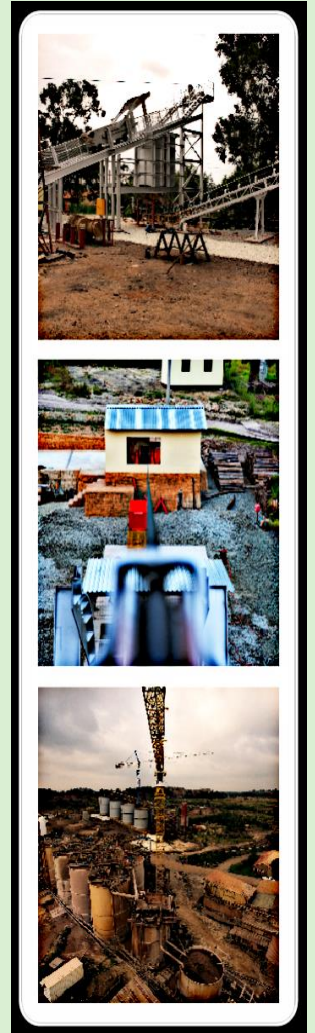


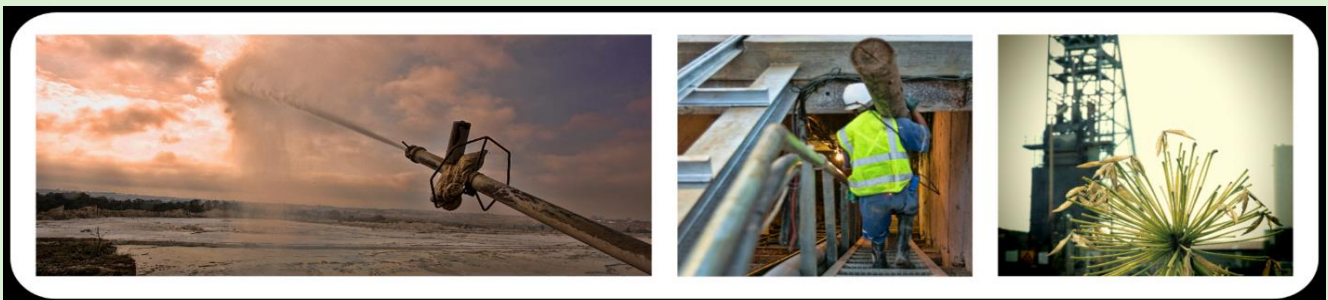
2014

Mintails Limited
ABN: 45 008 740 672



MINTAILS LIMITED

Annual Report 2014



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This document contains some statements which are by their very nature forward looking or predictive. Such forward looking statements are by necessity at least partly based on assumptions about the results of future operations which are planned by the Company and other factors affecting the industry in which the Company conducts its business and markets generally. Such forward looking statements are not facts but rather represent only expectations, estimates and/or forecasts about the future and thereby need to be read bearing in mind the risks and uncertainties concerning future events generally.

There are no guarantees about the subjects dealt with in forward looking statements. Indeed, actual outcomes may differ substantially from that predicted due to a range of variable factors.

CHAIRMAN'S LETTER

Dear Mintails Shareholder,

On behalf of the board, we present the Company's 2014 Annual Report. The past year has proven to be a year of two halves: the first half saw production and performance improve broadly in line with budget, whilst in the second half the Company faced tremendous challenges with curtailed production materially adversely impacting financial performance.

During the first 6 months of the financial year, ore production increased by 33% as we increased hard rock production towards our target of 100,000 tonnes per month. Average grade fell as expected as we introduced lower grade bulk pits, such as the Princess Pit, augmented by lower tonnage from higher grade production areas such as the Main Reef Pits. As the Main Reef Pits were exhausted, that higher grade production was to be replaced with low volume, high grade underground production. While a fall in tonnage due to the Department of Mining and Resources' ("DMR") stop order was only temporary, performance was hampered by limited accessibility across our resources, and hence our inability to manage our blended grade, which remained below target for the remainder of the financial year.

The impact of our growing operations during the first two quarters on nearby communities grew in line with our production. While we satisfied ourselves that we were within technical requirements on matters such as blast vibrations, our response to growing community concerns on these matters was both slow and insufficient. Due to a series of community concerns, we soon found ourselves embroiled in major social unrest and rioting that spilled over into our operations. As the unrest became politicised, we effectively lost many of our previous communication channels with local and regulatory authorities. The consequences of these developments, and in particular the negative impact that these had on the Company's performance, have been well reported.

In order to properly address the range of issues arising, we had to effectively reset the Company's entire business plan. We needed to re-establish dialogue and build trust with our regulators, communities, local authorities and politicians at various levels of government. This process has been slow but, under the able direction of our local partner Mr Ndimande, it is being accomplished. We now have reached a position where there is generally support for our on-going operations from all relevant stakeholders, including the local communities, the local municipalities and the regulators. As part of this process, we also needed to assess and strengthen our regulatory reporting and administrative processes.

The fruits of this painstaking labour are now beginning to be seen. In agreement with the DMR, we are undertaking rehabilitative mining along the Main Reef outcrop in the eastern portion of our rights area at East Champ D'Or, where there have been growing illegal artisanal mining operations. Our activities will remove the crown pillar and remediate to remove access for the illegal miners to the historic mining void. We will benefit from access to the high grade resource, while government will benefit from the reduction in illegal mining activities and the associated social problems such as increased crime.

We have also been working hard to further our collaboration with government in other matters of mutual concern or interest. We have had extensive discussions with the Department of Water Affairs ("DWA") regarding the use of our patented Tailings Water Treatment ("TWT") process to treat the acid mine drainage in the Western Basin. Our interests are well aligned with those of DWA. They seek to draw the water level within the historic void down to the Environmental Critical Level "ECL" (about 165 metres below surface) in order to protect adjacent aquifers from acid mine drainage intrusion, while it is in our interests to draw down the void so that we can gain access to additional underground resources which are currently flooded. Hopefully, together, we can accelerate the process to the advantage of both.

Financially, the events of the past year have led to the reversal of broad improvements across a range of financial measures that were achieved last year. Both EBITDA and cash flow from operations turned negative for the year. We had to apply significantly more of the funds raised from the December capital raising to support working capital than was

CHAIRMAN'S LETTER

budgeted, and our creditors position increased. Subsequent to the financial year end, we have received needed support from Paige Ltd, a company associated with our largest shareholder, in the form of a loan facility to support working capital. These funds are intended to bridge cash shortfalls while re-establishing and re-balancing our operations now that we again have full access to all of our mining rights areas.

As we move into the new financial year, the board and management have two key areas of focus to return the Company to positive cash flow:

- 1) Operational performance - As we move into new areas of operations – in particular, D Shaft underground, Monarch Pits, Princess Pits, and East Champ D'Or – clear targets on operational performance measures are being set and reviewed. These include areas of efficiencies (machine utilisation, process optimisation), process effectiveness (dilution minimisation, gold retention), and profitability (cut-off grades, strip ratios). Given the marginal grades of many of our resources, tight operational performance management is instrumental to profitability.
- 2) Stakeholder relationships - Tremendous effort has been devoted to this area over the last nine months. The efforts are now yielding positive results in growing support for our operations. The on-going monitoring and managing of relationships with the broad range of important stakeholders including local affected communities, regulators, municipalities and government bodies is a priority. This will enable the Company to better anticipate when issues are arising and also to build on these relationships to provide mutually beneficial conditions for our operating activities and solutions to the range of issues that concern this diverse range of stakeholders.

We are hopeful that we are now well positioned with both improved stakeholder relations and full access to our range of assets to build again upon our strategic focus of increasing production - particularly through the opening up and accessing of our underground resources. We could not achieve these goals without the efforts of our talented and dedicated team, whose tenacious efforts have been instrumental in working through the challenges we have faced. To our team, I would like to extend our gratitude. Finally, I am pleased that in June we were able to welcome Anthony Ehlers as CEO of our South African operations to bring his extensive experience to bear in leading and directing our team in the execution of our demanding objectives.



Mark Brune
Chairman
Mintails Limited

EXECUTIVE'S REVIEW

The annual report details the performance of Mintails Limited over the last 12 months. It was a challenging year, seeking to sustain the mining operations as reported the prior year. Some of the key challenges faced by the Company in 2014 were:

- Lower head grade into the plant due to the variability of grade and grade loss associated with the various reef horizons being mined;
- Significant community unrest within the Princess mining complex area (Kimberly Reef horizon) due to blasting and mining operations;
- Stop Notices issued to West Wits Monarch (the owners of the Mining Right MR132GP acquired from West Wits Mining Limited, which Mintails is mining under contract) due to historical non-compliances on all licensing requirements;
- Severe rainfall during February and March 2014 (rainfall event greater than 1 in 100 year flood events); and
- Under capitalisation of the Company to weather the events as described above, leading to increased risks to our creditors.

