

The Group reviews the carrying value of exploration and evaluation expenditure at each reporting date. This requires judgement as to the status of the individual projects and their future economic value.

(iv) 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 using either the Black-Scholes valuation model or Monte-Carlo simulation model as appropriate.

f) Foreign Currency Translation

The Group's consolidated financial statements are presented in Australian dollars, which is also the parent company's functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are taken to the statement of profit or loss and other comprehensive income with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed, at which time, the cumulative amount is reclassified to the statement of profit or loss and other comprehensive income. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

g) Revenue Recognition

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

h) Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill.

Tax Consolidation

The Company and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Tax Office that it had formed an income tax consolidated group to apply from 1 July 2008. The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the lease incentive liability on a straight line basis over the period of the lease.

j) Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it 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 costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

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 at the acquisition date through profit or 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 that 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 will not be remeasured. Subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

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.

k) 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.

l) Trade and Other Receivables

Trade receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the group will not be able to collect the debt. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment.

m) Joint Ventures

Jointly Controlled Assets and Operations

Interests in jointly controlled assets and operations are reported in the financial statements by including the Entity's share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and the share of any expenses incurred in relation to the joint ventures in their respective classification categories.

Jointly Controlled Entities

The interest in a joint venture entity is accounted for in the financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the profit and loss, and the share of movements in reserves is recognised in reserves in the statement of financial position.

Profits or losses on transactions establishing a joint venture entity and transactions with the joint venture entity are eliminated to the extent of the Entity's ownership interest until such time as they are realised by the joint venture on consumption or sale, unless they relate to an unrealised loss that provides evidence of the impairment of an asset transferred.

n) Property, Plant and Equipment

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition. 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 Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss and other comprehensive income during the financial period in which they are incurred.

All tangible assets have limited useful lives and are depreciated/amortised using the diminishing balance method over their estimated useful lives, taking into account estimated residual values, with the exception of carried forward development expenditure in the production phase which is amortised on a units of production method based on the ratio of actual production to remaining proved reserves as estimated by independent experts, and finance lease assets which are amortised over the term of the relevant lease, or where it is likely the Entity will obtain ownership of the asset, the life of the asset.

Depreciation is calculated on the diminishing balance method as follows:

- Motor vehicles	22.5%
- Computer hardware	40%
- Computer software	40%
- Website development	40%
- Office Furniture and Equipment	20%
- Telephones	30%
- Field Equipment	30%

The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period and adjusted if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss and other comprehensive income.

o) Exploration and Evaluation Costs

Costs related to the acquisition of properties that contain Mineral Resources are allocated separately to specific areas of interest.

Subsequent exploration and evaluation expenditure is written – off as incurred.

Acquisition of mineral properties is capitalised is included as part of cash flows from investing activities whereas exploration and evaluation expenditure that is expensed is included as part of cash flows from operating activities.

When a decision to proceed to development is made the acquisition costs for that area are transferred to mine development. All costs subsequently incurred to develop a mine prior to the start of mining operations within the area of interest are capitalised and carried at cost. These costs include expenditure incurred to develop new ore bodies within the area of interest, to define further mineralisation in existing areas of interest, to expand the capacity of a mine and to maintain production.

An area of interest may be written down to its recoverable amount if the area of interest's carrying amount is greater than its estimated recoverable amount.

p) Financial Instruments

Financial Assets

Initial Recognition and Measurement

Financial assets within the scope of AASB 139 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, quoted and unquoted financial instruments and derivative financial instruments.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as described below:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss and other comprehensive income. The losses arising from impairment are recognised in the profit and loss and other comprehensive income in finance costs for loans and in cost of sales or other operating expenses for receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) the Group has transferred substantially all the risks and rewards of the asset, or
 - b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

q) Impairment of Financial Assets

The Group assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial Assets Carried at Amortised Cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit and loss and other comprehensive income. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the profit and loss and other comprehensive income. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the profit and loss and other comprehensive income.

r) Financial liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of AASB 139 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts, and derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification as described below:

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the income statement.

Financial liabilities designated upon initial recognition at fair value through profit and loss so designated at the initial date of recognition, and only if criteria of AASB 139 are satisfied.

Loans and Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the profit and loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the profit and loss and other comprehensive income.

Convertible Notes

Convertible notes issued by the group which include embedded derivatives (option to convert to variable number of shares in the group) are recognised as financial liabilities at fair value through profit and loss. On entire recognition the fair value of the convertible note will equate to the proceeds received and subsequently the liability is measured at fair value at each reporting date. Fair value movement is recognised in profit and loss as finance costs.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit and loss and other comprehensive income.

(i) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if:

- There is a currently enforceable legal right to offset the recognised amounts; and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(ii) Fair Value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions
- Reference to the current fair value of another instrument that is substantially the same
- A discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 22.

s) Derivative Financial Instruments

The Group does not presently hold derivatives.

t) Trade and Other Payables

Trade payables and other payables are carried at amortised cost and 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 days of recognition.

u) Employee Benefits

(i) Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave due to be settled within 12 months of the reporting date are recognised as a current liability in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities 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 in the provision for employee benefits 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 wage 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 currency that match, as closely as possible, the estimated future cash outflows.

(iii) **Employee Share Options and Performance Rights**

Equity-settled share-based payments granted are measured at fair value at the date of grant. Fair value is measured by the use of a binomial model or a Monte Carlo simulation, for market based conditions. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed at the date of issue. For cash settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

v) Share-Based Payment Transactions

Employees (including senior executives) of the Group may receive incentives in the form of share-based payment transactions.

Equity-Settled Transactions

The cost of equity-settled transactions is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The profit and loss and other comprehensive income expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

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

When the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

When an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-Settled Transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date using a binomial model, further details of which are given in Note 23. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense.

w) Contributed Equity

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

x) Earnings Per Share

(i) Basic Earnings Per Share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

(ii) Diluted Earnings Per Share

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

2. SEGMENT INFORMATION

Identification of Reportable Segments

Incomplete Records

The financial report has been compiled from the extracted MYOB records for the Company that were made available to the Deed Administrators and Liquidators. The Deed Administrators and Liquidators were not in office for the periods presented in this report, nor were they parties involved with the Company and did not have oversight or control over the group's financial reporting systems including but not limited to being able to obtain access to accounting records of the Company. Reasonable effort has been made by the appointed Deed Administrators and Liquidators to ascertain the position of the Company as at 30 June 2015.