The unrest experienced by the Company from communities in and around the Princess mining complex was a significant event, leading to large scale community unrest and damage incurred by the Company through the unrest on contractor equipment and ultimately no mining operations being conducted within this area.

The events were preceded by a significant hail storm on the evening of 28 November 2013, where tennis sized hail stones caused severe damage to properties of the community in Kagiso 1. On 29 November communities entered the mining area throwing stones, petrol bombs and damaging a number of excavators and ADT trucks as well as burning one of the mine vehicles. Mining operations within the Princess pit were averaging circa 48 000 tonnes of ore per month at a stripping ratio of 12:1 at this stage and was by far the largest open pit operation within the Company at that stage.

The Department of Mineral Resources investigated the community unrest and proceeded to issue two major stop notices to the Company on its mining operations. These notices consisted of a Section 54 notice in terms of the Mine Health and Safety Act, stopping all open pit mining operations until Mintails met specific requirements detailed within the notice. The second notice was a Section 93 notice in terms of the Mineral and Petroleum Resources Development Act, requesting the Company to cease all open pit and or hard rock mining activities until compliance is achieved with the notice as issued. In mid-February, Mintails and the Department of Mineral Resources settled a court interdict mutually to continue mining operations in other areas, excluding the Princess and Boltonia mining areas, and to work towards a programme of compliance over the next 30 days collectively.

Mining operations were started up within the Emerald mining complex (Kimberly Reef horizon). The development of the mining operations within this area contributed to lower head grades recovered through the plant especially with mining being conducted near surface.

Late February and early March, Johannesburg experienced a 1 in 100 year rain event with circa 273 millimetres of rain falling over 24 hours. The volume of rain stopped all open pit mining operations for a period of 5 weeks in total.

In total 9 weeks of production was lost due to the stop notices as well as the rain event during the 3rd quarter of the financial year under review. The loss of production and the starting up of new mining operations placed a significant draw on the working capital of the Company during this period. Majority of the start-up operations costs to the Emerald pit was borne by our contractor mining operators accumulating a creditor book close to AUD 16 million at year end.

Some of the highlights of the year were a successful capital raise completed in December 2013 as well as utilizing the monies raised in commissioning the D-Shaft underground mining operations and conducting further exploration activities on the Main Reef and Livingston Reef horizons.

REVIEW OF OPERATIONS

Comments to the financials for the year ended 30 June 2014

- Total gold ounces produced for the year was 35,443 ounces
- Revenue for the year A\$ 48.5 million which was down 16% on 2013
- EBT loss for the year A\$ 38.7 million (2013: A\$ 15.8 million)
- Average recovered grade for the year was 0.776g/ton (2013: 0.869g/ton)
- Capital raised through a non-renounceable pro-rata right issue in December 2013 totalled A\$6.2 million



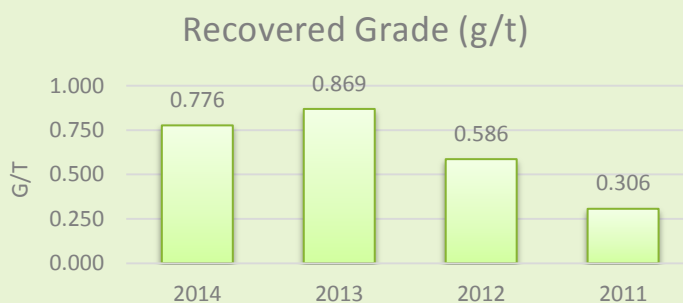
PRODUCTION

All mining took place on the acquired mining leases from West Wits Mining Limited. Open pit mining operations in particular continued to prove to be a challenge due to a range of factors, including:

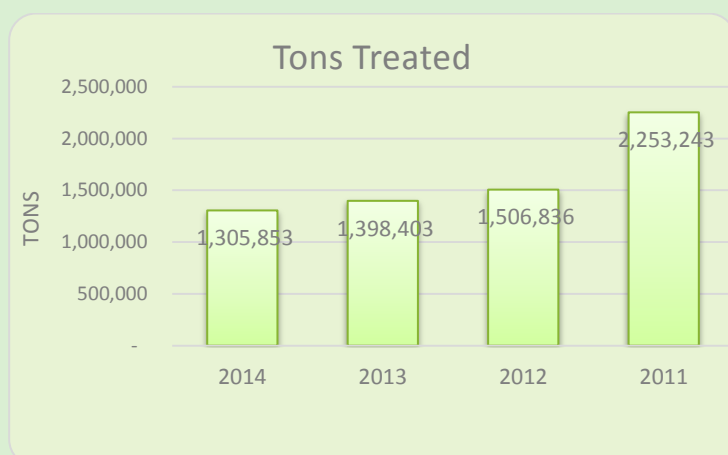
- narrow channel widths that are often part stoped;
- targets unmapped prior to mining;
- reductions in delivered grade from unavoidable dilution; and
- complex geological structures.

Tailings and hard rock material were collectively processed through the Mintails Gold 1 plant. Total tonnages processed for the year totalled 1,305,853 tonnes of which 42% of the volume processed was for tailings and 58% hard rock material. Summaries of recovered grade, tons treated and gold recovered are as follows:

- Recovered grade for the year was 0.776g/ton (2013: 0.869g/ton)

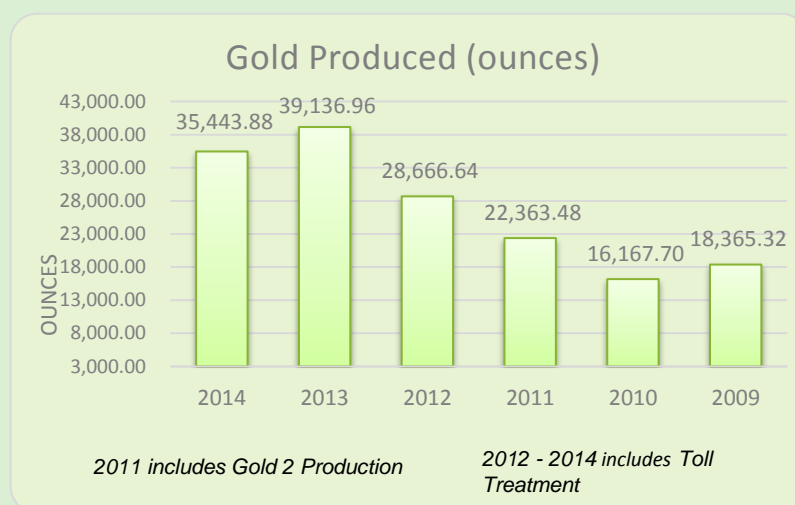


REVIEW OF OPERATIONS



- Total tonnes treated for the year down 6.6%
- Total plant utilisation 72.5% (Gold 1 plant only)

- Total ounces Au production for the year at 35,000 ounces
- Au production down on 2013 by 9%



Total plant utilisation for the year was at 72.5%. Plant utilisation was substantially affected by the ability to process any material of significant volume during the months of January through to March due to the various stop notices issued by the Department of Mineral Resources (“DMR”) and the significant inclement weather experienced during the same period.

Tailings Mining – 1L8 Resource

The mining of tailings continued on the 1L8 tailings dump with circa 545,000 tonnes of tailings processed for the year at an average recovered head grade of 0.2017g/ton. The volume of tailings left within the 1L8 dump is circa 900,000 tonnes of which only another 450,000 tonnes will be recovered prior to having to move to the next tailings dump (1L10). A portion of the tailings dump at 1L8 is covered with electricity infrastructure which will be required to be moved prior to mining the remainder of the dump.