2014	AUSTRALIA \$	UNITED STATES \$	TOTAL \$
REVENUE			
Interest income	1,056	-	1,056
Other income			
Joint venture contribution	17,615	(428)	17,187
Total segment revenue	18,671	(428)	18,243
Reportable segment gain/(loss) before tax	(2,801,365)	(6,740,958)	(9,542,323)
Segment assets	361,430	336,891	698,321
Segment liabilities	(156,996)	(1,065,743)	(1,222,739)

3. Operating Loss Before Taxation

The Group operating loss from continuing operations before taxation is stated after (charging) crediting:

(a) Revenue

	Note	CONSOLIDATED	
		2015 \$	2014 \$
Revenue			
Interest revenue – bank deposits		150	1,056
Joint venture contribution		-	17,187
Other Income		45,917	-
		<u>46,067</u>	<u>18,243</u>

(b) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure expensed	(2,952,884)	(1,101,609)
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(c) Finance Expenses

Finance costs	(222,641)	(2,948)
Interest paid	(654,410)	(25,000)
Unrealized foreign exchange gain/(loss)	(1,130)	584
Fair value gain / (loss) on financial liabilities at fair value through profit and loss	-	(85,000)
	<u>(878,181)</u>	<u>(112,364)</u>

(d) Administration Expenses

	CONSOLIDATED	
	2015	2014
	\$	\$
Wages and salaries	(226,116)	(541,189)
Share based payments	(293,037)	(955,633)
Travel, marketing and promotion	(193,689)	(107,578)
Insurance	(11,971)	(54,296)
Occupancy and administration expenses	(122,408)	(136,512)
Legal and professional	(168,617)	(292,137)
	<u>(1,015,838)</u>	<u>(2,087,345)</u>

(e) Other Expenses

Depreciation and amortization	(10,645)	(23,209)
Impairment of exploration expenditure ¹	(256,446)	(6,210,071) ¹
Fixed asset write off	(19,400)	(16,482)
Gain / (loss) on disposal of assets	38,119	(1,846)
Gain / (loss) on financial assets	-	(7,639)
	<u>(248,372)</u>	<u>(6,259,247)</u>

¹ Impairment indication was identified by the company as they did not see the Rio Pureco (Uranium Project) project as a priority and is seeking to divest it. The company currently has a MOU to sell 80% of the project for USD\$200,000, consequently this provides evidence that the projects carrying value at year end was in excess of its recoverable amount and is accordingly impaired. At the half year we saw all capitalised exploration costs in relation to the Apex/Lowboy and Apache Basin projects written off. Both of these projects were terminated with no further exploration and evaluation of mineral resources in the specific area was neither budgeted nor planned.

4. Income Taxes

Incomplete records

The financial report has been compiled from the extracted MYOB records for the Company that were made available to the Deed Administrators and Liquidators. The Deed Administrators and Liquidators were not in office for the periods presented in this report, nor were they parties involved with the Company and did not have oversight or control over the group's financial reporting systems including but not limited to being able to obtain access to accounting records of the Company. Reasonable effort has been made by the appointed Deed Administrators and Liquidators to ascertain the position of the Company as at 30 June 2015.

a) Income Tax Recognised in Profit or Loss

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

Loss before income tax expense	(5,049,208)	(9,542,323)
Prima facie tax payable on profit/(loss) at 30%	(1,514,762)	(2,862,696)
Foreign tax rate differential	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	-	2,516
Unrecognised temporary differences	-	1,967,745
Tax effect of current year tax losses for which no deferred tax asset has been recognised	1,514,762	871,764
Income tax	<u>-</u>	<u>-</u>

b) Income Tax Recognised Directly in Equity

To the best of the Deed Administrators' and Liquidators' knowledge (which is incomplete), there were no current and deferred amounts charged directly to equity during the period.

c) Deferred Tax Assets

Prepayments	-	-
Loans	*	14,587
Exploration Assets	*	1,944,056
Accrued expenses	*	12
Provisions	*	58,892
Capital raising costs	*	129,659
Business capital costs	*	77,406
Carry forward tax losses	*	12,367,273
Total	*	<u>14,591,885</u>

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

Deferred Tax Liabilities

Investments	-	-
Total	-	-

The above deferred tax assets and liabilities have not been brought to account as assets and liabilities. The gross carried forward tax losses used in the determination of the net unrecognised deferred tax asset disclosures above are as follows:

Tax losses in Australia (net)	*	(25,549,568)
Tax losses in Foreign countries (net)	*	(15,460,603)
Total	*	<u>(41,010,171)</u>

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

5. Cash and Cash Equivalents

	CONSOLIDATED	
	2015	2014
	\$	\$
Cash at bank and on hand	1,304	290,240
Total	<u>1,304</u>	<u>290,240</u>

6. Trade and Other Receivables

Other receivables	53,413	26,612
Prepayments	-	13,458
Total	53,413	40,070

Due to the short term nature of the current receivables, their carrying amount is assumed to be the same as their fair value and no impairment is considered necessary.

7. Other Financial Assets

Security deposits	8,895	26,927
Total	8,895	26,927

8. Property, Plant and Equipment

	PLANT AND EQUIPMENT \$
Gross Carrying Amount	
Balance at 1 July 2013	359,031
Additions	2,685
Disposals/write off	(123,590)
Net foreign currency exchange differences	(4,095)
Balance at 30 June 2014	234,031
Additions	4,049
Disposals/write off	-
Net foreign currency exchange differences	-
Balance at 30 June 2015	238,080
Accumulated Depreciation /amortisation and impairment	
Balance at 1 July 2013	246,877
Disposals/write off	(105,449)
Depreciation expense	23,209
Additions	-
Net foreign currency exchange differences	(3,132)
Balance at 30 June 2014	161,505
Disposals/write off	18,558
Depreciation expense	10,645
Additions	-
Net foreign currency exchange differences	-
Balance at 30 June 2015	190,708
Net Book Value	
30 June 2015	47,672
30 June 2014	72,526

9. Exploration and Evaluation

	CONSOLIDATED	
	2015	2014
	\$	\$
Non-producing properties		
Exploration and evaluation expenditure:		
Balance at 1 July 2014	268,559	7,243,302
Impairment of exploration expenditure ¹	(256,446)	(6,210,071)
Impairment of Deferred Tax Liability ²	-	(771,757)
Net foreign currency exchange differences	-	7,085
Balance at 30 June 2015	<u>54,291</u>	<u>268,559</u>

¹ Impairment indication was identified by the company as they did not see the Rio Puerco (Uranium Project) project as a priority and is seeking to divest it. The company currently has a MOU to sell 80% of the project for USD\$200,000, consequently this provides evidence that the projects carrying value at year end was in excess of its recoverable amount and is accordingly impaired. At the half year we saw all capitalised exploration costs in relation to the Apex/Lowboy and Apache Basin projects written off. Both of these projects were terminated with no further exploration and evaluation of mineral resources in the specific area was neither budgeted nor planned.