REVIEW OF OPERATIONS

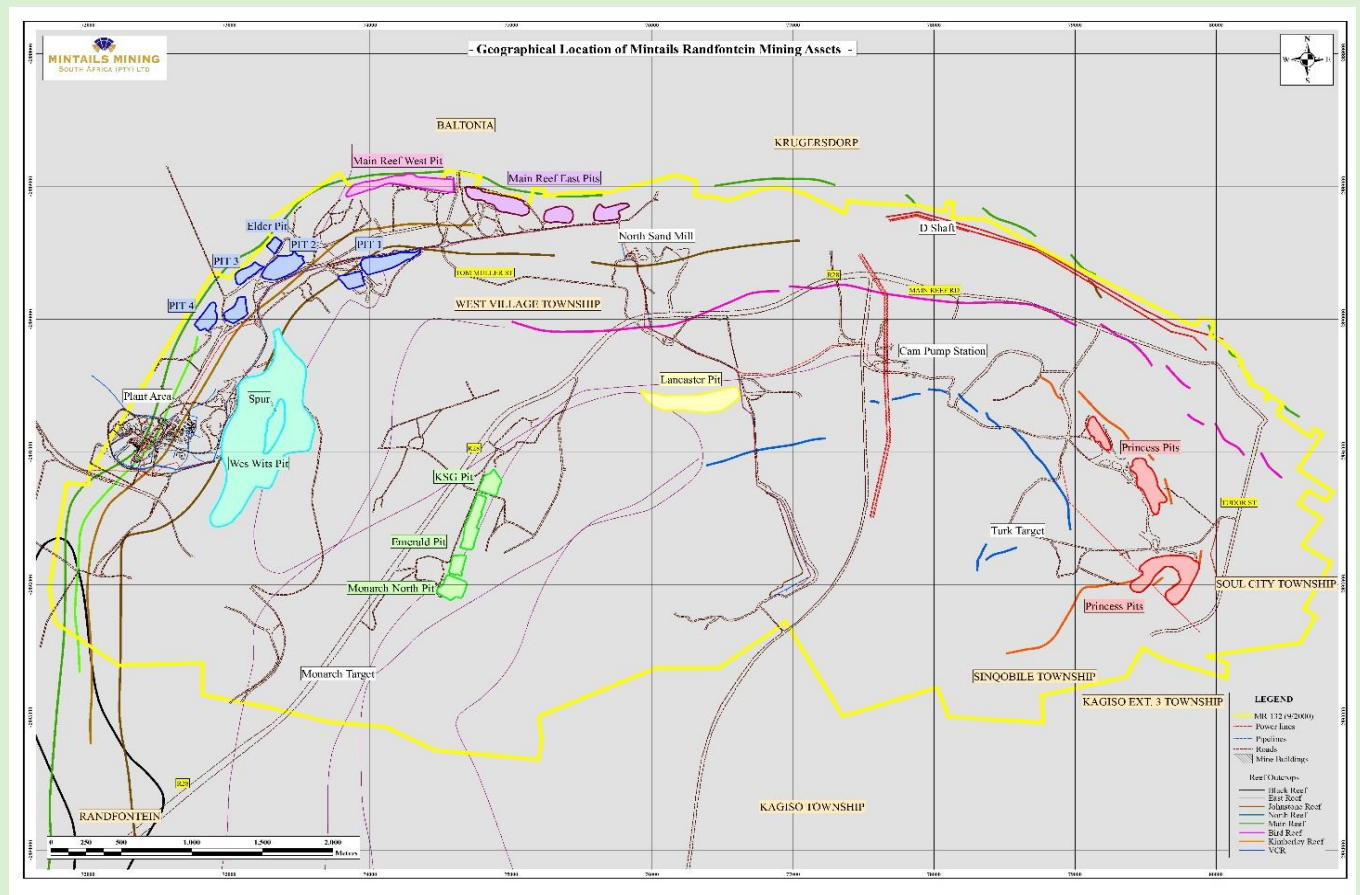
It is expected that mining of the 1L10 tailings dump will commence in January/February 2015.



Mining of the 1L8 tailings dump

Hard Rock Mining

The total tonnes of hard rock material processed for the year was 761,848 tonnes (2013: 719,908, up 6%). A map of the mining right area as well as the various open pit mining operations is included below.



REVIEW OF OPERATIONS

Lancaster Open Pit Operations (Kimberly Reef)

The Lancaster Pit was established on historical mine workings of which the higher grade “Battery A” band of reef conglomerate was mined underground historically. Mintails extensively mined the Lancaster Pit from October 2012 to December 2013 with majority of the hard rock material mined within those years being delivered from the Lancaster open pit operations. In December 2013 the pit was identified to be at its end of life. A review of operations and additional exploration to delineate pay shoot definition of the foot wall bands was conducted for viability in mining these reefs selectively, albeit at low tonnage and stripping ratios. The foot wall bands did prove viable to be mined up to a stripping ratio of 4:1 and mining was continued within Lancaster based on these parameters. Currently Lancaster is delivering circa 10 000 tonnes of ore per month at an average grade of 1.8g/ton. The remaining life of the Lancaster Pit has been placed at 8 months. The mining of the foot wall bands allows for concurrent rehabilitation to be conducted within the Lancaster Pit.

Princess Open Pit Mining Operations (Kimberly Reef)

The Princess target is in close proximity to the “Witpoortjie Fault”. This is an 800 m wide 20km horst displacement fault which cuts off the Western Basin from the Central Basin on the West Rand. Mining within the Princess Pit continued in an easterly direction along the 500 meter strike line to the South which identified an extension to the overall pit life as previously reported to 18 months (2013: reported 12 months).

During late November 2013 the Krugersdorp area experienced a significant thunder storm with large amounts of damage occurring due to tennis ball-sized hail stones. The local community closest to the Princess mining area, Kagiso 1, experienced significant damage to their properties. Complaints had been received prior to this by the Company in relation to the impacts of blasting to properties, dust fall-out and health risks posed to the community; mitigation measures were implemented to mitigate where possible these impacts. Due to a lack of local community support for the hail damage and perceived damage caused by mining, the community instigated violent unrests and damaged a number of pieces of mining and exploration drilling equipment. This continued randomly during December and January.

The Minister of Mineral Resources engaged the community and Mogale City Local Municipality in early January and initiated an immediate investigation. The preliminary investigation identified that due to a number of issues specific to Mine Health and Safety Act compliances, the Company was instructed to stop all open cast mining operations on the 17 January 2014 with immediate effect and respond to or rectify the identified issues prior to being able to continue mining.

These instructions were delivered as a Section 54 notice under the Mine Health and Safety Act. The Minister further issued a Section 93 notice in terms of the Mineral and Petroleum Regulatory Act which required specific reports to be submitted on social and labour plan performance, an environmental management programme report and an annual performance assessment report.

Total tonnages mined out of the Princess complex for the year to that date yielded 224,000 tonnes of ore at an average mined grade of 1.25g/tonne. The loss of the Princess Pit severely impacted on the ability to produce significant volumes of hard rock material for a period of 3 months after being issued with the stop notices.

To date the mining operations within Princess have not been re-commenced.

REVIEW OF OPERATIONS

Main Reef – Boltonia Open Pit Operations (Main Reef & South Reef)

The mining of the Main and South Reefs was conducted to remove the crown pillar and close to surface remnant stope pillars from historical mining, which delivered consistent high grade material although at low volumes. The strategy employed is to limit blasting by free digging the crown and near surface pillars to an average depth of 15m from surface. This mining method was applied to the Boltonia area which was also in close proximity to communities. The mining of the main reef pillars was profitable with only 3% of the total ore delivered to the plant coming from the main reef but it contributed circa 12% of the total gold recovered from hard rock mining operations.

Unfortunately due to the stop notices issued to the Company in January, no further mining has been conducted within the Boltonia area. The mining operations within this area has only circa 8 weeks of mining left at which point the open pit will be rehabilitated.

Emerald Open Pit Operations (Kimberly Reef)

Open cast mining operations commenced in late December within the Emerald open pit complex, which also targets the Kimberley Reef. The estimated strike length of the reef is 1.6km within the overall complex. The area is overlain by sediments of the Black Reef Formation (“BRF”) which occurs in undulating lenses incising through the Kimberley Reef sequence. The impact of the BRF results in significant amounts of overburden in specific areas, as well as some surface infrastructure which disjoints the continued strike length within the mining area.

The early development of the Emerald Pit was accelerated due to the continuing inability to re-access the Princess Pit complex. As such, the acceleration of the development of the Emerald Pit complex provided additional financial strain during the fourth quarter. The Emerald Pit operation is designed as a high volume pit delivering circa 50,000 tonnes of ore per month.

The Emerald start-up was not without challenges as power line restrictions negatively impacted on overall open pit establishment. The high walls could not encroach closer than 100m to the power lines whereas 50m was required to fully develop the open pit as well as to achieve our maximum depth. Following a fairly long procedure, all the regulator requirements have been met and permission to encroach to 50m has now been granted.

Underground Mining Operations – D-Shaft (Main Reef & South Reef)

A non-renounceable, pro rate rights issue was completed in December 2013, raising circa A\$6.2 million of which A\$1.2 million were made available for the equipping and commissioning of underground mining operations. The target area selected was D-Shaft, situated on the Main Reef and South Reef conglomerates.

The equipping of the “D-Shaft” underground project started in November 2013. Works on the construction of the infrastructure progressed well although some delays were incurred due to the annual closure of suppliers from mid-December to early January 2014.

REVIEW OF OPERATIONS

The shaft was completed and equipped for mining operations in late March 2014. Due to technical challenges on the rock mechanics report and performance of the appointed mining contractor, management made a decision to suspend mining operations in late May 2014. A new mining contractor was identified and appointed in June 2014. The re-opening up and re-commissioning of the shaft continued to mid-October, with production commencing in late October.