² Includes (\$6,210,071) of impairment to exploration expenditure and fair value uplift plus (\$771,757) impairment to the deferred tax liability which was a consequence of the uplift in fair value of the exploration asset which has now been fully impaired.

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

10. Trade and Other Payables

Trade payables	505,901	576,889
Accruals	396,158	116,707
Other Payables	-	57,335
	<u>902,059</u>	<u>750,931</u>

11. Borrowings at fair value

	CONSOLIDATED	
	30-Jun-15	30-Jun-14
	\$	\$
Opening Balance		
Convertible Notes (Face Value) – (i)	335,000	435,000
Notes Converted (refer to Note 22)	-	(120,000)
Borrowings – (ii)	<u>2,465,680</u>	<u>105,180</u>
	<u>2,800,680</u>	<u>420,180</u>

¹ Convertible Notes at fair value through profit and loss

During the period the company issued two unsecured convertible securities which were purchased by The Australian Special Opportunity Fund, LP. Note 1 having a face value of AU\$250,000 was issued on the 28 August 2013; Note 2 having a face value of AU\$185,000 was issued on the 7 October 2013. The convertible security was converted into shares as the 90 day ("Lock-up") period had expired. On the 6 December 2013 the Australian Special Opportunity Fund, LP converted \$60,000 of the convertible security into 10,000,000 ordinary shares at fair value conversion price of \$0.006. The conversion price was 85% of the average of three daily VWAP's, chosen by investor, during the 20 trading days prior to conversion. On the 23 December 2013 The Australian Special Opportunity Fund, LP converted another \$60,000 of the convertible security into 12,500,000 ordinary shares at fair value conversion price of \$0.0048. After the two conversions the fair value balance of the unsecured convertible securities is AU\$315,000. At 30 June 2014, a fair value loss of \$85,000 has been recognised in the profit and loss.

ⁱⁱ Related party loans

Okap Ventures Pty Ltd, related party of Mr Peter Landau, had loaned the company funds within the reporting period. Majority of the loan has been repaid, via cash and equity instrument of the company, the balance is expected to be repaid within the next 12 months. The loan was non-interest bearing and was unsecured.

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

12. Provisions

Employee benefits	33,578	51,628
	<u>33,578</u>	<u>51,628</u>

13. Deferred Tax Liability

Deferred tax liability related to assets acquired through business combination in prior years	*	771,756
Impairment of deferred tax liability ¹	*	(771,756)
Less: Tax effect of impairment of assets acquired	*	-
Net deferred tax liability	<u>*</u>	<u>-</u>

*As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

¹ Write down was a result of the impairment to the capitalised exploration expense, refer to exploration note 9 above for more detail. The DTL balance was written down in proportionate with the impairment of exploration fair value uplift, which is 100%.

14. Issued Capital and Reserves

	CONSOLIDATED	
	2015	2014
	\$	\$
286,185,210 fully paid ordinary shares (2014:808,624,930)	61,822,770	59,934,259
Share issue expenses	(1,984,714)	(1,864,017)
	<u>59,838,056</u>	<u>58,070,242</u>

The company does not have a limited amount of authorised capital and issued shares do not have a par value.

	CONSOLIDATED AND COMPANY			
	2015	2015	2014	2014
	NUMBER	\$	NUMBER	\$
Fully paid ordinary shares				
Balance at beginning of financial year	808,624,930	58,058,667	221,798,811	55,993,353
Consolidation of shares	(1,141,741,529)	-	-	-
Shares issued during the year	627,837,476	1,888,511	586,826,119	2,167,775
Share issue costs	-	(109,122)	-	(90,886)
Share Issue Adjustments	(5,537,667)	-	-	-
Ordinary fully paid shares at end of year	<u>286,185,210</u>	<u>59,838,056</u>	<u>808,624,930</u>	<u>58,070,242</u>

¹ Due to the change in nature and scale of the company's activities as a result of the Shenglong transaction the ASX required the company to re-comply with admission requirements set out in Chapters 1 & 2 of the ASX listing rules. Consequently the company had to consolidate its issued capital such that the volume weighted average price of the Company's shares over the period of the 5 trading days prior to the AGM (29 Oct 2014) (5 Day VWAP) will equal \$0.02. The 5 Day VWAP is \$0.004 which will result in a consolidation of 1 share for every 5 shares and 1 option for every 5 option resulting in there being, post consolidation, 284,185,210 shares and 103,584,236 options on issue in the company.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Partly paid ordinary shares entitle the holder to vote, participate in dividends and proceeds on a winding up in proportion to the number of and amounts paid on the shares held. The company does not have any partly paid shares.

a) The following shares were issued during the reporting period:

- i. On the 31 July 2014 the company allotted 28,200,000 shares at \$.003 to Ox Corporation in lieu of payment of their corporate retainer fee with the company.
- ii. On the 31 July 2014 the company allotted Mr Richard Holmes 65,830,623 shares at \$0.003 for accrued director's fees outstanding at 30 June 2014 as noted in the annual report.
- iii. On the 30 August 2014 the company allotted 482,473,520 ordinary shares at \$0.003 to various investors in conjunction with the company's rights shortfall.
- iv. On the 23 August 2014 the company allotted 33,000,000 shares at \$0.003 for a capital raising performed by a sophisticated investor.
- v. On the 23 September 2014 the company issued 8,333,333 shares at \$0.003 to its related party OKAP Ventures Pty Ltd for repayment of an outstanding loan.

On the 27 September 2014 the company issued 10,000,000 shares at \$0.003 to a sophisticated investor for payment of a corporate brokerage fee to raising the company a short loan AUD\$350,000.

Information relating to the company's employee option plan, including details of options issued, exercised and lapsed during the financial year is set out in note 23.

Information relating to share options and performance rights issued to key management personnel during the financial year are set out in note 23.

	CONSOLIDATED	
	2015	2014
	\$	\$
Reserves		
Option reserve – listed	2,060,667	766,900
Option reserve – unlisted	3,442,886	4,576,715
Total option reserve	5,503,553	5,343,615
Foreign currency translation	(780,016)	(855,144)
Available-for-sale securities	-	-
	<u>4,723,537</u>	<u>4,488,471</u>

The Options reserve records items recognised as expenses on the issue of employee share options.

The Foreign Currency Translation Reserve records exchange differences arising on the translation of foreign controlled subsidiaries. These differences are book entries only resulting from differences between exchange rates at the beginning and end of the period and the resulting change in value of assets and do not represent realised exchange gains or losses.

The available for sale securities reserve records the fair value changes on the available for sale financial asset as set out in Note 7 Other Financial Assets.

(i) Option reserve – unlisted

Opening balance	4,576,715	4,168,048
Options allotted/(expired)	(1,133,829)	408,667
Balance at end of year	<u>3,442,886</u>	<u>4,576,715</u>

(ii) Option reserve –listed

Opening balance	766,900	766,900
Options allotted	1,293,767	-
Balance at end of year	2,060,667	766,900

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

(iii) Foreign currency translation reserve

	CONSOLIDATED	
	2015	2014
	\$	\$
Balance at beginning of the year	(855,144)	(890,414)
Gain on translation of overseas controlled entities	75,128	35,270
Balance at the end of financial year	(780,016)	(855,144)

(iv) Available-for-sale securities reserve

Balance at beginning of the year	-	-
(Loss)/Gain on revaluation of available-for-sale securities	-	-
Balance at the end of financial year	-	-

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

15. Earnings Per Share

	2015	2014
	CENTS PER SHARE	CENTS PER SHARE
Basic (loss) per share from continued operations	(1.76)	(3.27)
Diluted (loss) per share from continued operations	(1.76)	(3.27)

The following reflects the income and share data used in the calculations of the basic and diluted earnings per share:

	2015	2014
	\$	\$
Earnings reconciliation		
Net loss for the year – continued operations	(5,049,208)	(9,542,322)
Weighted average number of ordinary shares used as the denominator in calculating basic and dilutive loss per share	286,185,210	289,712,374

16. Commitments for Expenditure**2015****2014****Mineral Properties**

Not later than 1 year

- 49,690,823

Between 1 year and 5 years

- 55,047,449

- 104,738,272

The exploration commitments reflect the minimum expenditure to meet the conditions under which the properties are granted or such greater amounts that have been contractually committed. These commitments may vary from time to time, subject to approval by the grantor of titles or by variation of contractual agreements. The expenditure represents potential expenditure which may be reduced by entering into sale, joint venture or relinquishment of the interests and may vary depending upon the results of exploration. Should expenditure not reach the required level in respect of each area of interest, the Groups interest could be either reduced or forfeited.

17. Leases**Operating Leases****Leasing Arrangements**

Operating lease relates to office facilities with lease terms of 2 to 5 years. Contingent rental provisions within the lease agreement require the minimum lease payment shall be increased to market value in the final year. At year end the office facilities lease was terminated as the relocated. The company does not have any leasing agreements at the new location.

CONSOLIDATED**2015****2014****\$****\$****Non-cancellable operating lease payments**

- Not later than 1 year

- -

- Between 1 year and 5 years

- -

- -

18. Contingent Liabilities and Contingent Assets

- (i) The Rio Puerco, project areas carries a yellow cake royalty, to a maximum equivalent of a 5% on a claim by claim basis. In all cases the royalty does not exceed 5% over any project.

19. Interests In Joint Venture Operations and Projects

The Group has an interest in the following material joint venture operations whose principal activities are mineral exploration and development.

NAME OF VENTURE	NOTES	PRINCIPAL ACTIVITY
i		
San Marcos JV	i)	Exploration- gold
Muda River JV	ii)	Production-gold

20. Controlled Entities

NAME OF ENTITY	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2015 %	2014 %
Parent Entity			
Ausroc Metals Ltd	Australia	100	100
Subsidiaries			
Uranium King Pty Ltd	Australia	100	100
Uranium King Corporation	USA	100	100
Uranium Company of Nevada LLC	USA	100	100
Uranium Company of New Mexico	USA	100	100
Uranium Company of Arizona LLC	USA	100	100
Buckskins Mountains Mining Company LLC	USA	100	90
Uranium Company of Texas LLC	USA	100	90
New Mexico Investment Limited	St Lucia	100	100
Grant Ridge Corporation	USA	100	100

Ausroc Metals Ltd is the Head Entity within the Tax Consolidated Group that includes Uranium King Pty Ltd.

21. Notes to the Cash Flow Statement

(a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(b) Reconciliation of net loss for the period to net cash outflow from operating activities

Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:

	CONSOLIDATED	
	2015 \$	2014 \$
Loss for the year	(5,049,208)	(9,542,322)
Depreciation and amortisation of non-current assets	10,645	23,209
Foreign exchange (gain)/loss – net	1,130	(589)
Bad and doubtful debts	-	-
Share-based payment expense	293,037	955,625
Finance costs	222,641	87,952
Write Off exploration expenditure	-	6,210,071
Interest income received	150	23,945
Loss on sale of property, plant and equipment	19,400	18,329
Gain on sale of available for sale assets	-	7,639
Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:		
(Increase)/ Decrease in assets	(532,746)	57,888
Increase/ (Decrease) in liabilities	2,513,579	507,173
Net cash (used in) operating activities	(2,521,372)	(1,651,081)

As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

22. Financial Instruments

Financial Risk Management Policies

The Groups principal financial liabilities, other than derivatives, comprise accounts payable, bank loans and overdrafts, and debentures. The main purpose of these financial instruments is to manage short term cash flow and raise finance for the Group's capital expenditure program. The Group has various financial assets such as trade and other receivables and cash and short-term deposits, which arise directly from its operations.

Risk exposures and responses

The Group manages its exposure to key financial risks in accordance with its financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security. The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are: market risks, cash flow interest rate risk and foreign currency risk; and liquidity risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

The Group's senior management oversees the management of financial risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. At this stage, the Group does not currently apply any form of hedge accounting.

The Board of Directors reviews and agrees policies for managing these risks which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: commodity price risk, interest rate risk and currency risk. Financial instruments affected by market risk include: loans and borrowings; deposits; trade receivables; trade payables; accrued liabilities; and derivative financial instruments.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed-to floating interest rates on the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The sensitivity analysis is intended to illustrate the sensitivity to changes in market variables on the Group's financial instruments and show the impact on profit or loss and shareholders' equity, where applicable.

The analyses exclude the impact of movements in market variables on the carrying value of pension and other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The statement of financial position sensitivity relates euro denominated accounts receivables;
- The sensitivity of the relevant profit before tax item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 30 June 2015 and 30 June 2014; and
- The impact on equity is the same as the impact on profit before tax.

(i) Treasury Risk Management

Due to the size of the company, a separate finance committee does not exist. The full Board considers credit risk policies and future cash flow requirements as required.