D-Shaft Hoisting Structure

Toll Treating

The Company continued to process material on behalf of Central Rand Gold ("CRG") during the year. Total tonnages processed during the year were 27,169.

The processing of CRG material takes place as and when gold bearing ore is received under the normal off-take agreement entered into between CRG and Mintails, and only when capacity exists within the Mintails plant to process this material.

Exploration

From the non-renounceable, pro rata rights issue A\$ 500,000 was set aside for the acceleration of exploration activities to be conducted on the various mining leases acquired by the Company. A contractor was engaged in March 2014 and drilling commenced on the Main Reef target extending to the East of D-Shaft.

Drilling focused on the Main and South reef target conglomerates. A total of 1,507m of exploration drilling was completed during the year. Limited reef intersections were declared during this period as the majority of drill holes intersected historical mining voids, fault zones and zones where no reef development was observed. These mining voids were not reflected on any of the historical underground plans the Company obtained from the Surveyor General's office.

The geology of this block of ground has been reinterpreted regarding the depositional environment, sedimentology and structure. Figure 1 reflects the drill holes drilled to date as well as the provisional structure.

Despite the disappointing drilling results, where the reef has been exposed, the grades have been very encouraging and these areas are still being pursued. Several previous shafts and raises along strike have been mapped and physically identified with the most prospective being targeted for opening up and further exploration.

REVIEW OF OPERATIONS

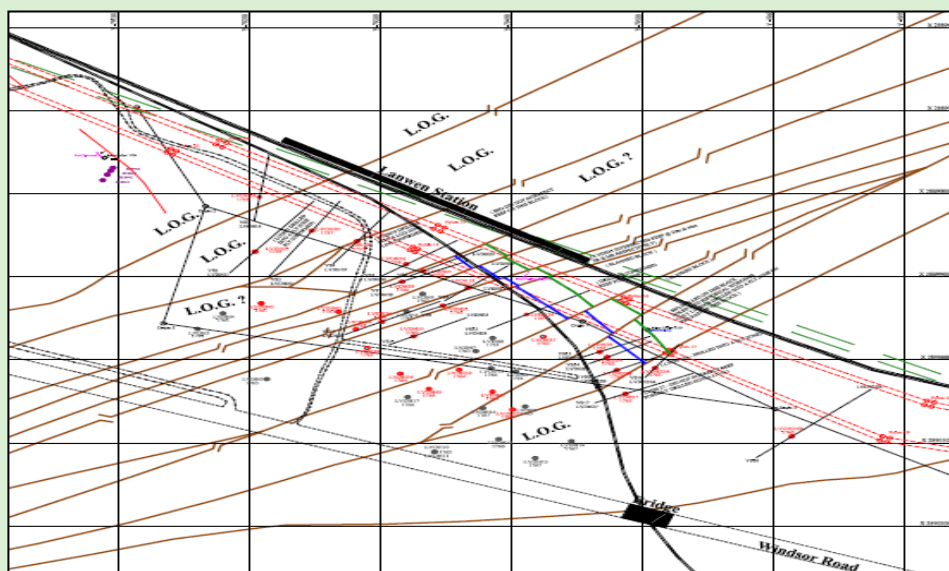


Figure 1: LVE BH plan and projected structure

It is expected that a further 1,500 meters of exploration drilling will be conducted during the new financial year.

DEPOSITION

The West Wits Pit remains the sole deposition facility for the Company's tailings at present. Total capacity of the West Wits Pit is circa 30mil tons up to ground level and will meet Mintails' deposition requirements for at least the next 5 years even when the Gold 2 plant is operational. Under the current processing and mining tonnages there will be no limitations on deposition within the West Wits Pit within the foreseeable future. This deposition site is governed by a mandatory code of practice and is carefully regulated.

A pre-feasibility study was previously undertaken to extend this deposition area further and above the natural ground level, ultimately having the capacity for an additional 65 million tons of tailings. This study forms an important addendum of the amended Environmental Impact Assessment (EIA) and Environmental Management Programme Report (EMPR) which was submitted in April 2012 to the Department of Mineral Resources. Mintails is awaiting the approval of the EMPR as submitted from the Department of Mineral Resources presently.

REVIEW OF OPERATIONS

FINANCIAL REVIEW

Key Highlights 2014						
		AUD			RAND	
		2014	2013	% Change	2014	2013
Financial						
Revenue	million	48.60	57.80	-16%	462.34	523.55
Cost of Production	million	45.89	47.40	-3%	436.58	429.33
Gross profit/(loss)	million	2.71	10.40	-74%	25.77	94.21
Profit/(loss) for the year	million	(38.73)	(16.83)	-130%	(368.48)	(152.41)
Total comprehensive profit/(loss)	million	(41.99)	(7.03)	-497%	(399.46)	(63.71)
Share Value						
Basic earnings per share		(0.14)	(0.11)	-26%		
Share Price - 30 June		0.05	0.08	-33%		

Revenue

The total revenue for the year was A\$ 48.6 million (2013: A\$57.8 million), representing a 16% decrease on the prior year. Although at mid-year the Company was on track to equal and or better the revenue achieved in 2013, the previously discussed mining restrictions and weather caused a severe reduction in mining over a 9 week period

The average gold price achieved during the financial year under review was U\$ 1,292 per ounce (2013: U\$ 1,602). This is a decline of 19.2% in the gold price. Comparatively, the Rand per Kilogram gold price only declined 5% due to the weaker ZAR/USD exchange rate.

Production Costs

The costs of production were similar to 2013. The total production costs being A\$ 45.9million (2013: A\$ 47.4 million). Although little to no production was conducted for a period of 9 weeks during the 3rd quarter, commitments to contractors could not be avoided. The stop notices and inclement weather did not equate to a “force majeure” event applicable to all contractors and as such standing time was still incurred to all contractors during this period contributing to the overall production costs incurred.

The directly attributable cash costs per ounce for the year was U\$ 1,252 which is 18% higher compared to 2013 (2013: Cash Cost per Ounce U\$1,063).

REVIEW OF OPERATIONS

Financial Ratios					
Short Term Solvency Ratio		2014	2013	Solvency Ratio's	
Current ratio		0.24	0.27	Debt funding ratio	0.95 0.64
Quick ratio		0.22	0.25	Debt/equity ratio	19.88 1.79
Cash ratio		0.06	0.07		
Assets Management Ratio				Cash Flow	
Total assets turnover		1.51	1.21	Cash flow to total debt	-2% 17%
Receivable turnover		26.24	29.55		
Profitability					
Profit margin		-80%	-29%		
Gross profit margin		6%	18%		
Return on assets		-74%	-23%		
Return on equity(ROE)		-1547%	-63%		

REVIEW OF OPERATIONS

All-in-Sustaining Costs and All-in-costs

The All-in Sustaining costs for the year are presented below:

ALL-IN SUSTAINING COSTS AND ALL-IN COSTS

Description	2014 US\$/Oz	2013 US\$/Oz	2012 US\$/Oz
On-Site Mining Costs (on a sales basis)	1,247.98	1,063.44	1,262.65
On-Site General & Administrative costs	20.67	32.30	11.78
Royalties & Production Taxes	0.00	5.74	0.00
Realised Gains/Losses on Hedges due to operating costs	0.00	0.00	0.00
Community Costs related to current operations	2.16	5.24	0.00
Permitting Costs related to current operations	2.15	2.45	1.23
3rd party smelting, refining and transport costs	0.00	1.99	2.34
Non-Cash Remuneration (Site-Based)	0.00	0.00	0.00
Stock-piles / product inventory write down	0.00	0.00	0.00
Operational Stripping Costs	36.41	223.66	19.80
By-Product Credits	-4.32	-4.77	-2.26
Sub-Total (Adjusted Operating Costs)	1,305.05	1,330.05	1,295.54

Corporate General & Administrative costs (including share-based remuneration)	180.28	166.62	233.93
Reclamation & remediation – accretion & amortisation (operating sites)	31.67	33.43	16.56
Exploration and study costs (sustaining)	5.38	5.44	0.00
Capital exploration (sustaining)	2.46	0.00	0.00
Capitalised stripping & underground mine development (sustaining)	0.00	62.91	0.00
Capital expenditure (sustaining)	44.76	4.60	11.41
All-in Sustaining Costs	1,569.60	1,603.05	1,557.44

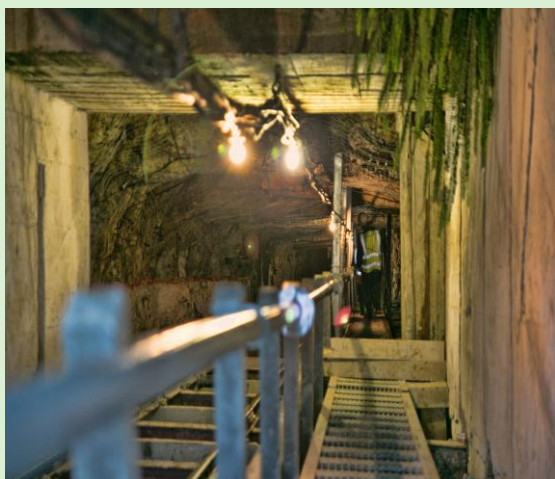
Community Costs not related to current operations	0.00	0.00	0.00
Permitting Costs not related to current operations	0.00	0.00	0.00
Reclamation and remediation costs not related to current operations	0.00	0.00	0.00
Exploration and study costs (non-sustaining)	0.00	0.00	0.00
Capital exploration (non-sustaining)	0.00	0.00	0.00
Capitalised stripping & underground mine development (non-sustaining)	0.00	0.00	0.00
Capital expenditure (non-sustaining)	58.20	29.60	0.00
All-in Costs	1,627.80	1,632.65	1,557.44

REVIEW OF OPERATIONS

CAPITAL EXPENDITURE

D-Shaft

The equipping of the “D-Shaft” underground project started during November 2013 and was completed at the end of March 2014. Commissioning of the shaft proceeded through the month of March. The capital works on the infrastructure progressed well although some delays were incurred due to the annual closure of suppliers from mid-December 2013 to early January 2014 in South Africa.