The board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

(ii) Financial Risk Exposures and Management

The main risks the Consolidated Entity is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk credit risk and price risk.

Interest Rate Risk

The Groups exposure to the risks of changes in market interest rates relates primarily to the company's short-term deposits with a floating interest rate. These financial assets with variable rates expose the company to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing.

Foreign Currency Risk

The Group has exploration activities overseas and in Australia. While most funds have been held in Australian dollars, some deposits are held in foreign currency for working capital purposes. The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the group's measurement currency. The Group is mainly exposed to fluctuations in US dollars.

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities as required are maintained. The Groups operations require it to raise capital on an on-going basis to fund its planned exploration program and to commercialise its tenement assets. If the Group does not raise capital in the short term, it can continue as a going concern by reducing planned but not committed exploration expenditure until funding is available and/or entering into joint venture arrangements where exploration is funded by the joint venture partner.

Credit Risk

Credit risk is managed on a group basis and refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group as well as through deposits with financial institutions. The Group has adopted a policy of only dealing with credit worthy counterparties obtaining sufficient collateral or other security where appropriate as means of mitigating the risk of financial loss from defaults and only banks and financial institutions with an 'A' rating are utilised. The group measures risk on a fair value basis.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. There are no collateral held as security at 30 June 2015.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group. The credit risk on liquid funds and financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Price Risk

The Group does not derive revenue from sale of products therefore the effect on profit and equity as a result of changes in the price risk is not considered material. The fair value of the mineral projects will be impacted by commodity price changes (predominantly uranium) and could impact future revenues once operational. However, management monitors current and projected commodity prices.

The Group is mainly exposed to mining services price risk. The management does constantly monitor price movements and seeks ways to minimise the cost on mining activities.

(i) Financial Instruments

The Groups exposure to interest rate risk and effective weighted average interest rate for financial assets and liabilities is set out below.

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments.

All cash balances have maturity of less than 3 months.

All trade payables are on normal 30 day terms.

2015	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	VARIABLE INTEREST RATE \$	NON INTEREST BEARING \$	TOTAL \$
Financial assets				
Cash and cash equivalents	2.37	-	1,304	1,304
Trade and other receivables	-	-	53,413	53,413
Other financial assets	-	-	8,895	8,895
Investments	-	-	-	-
		-	63,612	63,612
Financial liabilities				
Trade and other payables	-	-	935,639	935,639
Borrowings	-	-	2,800,680	2,800,680
		-	3,736,319	3,736,319
2014				
Financial assets				
Cash and cash equivalents	2.37	275,002	15,238	290,240
Trade and other receivables	-	-	40,070	40,070
Other financial assets	1.91	19,239	7,688	26,927
Investments	-	-	-	-
		294,241	62,995	357,236
Financial liabilities				
Trade and other payables	-	-	802,559	802,559
Borrowings	-	-	420,180	420,180
		-	1,222,739	1,222,739

(ii) Net Fair Values

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement, and for disclosure purposes.

a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

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

The following table present the Group's financial assets measured and recognised at fair value at 30 June 2015 and 30 June 2014 on a recurring basis.

Year to 30 June 2015

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial liabilities				
Financial liabilities designated at fair value through profit or loss:				
Convertible note (250,000 Face Value)	-	202,000	-	202,000
Convertible note (185,000 Face Value)	-	133,000	-	133,000
Total	-	335,000	-	335,000

Year to 30 June 2014

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial liabilities				
Financial liabilities designated at fair value through profit or loss:				
Convertible note (250,000 Face Value)	-	190,000	-	190,000
Convertible note (185,000 Face Value)	-	125,000	-	125,000
Total		315,000		315,000

b) Valuation techniques used to derive level 2 fair values

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

All of the resulting fair value estimates are included in level 2.

c) Fair values of other financial instruments

The group also has number of financial instruments which are not measured at fair value in the balance sheet. The carrying value of trade receivables and payables is a reasonable approximation of their fair values due to their short-term nature.

The group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2015.

(iii) Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2015, the effect on loss and equity as a result of fluctuations in the interest rate, with all other variables remaining constant has been considered. For the purpose of this exercise, a 2% increase in the interest results in a decrease in loss by \$NIL (2014: \$3,674) and an increase in equity by \$NIL (2014: \$3,674).

Foreign Currency Risk Sensitivity Analysis

At 30 June 2015, the effect on loss and equity as a result of 5% improvement in the value of the Australian Dollar to the US Dollar/Euros, with all other variables remaining constant would result in an increase in the loss by approximately \$NIL (2014: \$182,384) and an decrease in equity by approximately \$NIL (2014: \$182,384).

Price Risk Sensitivity Analysis

As the company does not derive revenue from sale of products, the effect on profit and equity as a result of changes in the price risk is not considered material. The fair value of the mining projects will be impacted by commodity price changes (predominantly uranium and gold) and could impact future revenues once operational. However, management monitors current and projected commodity prices.

Employee Share Option Plan

An Incentive Option Scheme was approved by shareholders at a General Meeting held on 11 January 2006. This Scheme was replaced with a new incentive plan called the Australian-American Mining Corporation Employee Option Plan 2008 and was approved by shareholders at the Annual General Meeting held on 26 November 2008 pursuant to which, certain share options have been granted to executives. Each option converts into one ordinary share of the Company on exercise. No amounts have been paid or are payable by the recipient upon receipt of the options. The options neither carry rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry except to the extent that any terms and conditions imposed in relation to any options granted by the Board at or prior to the time of grant state otherwise. The option valuation amounts shown below have been calculated using the Binomial Tree Option Calculator. There are no longer any options outstanding issued under this scheme.

A new Employee Share Option Plan was approved by shareholders at a General Meeting held on 9 September 2011 to comply with TSX Venture Exchange requirements. To date no issues have been made under this plan.

23. Share Based Payments

Employee Performance Share Rights Plan.

The general terms and conditions of the PRP were set out in the Explanatory Statement issued by the Company in relation to the 2009 AGM.

The Rights Plan is a long-term incentive plan aimed at advancing the interests of the Company by creating a stronger link between employee performance and reward and increasing shareholder value by enabling participants to have a greater involvement with, and share in the future growth and profitability of the Company. It is an important tool to assist in attracting and retaining talented people.

Share Rights are granted under the plan for no consideration. Share Rights are rights to receive fully paid ordinary shares in the capital of the Company (Shares) in the future if certain individual and/or corporate performance metrics (Performance Conditions) are met in the measurement period.

The Board is cognisant of general shareholder concern that long-term equity based reward for staff should be linked to the achievement by the Company of a performance condition. Share Rights granted under the Rights Plan are subject to performance conditions as determined by the Board from time to time.

A total of \$293,037 has been recorded for the twelve months ended 30 June 2015 as a Share based payments expense, as detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators/Liquidators, the table below is for 2014.

Details	Date Issued	Shares Issued	Performance Rights ¹	Victoria Copper Mine ²	Attaching Options (\$0.06 Exp 31/05/15)	Attaching Options (\$0.01 Exp 31/05/17)	Consolidated 30 June 2014
Amortisation performance options expiring 28 May 2015	5/06/2012		8,000,000				\$63,671
Amortisation performance options expiring 3 December 2017	3/12/2012		14,000,000				\$79,360
Amortisation consultants with an exercise price of 9 Cents expiring 1 March 2015	29/10/2012		6,950,000				\$53,080
Issue to consultants with an exercise price of 9 Cents expiring 1 March 2015	2/04/2012		600,000				\$3,306
Issue to Victoria Copper Mine with an exercise price of 3 Cents expiring 30 June 2016	6/09/2013			15,000,000			\$0
Issue to Mr Jim Malone in lieu of outstanding directors fees	2/12/2013	3,437,500					\$44,000
Issue to the Australian Special Opportunity Fund for a commencement fee on the convertible note	4/09/2013	3,000,000					\$35,000
Issue to the Australian Special Opportunity Fund for a commencement fee on the convertible note	11/10/2013	2,300,000					\$30,000
Issue to Jim Malone for outstanding director fees Nov-March 14 and superannuation	31/05/2014	37,064,333			9,266,083	9,266,083	\$170,472
Issue to Don Falconer in lieu of outstanding directors fees for the period April - Oct 2013	31/05/2014	1,822,916					\$23,333
Issue to Okap Ventures Pty Ltd for outstanding management fees from August 2013 - Jun 2014.	31/05/2014	59,500,000			14,875,000	14,875,000	\$268,588
Issue to Don Falconer in lieu of outstanding directors fees for	31/05/2014	7,777,777			1,944,444	1,944,444	\$35,109

Details	Date Issued	Shares Issued	Performance Rights ¹	Victoria Copper Mine ²	Attaching Options (\$0.06 Exp 31/05/15)	Attaching Options (\$0.01 Exp 31/05/17)	Consolidated 30 June 2014
the period Nov-May14							
Issue to Consultants fee for advisory fees for the rights issue	31/05/2014	36,666,666			9,166,666	9,166,666	\$16,552
Issue to Peter Landau for Director Fees for the FY13-14	31/05/2014	10,000,000			2,500,000	2,500,000	\$45,141
Issue to Ben Mead for Director Fees for the FY13-15	31/05/2014	5,332,667			1,333,167	1,333,167	\$24,072
Issue to Consultants for advisory fees for the rights Issue	31/05/2014	4,166,667			3,541,667	3,541,667	\$63,949
Total share based payments expense 30.06.14		181,068,526	29,550,000	15,000,000	42,627,027	42,627,027	\$955,633

¹ The current Share Rights (Performance Options) issued to executives are subject to a combination of Performance Conditions as listed below:

Performance Hurdle
On joining the Board of AUSROC
On finalisation of an agreement to bring in a new project to AUSROC
On the AUSROC share price trading at greater than 20 cents per share for more than five consecutive days
On the AUSROC share price trading at greater than 25 cents per share for more than five consecutive days

² During the half year 15,000,000 unlisted options were issued to consultants as part consideration of the acquisition of the Victoria Copper project during the period. This transaction was approved by shareholders at the groups AGM on 30 November 2013. The company has rebutted the presumption that the fair value of services can be reliably measured and as a result the options were separately valued and have terms and conditions and fair value determinations as discussed below;

The following vesting conditions apply to 15,000,000 options issued as follows;

- On signing the agreement to purchase the mine
- On acquiring project finance for the mine
- On commencement of mining

At the end of the period there was no share based payment expense as the probability of meeting the vesting conditions is nil due to fact the company is unwilling to proceed with the project under the current terms of the agreement.

Rights Pricing Model

The fair value of the equity settled share rights granted under the plan is estimated as at the date of the grant using either the Black-Scholes valuation model for rights with non-market based performance conditions or the Monte-Carlo simulation model for rights that contained a market based performance condition.

The following table lists the inputs to the models used for the period ended 30 June 2015.

- Issue of 14,000,000 performance options expiring 3 December 2017 issued to directors on 3 December 2012
- Issue of 15,000,000 options to Victoria Copper Mine with an exercise price of 3 Cents expiring 30 June 2016 issued on the 6th September 2013
- Issue of free attaching options in conjunction with the issue of shares under the company's non-renounceable rights issue.

	Victoria Copper Mine	Attaching options in Rights exp 17	Performance rights
Dividend yield (%)	0%	0%	0%
Expected volatility (%)	140%	110%	140%
Risk-free interest rate (%)	2.93%	2.48%	2.70%
Expected life of right (years)	2.82yrs	3	5
Value per right (\$)	\$0.01103	\$0.00350	\$0.033 - \$0.0326
Closing share price at grant date (\$)	\$0.02	\$0.006	\$0.04

Incomplete records

The financial report has been compiled from the extracted MYOB records for the Company that were made available to the Deed Administrators and Liquidators. The Deed Administrators and Liquidators were not in office for the periods presented in this report, nor were they parties involved with the Company and did not have oversight or control over the group's financial reporting systems including but not limited to being able to obtain access to accounting records of the Company. Reasonable effort has been made by the appointed Deed Administrators and Liquidators to ascertain the position of the Company as at 30 June 2015.