View down D-shaft whilst equipping

The equipping of the shaft was done to facilitate up to a 10,000 tonne operation per month. The total costs of equipping and initial opening up of the historic was A\$ 1,126,776.

The ore extraction system was designed utilising a camel back tipping arrangement with a single skip carrying circa 5 tonnes of ore at a time.

Exploration Capital

The total expended exploration capital during the reporting period is A\$94,889. Future exploration expenditure will be accounted for within the new financial year on the same basis as the current year.



D-Shaft Hoisting Structure

REVIEW OF OPERATIONS

Sustaining CAPEX

The Company spent A\$ 336,591 on sustaining capital projects during the course of the financial year. These projects included upgrade to the wash-bay and HDPE, pipes at the Lancaster Crusher Plant, construction of a Mobile Screen in screening low grade gold bearing ore to upgrade the low grade material prior to milling, upgrades and replacement equipment on the Gold 1 gold plant and the mine fleet.

CAPITAL RAISING

During the year Mintails undertook a Non-Renounceable Pro-Rata Rights Issue and is pleased to announce that the Company received entitlement acceptances in respect of 113,649,050 ordinary fully paid ordinary shares (73.53% participation), raising A\$6,250,698 before costs. A further 445,198 entitlement shares belonging to ineligible 'foreign' shareholders were subsequently sold on market by a nominee raising A\$25,646 before costs.

MINING RIGHT ACQUISITIONS

Mintails entered into a variation agreement in July 2013 on the original acquisition agreement of the West Wits Mining Limited ("WWML") mining rights Mintails acquired in May 2012. At this time, Mintails had paid \$5 million of the A\$9 million acquisition price.

The parties agreed to amend the terms with respect to the final payments on the following basis:

- WWI will receive six equal monthly payments of A\$175,000 commencing on 23 August 2013 totalling A\$1.05 million and ending on 23rd January 2014;
- WWI will then receive eight equal monthly payments of A\$350,000 commencing on 23rd February 2014 totalling A\$2.8 million and ending on 23rd September 2014;
- A final payment of A\$150,000 will be made on 23rd October 2014.

Both parties agreed to this amendment as it has removed the vagaries of timing for the registration of the title transfer which is reliant on processing by the South Africa authorities. Under the agreement West Wits will continue to hold the existing first mortgage over Mintails' Witfontein farming assets as security for the payment of the instalments. This mortgage was originally held to secure Mintails obligations for the first series of payments which have now been completed.

Subsequent to the number of stop notices issued to the Company negotiated for relief to payments for the months of February and March 2014 (Due A\$ 350 000, paid A\$ 175 000). A\$ 350, 000 was paid for the months of April and May 2014. Mintails sought further relief due to the cashflow challenges the Company faced during June 2014. The total amount paid to WWML on the acquisition of the mining rights at year end totalled A\$ 7,275,000. The total outstanding amount for the acquisition at year end was A\$ 1,725,000. The final payment is expected to be paid in December 2014.

PROCUREMENT

Mintails supports preferential procurement as a driver for economic transformation and broad-based black economic empowerment (BBBEE). We are committed to working with our existing suppliers to transform their

REVIEW OF OPERATIONS

companies and their own suppliers, as well as sourcing products and services from new suppliers that embody the principles of transformation.

To ensure continuity in delivery, pricing and quality throughout the value chain, Mintails' procurement department periodically evaluate the performance of the supply base in terms of progress in implementing their transformation programmes.

Mintails views enterprise and supplier development as an integral part of developing and fostering SMME (small, medium and micro enterprise) development in South Africa. We are an integral part of the national agenda to promote SMME sustainability, poverty reduction and employment creation and shared economic growth. We seek to migrate procurement from non-transformed companies and bring new participants into mainstream procurement opportunities without relinquishing our established value-for-money principles.

CORPORATE SOCIAL INVESTMENT COMMITMENTS

A component of the stop notices issued to Mintails in January 2014 related to the non-compliance to our Social and Labour Plan ("SLP") as submitted to the Department of Mineral Resources. The SLP covers Human Resource Development, Learning and Development as well as Corporate Social Investment and Local Economic Development programmes for our staff as well as Communities in and around the mining operations. The SLP submitted to the Department was compiled in 2008/09 financial year, a period prior to Mintails acquiring the mining rights from West Wits Mining Limited. The SLP is limited to 1% contribution annually from Net Profits after Tax and during the period of 2008/09 to 2012/13 there were no accounted profits relating to this mining right. Mintails started mining of the right in May 2012 and subsequently took over all historical commitments to this mining right. A SLP covers a period of 5 years and is approved by the Minister of Mineral Resources.

In 2013/14 Mintails performed the following projects associated to its SLP commitments:

Nursery Project

Mintails with support from West Rand District Municipality and Mogale City Local Municipality started up a plant nursery, engaging 3 entrepreneurs and 15 beneficiaries (SMME) within the project. Mintails provided a portion of land close to its gold mining operations on the West Rand, whilst Mogale City provided infrastructure equipment for the establishment of the project. West Rand District Municipality provided funding for the payment of salaries to the beneficiaries on a monthly basis until the project becomes self-sustaining. The project has gone from strength to strength during the course of the financial year and now boasts over 1 000 plants and delivering wholesale plants to a number of established nurseries in and around the West Rand and as far away as Pretoria. Mintails will continue to support the project within its newly drafted SLP.

Kagiso Food Garden Project

In 2013 Mintails established a food garden project on Mintails contributed land with Mogale City Local Municipality as partners. The project infrastructure was completed in the previous financial year although little to no progress on the project was evident in the current financial year. In late May 2014 management with Mogale City engaged the local community to take ownership of the project. Subsequently a project manager has been appointed to the project who has a significant background in the agricultural sector. It is expected that substantial progress on this project will be made during the 2014/15 financial year with production of various vegetable crops successfully harvested in the year.

REVIEW OF OPERATIONS

HEALTH AND SAFETY

Safety

Mintails continues to prioritise Health and Safety and specific risks associated to employee and contractor safety as core to the operations. The Injury Frequency Rate would have significantly improved for the current financial year under review had it not been for an unfortunate accident which occurred on 22nd June 2014. The accident occurred where a contractor dump truck vehicle capsized onto its side whilst off-loading material at the relevant tipping area and seriously injuring the driver. The driver of the vehicle after undergoing a 2 month recovery subsequently passed away on 23rd August 2014 due to a secondary infection. The accident has been investigated and a formal enquiry into the fatality was held in September 2014. The outcome of the enquiry will only be available to management in late November. Regardless of the outcome of the investigation, Mintails' policies are structured to minimise such accidents as each employee or contractor should expect to work in a safe and healthy environment.

Overall, Mintails recorded and improvement in the Injury Frequency Rate from 1.09 in 2013 to 0.41 in 2014 and also an improvement in the Loss Time Injury Frequency Rate from 0.55 in 2013 to 0.41 in 2014. Mintails reported four Loss Time Injuries for the year.

Occupational Health

Occupational Health and Hygiene remains a focus area within the Company with an increase risk to the health of the employees due to the expansion of the open cast mining operation and the start-up of underground mining activities. All pollutant sources from the different mining and processing operations are continuously monitored and personal exposures to these pollutants are also measured. Where required appropriate mitigation measures are implemented in ensuring all employees continued health within the workplace.

REVIEW OF OPERATIONS

MINERAL RESERVES AND RESOURCES

Mintails Limited (“MLI”) provides the following information in relation to Mineral Resources in accordance to the ASX Listing Rules 5.20 to 5.24.