EMPLOYEE SHARE OPTION PLAN

	2015 NUMBER OF OPTIONS	2014 NUMBER OF OPTIONS
Balance at beginning of the financial year	6,950,000	6,950,000
Expired during the financial year	(6,950,000)	-
Issued during the financial year	-	-
Balance at end of the financial year	-	6,950,000

(a) Balance at beginning of the financial year

	2015 No.	2015 WAEP A\$	2014 No.	2014 WAEP A\$
Outstanding at the beginning of the year	277,515,232	0.018	88,946,660	0.043
Granted during the year	-	-	190,382,894	0.0075
Consolidation	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	(29,508,312)	0.09	(1,814,322)	0.23
Exercisable at the end of the year	248,006,920	0.01	277,515,232	0.018

The following share-based payment arrangements were in existence during the reporting period:

DATE OPTIONS GRANTED	EXERCISABLE	EXPIRY DATE	EXERCISE PRICE(ii)	QUANTITY
02 July 2012	02 July 2012	02 July 2015	0.595	300,000
03 December 2012	Performance Rights	03 December 2017	\$0.00	14,000,000
06 September 13	06 September 13	30 June 2016	\$0.03	15,000,000
30 May 2014	30 May 2014	31 May 2017	\$0.01	218,706,920
				248,006,920

24. Key Management Personnel Compensation

The key management personnel of the Consolidated Entity during the year were:

(a) Key Management Personnel Compensation

The aggregate compensation of the key management personnel of the Consolidated Entity and the Company is set out below:

	CONSOLIDATED	
	2015	2014
	\$	\$
Short-term employee benefits	*	201,999
Other	*	-
Post-employment benefits	*	4,156
Termination payments	*	46,667
Share-based payment	*	338,967
Total	*	591,789

*As detailed in Note 1, to prepare the Financial Report, the appointed Deed Administrators and Liquidators have extracted data from the Company's accounting system. However, there may be information that the appointed Deed Administrators and Liquidators have not been able to obtain, the impact of which may or may not be material on the accounts. These financial statements do not contain all required information or disclosures in relation to transactions undertaken by the Company as this information is unascertainable by the appointed Deed Administrators and Liquidators.

25. Remuneration Of Auditors

	CONSOLIDATED	
	2015	2014
	\$	\$
Amounts received or due and receivable by BDO Pty Ltd:		
Audit or review of the financial report of the Group	39,961	47,405
Total	39,961	47,405

26. Events since the end of the financial

On 10 December 2015 Peter Landau Executive Chairman resigned as a Director.

On 10 December 2015 Malenga Machel Non-Executive Director resigned as a Director.

On 9 June 2016 Jim Malone resigned as a Director.

On 27 June 2016 Vinod Sharma Non-Executive Director resigned as a Director.

On 23 August 2016, David Ashley Norman Hurt and Christopher Michael Williamson were appointed Liquidators of the Company, at which time, the powers of the Company's officers (including Director) were suspended and the Liquidators' assumed control of the Company's business, property and affairs.

At the meeting of creditors held on 9 February 2017, the creditors of the Company resolved to authorise the Liquidators to appoint themselves as Voluntary Administrators of the Company. The Liquidators subsequently appointed themselves as Voluntary Administrators of the Company on 10 February 2017.

On 13 March 2017, a meeting of creditors was convened for 20 March 2017 to consider the future of the Company, and whether to accept a Deed of Company Arrangement proposal (DOCA1) formulated by Trident Capital Pty Ltd (Trident). On 20 March 2017, creditors resolved to adjourn the meeting for a period not exceeding fifteen (15) business days. At the reconvened meeting of creditors held on 10 April 2017, creditors resolved to further adjourn the meeting for a period not exceeding thirty (30) business days.

On 10 May 2017, an alternative DOCA proposal (DOCA2) was received from one of the secured creditors, Caason Group Pty Ltd (Caason).

On 17 May 2017, the adjourned meeting of creditors was reconvened for 25 May 2017. At the meeting on 25 May 2017, the creditors resolved that the Company execute the DOCA2 proposal and that Christopher Michael Williamson and David Ashley Norman be appointed as Administrators of the DOCA2.

A summary of the material terms of the Recapitalisation Proposal is set out below, the Company is currently subject to DOCA2.

Key conditions precedent for completion of the DOCA2 include:

- Satisfying the conditions of the ASX;
- Payment of \$750,000 to the Deed Administrators' trust account for the shell structure of the Company within 14 days of the latter of:
 - o Execution of the DOCA2;
 - o The Court prospectively approving the termination of the liquidation simultaneously with the effectuation of the DOCA2 (subject to shareholder approval, receipt of \$750,000 and distribution of funds); and
 - o Shareholders' approval of all resolutions to conduct the proposed capital raising.
 - o DOCA2 be acceptable to the secured creditors.
- The DOCA2 proposal is conditional upon and subject to the following:
 - o the passing of all necessary shareholder, creditor and court approvals to implement the proposal;
 - o all secured creditors providing their written consent to be bound by the Reconstruction Deed; and
 - o the parties executing a Reconstruction Deed to give legal effect to the offer within thirty (30) days of acceptance of the binding offer.

If the conditions are not waived by mutual agreement or satisfied by 31 October 2017, this offer will be at an end.

- The DOCA2 proposal is contingent on successful shareholder approval to conduct each of the capital raisings (listed in Schedule 1 Clause 5).
- The DOCA2 sum (\$750,000) will be applied by the Deed Administrators (with reference to sections 556, 560 and 561 of the Act) in the manner and order of priority as follows:
 - o To pay any liabilities properly incurred by the Liquidators, Administrators, and Deed Administrators during the course of the liquidation, administration and the DOCA2;
 - o To pay the Liquidators, Administrators, and Deed Administrators' remuneration and out of pocket expenses as negotiated with Caason;
 - o To pay any outstanding employee entitlements as at 10 February 2017 as negotiated with Caason; and
 - o To part pay secured creditors of the Company as at 10 February 2017 on a pari passu basis (the balance of the debt owing to the secured creditors has been agreed to be converted into shares under DOCA2 proposal or used to fund the relisting of the company on the ASX at the discretion of the secured creditors); and
 - o To pay dividends to the ordinary unsecured creditors of the Company whose debt and claims arose on or before 10 February 2017 and are admitted to proof.
- any existing Convertible Notes to prove as debt on the basis the debt is secured;
- the company proposes to consolidate its share capital on a maximum 100:1 reduction basis; and
- unlisted options or partly paid options are to be cancelled.

On 22 September 2017, the Deed Administrators convened a meeting of creditors to be held on 10 October 2017 where the creditors are to vote to vary the original DOCA2.

A summary of the key proposed variations to the DOCA2 and Reconstruction Deed are outlined below:

- payment to the Deed Administrators of \$451,869 (compared to the original DOCA2 sum of \$750,000) on or before 31 October 2017 (or such later date as agreed between Caason and the Deed Administrators).
- the varied DOCA2 and Reconstruction Deed are not conditional upon successful shareholder approval to implement the restructuring proposal and conduct the capital raisings.
- the conditions precedent to payment of the DOCA2 sum of \$451,869 are outlined in Clause 3.1 of the proposed varied DOCA2 (refer Annexure A), as follows:
 - h) all secured creditors providing their written consent to release their security;
 - i) the Deed Administrators providing written notice to all Instrument Holders that upon termination of the DOCA2 due to it being fully effectuated all instruments will be cancelled and all claims by Instrument Holders will be extinguished (unless otherwise agreed in writing between the parties);
 - j) the Deed Administrators providing written notice to Caason that, with the exception of the secured creditors (Caason and Robert Jesse Hunt ("Hunt")) and Trident Capital Pty Ltd ("Trident") debt, upon termination of the DOCA2 there will be no enforceable claims against the Company by Instrument Holders;
 - k) Caason is satisfied in its absolute discretion that no claims will be made against the Company by Instrument Holders;
 - l) execution of the Reconstruction Deed by the Company, Deed Administrators and Caason;
 - m) all conditions precedent in Clause 2.1 of the Reconstruction Deed (refer Annexure B) have been satisfied or waived, including:
 - i. ASX confirming that nothing contemplated by the DOCA2 and the Reconstruction Deed will prevent the Company from retaining its ASX listing;
 - ii. Trident agreeing to convert its debt (\$27,500) into shares;
 - iii. Hunt agrees to convert its remaining debt into shares and options;
 - iv. all the conditions in the DOCA2 have been satisfied or waived (with the exception of the condition precedent in clause 3.1(f) of the DOCA2;
 - v. the Deed Administrators issue the meeting documents to convene the shareholder meeting; and
 - vi. the Deed Administrators or the Liquidators applying for an order to the effect that the winding up of the Company is or will be terminated pursuant to section 482 of the Act;
 - n) Caason pays \$15,000 into the Trust Account of Jackson McDonald (for the purpose of the application to terminate the winding up of the Company).

If the conditions are not waived by mutual agreement or satisfied by 31 October 2017, this offer will be at an end.

The Company proposes to consolidate its share capital on a maximum 50:1 reduction basis (previously on a 100:1 basis).

DEED ADMINISTRATORS'/LIQUIDATORS' DECLARATION

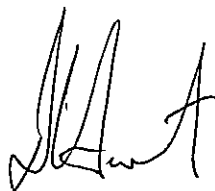
In the opinion of the appointed Deed Administrators and Liquidators of Ausroc Metals Ltd (In Liquidation)(Subject to Deed of Company Arrangement):

1. As set out in note 1(b), as the appointed Deed Administrators and Liquidators have extracted the information for this financial report from the Company's MYOB records that were made available to the Deed Administrators and Liquidators, they are of the opinion that it is not possible to state that the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) Giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the financial year ended on that date;
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) Complying with International Financial Reporting Standards.
2. As a result of the Subsequent Events, the Deed Administrators/Liquidators cannot say that there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The declaration required to be made in accordance with Section 295A of the Corporation Act 2001 for the financial year ended 30 June 2015 has been unable to be made due the reasons set out in Note 1(b).

Signed by Christopher Michael Williamson and David Ashley Norman Hurt in their capacity as Deed Administrators and Liquidators of the Company:



Christopher Michael Williamson
Perth, 13 OCTOBER 2017



David Ashley Norman Hurt

INDEPENDENT AUDITOR'S REPORT

To the members of Ausroc Metals Limited (subject to Deed of Company Arrangement/In Liquidation)

Report on the Financial Report

We were engaged to audit the financial report of Ausroc Metals Limited (the Company) and its subsidiaries (the Group) (subject to Deed of Company Arrangement/In Liquidation) which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the Deed Administrators'/Liquidators' declaration.

The Deed Administrators' and Liquidators' Responsibility for the Financial Report

The Deed Administrators and Liquidators 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 Deed Administrators and Liquidators 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 Deed Administrators and Liquidators 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 conducting the audit in accordance with Australian Auditing Standards. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an 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 Deed Administrators and Liquidators of Ausroc Metals Limited (subject to Deed of Company Arrangement/in Liquidation), would be in the same terms if given to the Deed Administrators and Liquidators as at the time of this auditor's report.

Basis for Disclaimer of Opinion

- (i) On 23 August 2016, the powers of the Directors of Ausroc Metals Limited (subject to Deed of Company Arrangement/In Liquidation) were suspended upon liquidation of the company and the Deed Administrators and Liquidators were appointed to assume control of the Company's business, property and affairs. As stated in note 1(b) of the financial report, the financial report has been prepared by the Deed Administrators and Liquidators who were not in office for the periods presented in this report, and the Deed Administrators and Liquidators did not have oversight or control over the Group's financial reporting systems including (but not limited to) being able to obtain access to the complete accounting records of the Group.

As a result of this matter, we were unable to obtain sufficient appropriate audit evidence or determine whether any adjustments might have been found necessary in respect of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows.

- (i) As disclosed in Note 1(c) to the financial report, the Deed Administrators and Liquidators state that the consolidated financial report has been prepared on a going concern basis. In assessing the going concern basis of preparation, the Deed Administrators and Liquidators have made a number of assumptions including the assumption that the ability of the Group to continue as a going concern is dependent upon securing additional funding through the DOCA2. The DOCA2 provides for the compromise of creditors' claims, recapitalisation of the Company, an initial capital raising of between \$750,000 and \$1,000,000 and (subject to regulatory approval) re-quotation of its securities on the ASX.

We have been unable to obtain alternative evidence which would provide sufficient appropriate audit evidence as to whether the Company may be able to raise such capital, and hence remove significant doubt of its ability to continue as a going concern for a period of 12 months from the date of this auditor's report.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report. Accordingly, we do not express an opinion on the financial report.

Report on the Remuneration Report

We were engaged to audit the Remuneration Report included in pages 5 to 10 of the Deed Administrators' /Liquidators' Report for the year ended 30 June 2015. The Deed Administrator and Liquidators 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.



Basis for Disclaimer of Opinion

On 23 August 2016, the powers of the Directors of Ausroc Metals Limited (subject to Deed of Company Arrangement/In Liquidation) were suspended upon liquidation of the Company and the Deed Administrators and Liquidators were appointed to assume control of the Company's business, property and affairs. As stated in note 1 of the financial report, the financial report has been prepared by the Deed Administrators and Liquidators who were not in office for the periods presented in this report, and the Deed Administrator and Liquidators did not have oversight or control over the Group's financial reporting systems, including being able to access financial records that correctly record and explain the transactions included in the Remuneration Report for the year ended 30 June 2015.

Disclaimer of Opinion

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the Remuneration Report.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Dean Just', is written over a faint, larger 'BDO' logo.

Dean Just

Director

Perth, 13 October 2017

CORPORATE DIRECTORY

Directors

Peter Landau - Executive Chairman
Malenga Machel - Non-Executive Director
Vinod Sharma - Non-Executive Director
Jim Malone - Executive Director

Company Secretary

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Australian Securities Exchange
ASX Code: ARK