MLI holds the following mining and prospecting rights:

Country	Location	Company in which the Licence is held within the Group	Type of Right	Status	Beneficial Interest
South Africa	West Rand, Johannesburg	Mogale Gold (Pty) Ltd	Gold mining from Tailings processing	Approved and Executed, awaiting Environmental Management Programme Report Approval	74%
South Africa	West Rand, Johannesburg	Mintails SA Randfontein Cluster (Pty) Ltd	Gold mining from hard rock resources, surface and below	Beneficial interest, subject to S.11 transfer approval from the Department of Mineral Resources	74%
South Africa	West Rand, Johannesburg	Durban Roodepoort Deep (Pty) Ltd	Prospecting right for Gold tailings, owner of the Soweto Cluster of Tailings	Application awaiting approval of extension of the prospecting right. Subject to an Appeal with the Department of Mineral Resources	74%
South Africa	West Rand, Johannesburg	Witfontein (Pty) Ltd	Prospecting right for sand	Executed and Approved	74%
South Africa	West Rand, Johannesburg	Autumn Star (Pty) Ltd	Prospecting right for Uranium and other minerals except gold. Right has lapsed and will not be renewed	Lapsed mining right awaiting closure	74%

MLI reviews its resources periodically depending on depletions and or exploration activities being conducted. There has been no change to the Resource Statement of the Company apart from depletion of resources as accounted for within the financial statements for the financial year under review.

REVIEW OF OPERATIONS

The Mineral Resources as classified in accordance with the JORC Code are as follows:

<div>MINERAL RESERVES</div>	<div>RANDFONTEIN - OPEN PIT</div>			<div>PROBABLE RESERVES</div>			<div>TOTAL MINERAL RESERVES</div>		
<div>OPERATIONS</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>
<div>GOLD (OPEN PIT)</div>	<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>	
<div>TOTALS</div>	<div>0.978</div>	<div>1.72</div>	<div>54,000</div>	<div>0.105</div>	<div>1.41</div>	<div>4,800</div>	<div>1.083</div>	<div>1.69</div>	<div>58,800</div>

<div>MINERAL RESOURCES</div>	<div>RANDFONTEIN - OPEN PIT</div>			<div>INDICATED RESOURCES</div>			<div>INFERRED RESOURCES</div>			<div>TOTAL MINERAL RESOURCES</div>		
<div>OPERATIONS</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade (g/t)</div>	<div>Gold (Moz)</div>
<div>GOLD (OPEN PIT)</div>	<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>		
<div>TOTALS</div>	<div>1.639</div>	<div>1.815</div>	<div>95,600</div>	<div>0.777</div>	<div>2.737</div>	<div>69,200</div>	<div>0.159</div>	<div>2.491</div>	<div>12,664</div>	<div>2.575</div>	<div>2.134</div>	<div>0.177</div>

<div>MINERAL RESOURCES</div>	<div>RANDFONTEIN - SURFACE RECLAMATION</div>			<div>INDICATED RESOURCES</div>			<div>INFERRED RESOURCES</div>			<div>TOTAL MINERAL RESOURCES</div>		
<div>OPERATIONS</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade (g/t)</div>	<div>Gold (Moz)</div>
<div>GOLD (RECLAMATION)</div>	<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>		
<div>TOTALS</div>	<div>56.182</div>	<div>0.340</div>	<div>0.614</div>	<div>67.171</div>	<div>0.252</div>	<div>0.545</div>				<div>123.353</div>	<div>0.292</div>	<div>1.159</div>

<div>MINERAL RESOURCES</div>	<div>SOWETO - SURFACE RECLAMATION</div>			<div>INDICATED RESOURCES</div>			<div>INFERRED RESOURCES</div>			<div>TOTAL MINERAL RESOURCES</div>		
<div>OPERATIONS</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade</div>	<div>Gold (oz)</div>	<div>Tonnes</div>	<div>Grade (g/t)</div>	<div>Gold (Moz)</div>
<div>GOLD (RECLAMATION)</div>	<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>	<div>(g/t)</div>		<div>(Mt)</div>		
<div>TOTALS</div>				<div>106.796</div>	<div>0.274</div>	<div>0.940</div>	<div>12.749</div>	<div>0.641</div>	<div>0.263</div>	<div>119.545</div>	<div>0.313</div>	<div>1.203</div>

<div>Total Resources</div>	<div>245,473</div>										<div>2.539</div>	
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These mineral resource estimates were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Mineral Resource and Ore Reserve Governance

Mineral Resources and where applicable, Ore Reserves, are estimated by suitable qualified Mintails Mining personnel in accordance with the JORC Code 2004, using industry standard techniques.

All Mineral Resource estimates and supporting documentation are reviewed by external Competent Persons. Any amendments to the Mineral Resource Statement to be included in the Annual Report is reviewed by a suitably qualified Competent Person as and when required.

BLACK ECONOMIC EMPOWERMENT

During September 2013, the Company finalised and signed the terms and contractual agreements for our revised South African Black Economic Empowerment ("BEE") and Broad Based Black Economic Empowerment ("BBEE") equity participation as reported during the previous financial year. The pro-active engagement by our BEE partners with the Department of Mineral Resources, Department of Water and Sanitation and Local Government structures has significantly improved the process of re-building relationships across the board. The positive impact associated to the engagement of the partners entering the business, sharing in the value of the Company has enabled Mintails to gain the support of all stakeholders across the business.

CORPORATE GOVERNANCE

A review of the Company's 'Corporate Governance Framework' is performed on a periodic basis to ensure that it is relevant and effective in light of changing legal and regulatory requirements. The Board of Directors continues to adopt a set of Corporate Governance Practices and a Code of Conduct appropriate for the size, complexity and operations of the Company and its subsidiaries.

Unless otherwise stated all Policies and Charters meet the ASX Corporate Governance Council's Best Practice Recommendations. All Charters and Policies are available from the Company on request or can be obtained via the ASX announcements platform.

Role of the Board and Management

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The Board's responsibilities are detailed in its Board Charter and cover the following broad categories:

- 1 Leadership of the organisation
- 2 Strategy formulation
- 3 Overseeing planning activities
- 4 Shareholder liaison
- 5 Monitoring, compliance and risk management
- 6 Company finances
- 7 Human resources
- 8 Health, safety and well-being of Directors, Officers and Contractors
- 9 Delegation of authority
- 10 Remuneration policy
- 11 Nomination policy

Structure and Composition of the Board

The Board has been formed so that it has an effective mix of personnel who are committed to adequately discharging their responsibilities and duties and being of value to the Company.

The names of the Directors, their independence, qualifications and experience are stated on pages 26 to 28 along with the term of office held by each.

The Board believes that the interests of all Shareholders are best served by:

- * Directors having the appropriate skills, experience and contacts within the Company's industry;
- * the Company striving to have a number of Directors and the number of Directors being independent as defined in the ASX Corporate Governance Guidelines; and
- * some major Shareholders being represented on the Board.

Where any Director has a material personal interest in a matter, the Director will not be permitted to be present during discussion or to vote on the matter. The enforcement of this requirement is in accordance with Corporations Law and aims to ensure that the interests of Shareholders, as a whole, are pursued and that their interest or the Director's Independence is not jeopardised.

Directors collectively or individually have the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities. All advice obtained is made available to the full Board.

CORPORATE GOVERNANCE

Ethical and Responsible Decision-Making

As part of its commitment to recognising the legitimate interests of stakeholders, the Company has established a Code of Conduct to guide compliance with legal and other obligations to legitimate stakeholders.

The Company has a share trading policy that regulates the dealings by Directors, Officers and Employees, in shares, options and other securities issued by the Company. The policy has been formulated to ensure that Directors, Officers, Employees and Consultants who work on a regular basis for the Company are aware of the legal restrictions on trading in Company securities while in possession of unpublished price-sensitive information.

Integrity in Financial Reporting

In accordance with the Board's policy, the CEO and CFO are required to make an attestation as recommended by the ASX Corporate Governance Council as to the Company's financial condition prior to the Board signing this Annual Report. As the Company has only recently appointed a new CEO, the Chairman and the CFO have made this declaration this year.

The Company has a duly constituted Audit, Risk and Compliance Committee currently consisting of three Non-Executive Directors, with the Committee Chairman being an Independent Non-Executive Director. The current members of the Committee, as at the date of this report, and their qualifications are detailed in the Directors' Profiles on pages 26 to 28.

The Committee holds a minimum of two meetings a year. Details of attendance of the members of the Audit, Risk & Compliance Committee are contained on page 36.

Timely and Balanced Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and co-ordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with ASX Listing Rules, the Company immediately notifies the ASX of information concerning the Company:

- 1 That a reasonable person would or may expect to have a material effect on the price or value of the Company's securities; and
- 2 That would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Rights of shareholders

The Company respects the rights of its Shareholders, and to facilitate the effective exercise of the rights, the Company is committed to:

- 1 Communicating effectively with Shareholders through ongoing releases to the market via ASX information and General Meetings of the Company;
- 2 Giving Shareholders ready access to balanced and understandable information about the Company and Corporate Proposals;
- 3 Making it easy for Shareholders to participate in General Meetings of the Company; and
- 4 Requesting the External Auditor to attend the Annual General Meeting and be available to answer Shareholder's questions about the conduct of the audit, and the preparation and content of the Auditor's Report.

Any Shareholder wishing to make inquiries of the Company is advised to contact the registered office. All public announcements made by the Company can be obtained from the ASX's website.

CORPORATE GOVERNANCE

Recognise and Manage Risk

The Audit, Risk & Compliance Committee has established a policy for risk oversight and management within the Company which is periodically reviewed and updated. Management reports risks identified to the Committee on a periodical basis.

The Chief Financial Officer has given a statement to the Board that the integrity of the financial statements is founded on a sound system of risk management and internal compliance and controls based on the Company's Risk Management policies.

Encourage Enhanced Performance

A "Performance Evaluation Policy" has been established to evaluate the performance of the Board, individual Directors and Executive Officers of the Company. The Board is responsible for conducting evaluations on an annual basis in line with these policy guidelines.

During the past 12 months the board has performed an evaluation on its activities. The results of the evaluation have provided the board with valuable feedback for future development.

During the year, all Directors have full access to all Company records and receive Financial and Operational Reports as required at each Board Meeting.

All new Directors undergo an induction program.

Remunerate fairly and responsibly

Profiles of the members and details of meetings of the Remuneration & Nomination Committee are detailed on page 26 to 28 & 36 of the Director's Report.

The Committee is responsible for but not limited to:

- * Setting the remuneration and conditions of service of all Executive and Non-Executive Directors, Officers and Employees of the Company;
- * Approving the design of Executive & Employee incentive plans (including equity-based plans) and proposed payments or awards under such plans;
- * Reviewing performance hurdles associated with incentive plans;
- * Making recommendations to the Board on the remuneration of Non-Executive Directors within the aggregate approved by Shareholders at General Meetings from time to time;
- * Consulting appropriately qualified Consultants for advice on remuneration and other conditions of service;
- * Succession planning for the CEO and Senior Executive Officers;
- * Performance assessment of the CEO and Senior Executives Officers;
- * Recommending policy on the selection of Board Members; and
- * Recommending prospective Board Members to the Full Board of the Company

The Company is committed to remunerating its Senior Executives in a manner that is market-competitive and consistent with "Best Practice" as well as supporting the interests of Shareholders. Senior Executives may receive a remuneration package based on fixed and variable components, determined by their position and experience. Shares and/or Options may also be granted based on an individual's performance, with those granted to Directors subject to Shareholder approval.

Non-Executive Directors are paid their fees out of the maximum aggregate amount approved by Shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses and do not participate in Equity Schemes of the Company without prior Shareholder approval.

Current remuneration is disclosed in Note 5: Key Management Personnel Compensation.

CORPORATE GOVERNANCE

Legitimate Interests of Stakeholders

The Board acknowledges the legitimate interests of various stakeholders such as Employees, Clients, Customers, Government Authorities, Creditors and the Community as a whole. As a good Corporate Citizen, it encourages compliance and commitment to appropriate corporate practices that are fair and ethical via its “Code of Conduct Policy”.

Diversity

The Company’s objective is to have a workforce that is representative of the countries and communities in which it operates. Our workforce is employed based on the right person for the right job regardless of their gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability.

The Company is committed to increasing diversity amongst its employees, not just gender diversity, at its mining operations in consultation with local community groups and BEE partners/advisors.

Executive and board positions are filled by the best candidates available without discrimination. The Company is committed to increasing gender diversity within these positions when appropriate appointments become available. It is also committed to identifying suitable persons within the organisation and where appropriate opportunities exist, advance diversity and to support promotion of talented employees into management positions.

The Company has not set any gender specific diversity objectives as it believes that all categories of diversity are as equally important within its organisation.

The following table demonstrates the Company’s gender diversity as at 30 June 2014.

	Board	Executive Team	Employees
Women (No.)	1	3	26

DIRECTORS REPORT

Your Directors present their report on the consolidated group consisting of Mintails Limited and the entities it controlled at the end of, or during, the year ended 30 June 2014.

DIRECTORS INFORMATION

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

Mark Brune	—	Chairman
Appointed to the Board	—	18 March 2010
Experience	—	Mr Brune started his career in banking working as an analyst in debt capital markets and as a foreign exchange trader. He has over fifteen years of experience in financial and investment management. After completing an MBA, he joined HDG, a London-based private investment management company, where his initial responsibilities included asset and financial management. He was appointed Managing Director at HDG in 2006 and also serves on the board of several client organisations.
Interest in Shares and Options *	—	1,250,000 shares; 1,200,000 unlisted options
Special Responsibilities	—	Nil.
Directorships held in other listed entities	—	Nil
Murray Rose	—	Independent Non-Executive Director
Appointed to the Board	—	15 June 2011
Experience	—	Bachelor Business, CA
		Mr Rose is a Chartered Accountant with 25 + years of experience in providing financial, accounting and taxation advice to a diverse range of business clients. He has worked for Deloitte and is currently a Director in Bedford CA based in Sydney.
		Mr Rose has held various financial and accounting roles including advising multinational companies operating in Australia on their financial accounting and reporting obligations, assisting with the preparation of operating budgets, cash flow budgets and liquidity reviews, capital expenditure cost benefit analysis and contract negotiation support.
		Mr Rose has provided financial, accounting and taxation advice to many industries including construction, manufacturing, mining, property development, telecommunications, retailing, wholesaling, hotels and tourism.
Interest in Shares and Options *	—	1,200,000 unlisted options

DIRECTORS REPORT

Special Responsibilities	—	Chairman of the Audit, Risk & Compliance Committee and member of the Remuneration & Nomination Committee.
Directorships held in other listed entities	—	Nil
Laurence Blumberg Appointed to the Board	— —	Independent Non-Executive Director 15 June 2011
Experience	—	<i>Comm., LLB (Hons), MBA</i> Mr Laurence Blumberg has over 20 years of experience across investment banking, private equity, management consulting and law. He was recently responsible for managing the Australian interests of an overseas based private investment group (c. \$100,000,000 worth of local investments). Mr Blumberg has worked at various leading firms including Morgan Stanley in its New York and Sydney offices, the consulting firm McKinsey & Co, ABN AMRO Bank and as a lawyer at Mallesons Stephen Jaques.
Interest in Shares and Options *	—	1,200,000 unlisted options
Special Responsibilities	—	Chairman of the Remuneration & Nomination Committee and member of the Audit, Risk & Compliance Committee.
Directorships held in other listed entities	—	Nil
Howard Carr Appointed to the Board	— —	Independent Non-Executive Director 15 June 2011
Experience	—	<i>BSc (Hons), PhD, Economic Geology</i> Dr Howard Carr's professional background is in mineral exploration and resource project analysis, fund raising and development. He has experience in gold, PGE's, nickel, iron ore, phosphate and tungsten projects in diverse geographies including Australia, South Africa, China and Burkina Faso. He was previously Technical Director of ASX listed explorer Segue Resources (SEG), CEO and President of TSVX listed explorer Maudore Minerals (MAO), Senior Resource Analyst at Macquarie Bank, Managing Director of ASX listed explorer Vital Metals Ltd (VML) and private explorer Agaton Phosphate. Dr Carr combines a deep understanding of mineral formation, processing and exploitation sciences with the practical business skills to analyse, value, develop and direct strategies for resource enterprises.
Interest in Shares and Options *	—	1,200,000 unlisted options

DIRECTORS REPORT

Special Responsibilities	—	Member of the Audit, Risk & Compliance and Remuneration Committees.
Directorships held in other listed entities	—	Executive Director Segue Resources from September 2013 to July 2014, Executive Director at Maudore Minerals (TSVX: MAO) from 2012 to 2013. Vital Metals Limited from November 2009 to April 2011.

*The relevant interest of each Director in the shares or options over shares issued by the companies within the consolidated group and other related body corporate as notified by the Directors to the Australian Securities Exchange in accordance with s 205G(1) of the Corporations Act 2004, as at the date of this report.

COMPANY SECRETARIAL

The name and details of the Company Secretaries in office during the financial year and until the date of this report are as follows. Secretaries were in office for the entire period unless otherwise stated.

Phillip Hains	—	Joint Company Secretary
Appointed	—	4 September 2003
Experience	—	Mr Hains is a Chartered Accountant and specialist in the public company environment. He has served the needs of a number of public company boards of directors and related committees. He has over 20 years' experience in providing accounting, administration, compliance and general management services. He holds a Masters of Business Administration from RMIT and a Public Practice Certificate from the Institute of Chartered Accountants.
Terri Bakos	—	Joint Company Secretary
Appointed	—	23 July 2007
Experience	—	Ms Bakos is a Chartered Secretary and holds a B. Bus (Accounting) from RMIT University. She has over 20 years' experience providing financial accounting, company secretarial and compliance services to listed and unlisted public companies in the areas of mining, technology and biotech.

CORPORATE INFORMATION

Corporate Structure

Mintails Limited is a company limited by shares that is incorporated and domiciled in Australia.

Principal Activities

The consolidated group's principal activities in the course of the financial year were the production of gold from the mining and processing of surface & underground resources, and investments. There have been no significant changes in principal activities during the financial year.

DIRECTORS REPORT

EARNINGS PER SHARE

Basic loss per share 13.84 cents (2013: loss 11.34 cents).

DIVIDENDS

The Directors did not pay any dividends during the financial year. The Directors do not recommend the payment of a dividend in respect of the 2014 financial year.

OPERATING RESULTS, REVIEWS OF OPERATIONS & LIKELY DEVELOPMENTS

Operating Results

The consolidated results for the consolidated group for the year were as follows:

	2014 \$ '000	2013 \$ '000
Revenue	48,598	57,796
Net loss for the year after tax	(38,732)	(16,825)

The consolidated loss after income tax attributable to ordinary owners for the year is AUD \$38.73 million (2013: Loss AUD \$16.83 million). The net operating and investing cashflows for the year was AUD \$5.0 million loss (2013: AUD \$2.8 million). The cash balance of the Company as at the 30 June 2014 was AUD \$1.2 million.

The reported loss for the financial year was after taking into account the impairment of the BEE partnership loans of AUD \$7.6 million, resources of \$5.5 million and assets of AUD \$6.0 million.

The Net Assets of the Company as at 30 June 2014 were AUD \$2.5 million, compared to AUD \$26.7 million the previous financial year. This drop in asset value is primarily due to the impairment of resources & plant assets and the movement in South African foreign exchange rate.

The net operating cash outflows for the year were AUD \$1.0 million. Net cashflows were supplemented by the non-renounceable, pro rata rights issue in December 2013 for A\$6.2 million. Cash flows were applied to the repayment of the Paige Loan, Equipping and Commissioning of the D-Shaft underground project, Exploration and Working Capital.

Business strategy and future developments

Mintails established itself as a gold mining company allowing exploitation of the available resources through mining of tailings, open cast hard rock material and underground mining operations. The ability to extract gold through these methods allows for a blended head grade to be fed into the plant with a capacity of circa 150 000 tonnes per month and manage a consistent recovered and residue grade. Mintails will continue to exploit the available resources over the next financial year and seek significant improvements to efficiencies and cost management.

The key focus areas for 2015 will be:

- Development of the underground mining operations as commissioned in 2014, seeking to extract maximum value out of the current underground mining operations;
- Secure the companies potential within its patented Tailings Water Treatment technology, treating mine affected water on behalf of the Department of Water and Sanitation;
- Review cost structures and economic optimisation of current mining targets to maximise return from operating activities;

DIRECTORS REPORT

- Improve the capital structure of the business through improved margins and, where appropriate, through external capital;
- Embed and leverage the skills of the Black Economic Empowerment partners across and into the business activities; and
- Deliver a bankable feasibility study for the Gold 2 tailings treatment plant, securing funding in commissioning the gold plant and as such de-risk the mining operations dependency on hard rock resources

Material Business Risks

The Company operates within the mining, exploration and beneficiation of gold industry. The group is subject to a range of internal and external business risks, many of which lie outside the control of the Board and management. The material identified risks include:

Foreign Exchange: The Company's main business activities are undertaken within South Africa with the vast proportion of expenditure denominated in South African rand and subject to local influences on price increases. The price of gold is fixed in USD. The ZAR/USD exchange rate is free floating and has experienced significant volatility, with the rand reaching a four year low against the USD. The fluctuations in exchange rate do not impact significantly on production cost, but have a material impact on the Gold price in ZAR received on a weekly basis. Management do make use of suitable hedging solutions on a limited basis as and when required to manage the exposure risk to foreign exchange.

Gold Price: Majority of the business operations are within South Africa with all gold production incurring within this country. The gold price is volatile and subject to global influences on its price. The Company delivers gold on a weekly basis to Rand Refinery. Payment for the gold delivered to Rand Refinery is in South African Rand, although ultimately the Rand per Kilogram gold paid is linked to the Gold Price and the Exchange Rate. Again management makes use of suitable hedging solutions on a limited basis as and when required to manage the exposure risk to gold pricing. This is generally through the exchange rate management as it is the price of gold in ZAR that is prioritised rather than the USD price received.

Head Grade: Mintails delivers from a number of different feed source materials to the gold plant. The head grades of the feed sources vary from 0.2g/ton for slimes to over 3.0g/ton for virgin hard rock sources. Each source has different extraction cost parameters. Over the course of the year the head grade, as well as the recovered grade, increased due to higher grade material being processed through the plant. Management manages the rate of feed from the various sources in order to optimize feed grades to the gold plant while maintaining maximum economic life of mine.

Government Policy: South Africa is a young democracy with a range of challenges being faced politically. While policies and regulations are generally set out in legislation, there are often capacity issues that affect timeliness and clarity in regulatory oversight provided. Management seeks proactive engagement with its regulators on policy and compliance matters.

Labour Risk / Industrial Action: Labour unrest continues to dominate the mining landscape in South Africa's mining sector. Mintails entered into a fixed 2 year salary deal with its employees in April 2013, which will defer further wage negotiations until early 2015. Management maintains a dialogue with employee groups with a view to discussing and addressing any issues that should arise before they become problematic.

Audit Opinion

At 30 June 2014 the audit opinion on the consolidated financial statements by the Groups auditors, Moore Stephens, detailed a significant uncertainty regarding the Group's ability to continue as a going concern. This is the same opinion that the auditors gave on the 30 June 2013 consolidated financial statements.

The directors are not adverse to this opinion and full details regarding the Company's ability to continue as a going concern are detailed in Note 1 on page 43.

Refer to page 6 for a detailed review of operations.

DIRECTORS REPORT

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated group during the financial year under review not otherwise disclosed in this Annual Report.

EVENTS SUBSEQUENT TO BALANCE DATE

No events have occurred subsequent to balance date that has not been captured elsewhere in this report.

ENVIRONMENTAL ISSUES

The consolidated group's operations are not regulated by any significant environmental regulation under the law of the Commonwealth or of a State or Territory of Australia.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Director of Mintails Limited, and for the Key Management Personnel.

Remuneration policy

Remuneration of all Executive and Non-Executive Directors, Officers of the Company is determined by the Remuneration and Nomination Committee.

The Company is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive and consistent with "Best Practice" including the interests of Shareholders. Remuneration packages are based on fixed and variable components, determined by the Executives' position, experience and performance, and may be satisfied via cash or equity.

Non-Executive Directors are remunerated out of the aggregate amount approved by Shareholders and at a level that is consistent with industry standards. Non-Executive Directors do not receive performance based bonuses and prior Shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

Remuneration Policy versus Company Financial Performance

Over the past five years the Company has undertaken mining and exploration activities. These volatile and speculative activities, which can provide high returns if successful, have been reflected in the Company's performance and Shareholder wealth over the period.

Consequently the Company's remuneration policy has been based on industry practice rather than company performance and takes into account the risk and liabilities assumed by the Directors and Executives as a result of their involvement in the speculative activities undertaken by the Company. Directors and Executives are fairly compensated for the extensive work they undertake.

Performance based Remuneration

The purpose of a performance bonus is to reward individual performance in line with company objectives. Consequently, performance based remuneration may be paid to an individual where the individual's performance clearly contributes to a successful outcome for the Company. This would be regularly measured in respect of performance against key performance indicators (KPI's).

DIRECTORS REPORT

The Company uses a variety of KPI's to determine achievement, depending on the role of the Executive being assessed. These include:

- * successful contract negotiations;
- * completion of set milestones;
- * set profit levels; and
- * completion of set production output

Details of remuneration for year ended 30 June 2014

The remuneration for each Director and identified Key Management Personnel of the consolidated group during the year was as follows:

The remuneration for each Director and identified Key Management Personnel of the economic entity during the year were:

2014	Short-term employment benefits		Post-employment benefits		Share-based payment	Total
	Cash, salary & fees	Other Fees	Superannuation	Termination benefits	Equity settled Options ²	
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
						-
M Brune	245	-	-	-	3	248
M Rose	59	-	-	-	3	62
L Blumberg	66	-	6	-	3	75
H Carr	57	-	6	-	3	66
	427	-	12	-	12	451
E Milne	188	-	-	-	21	209
J Jacobs	220	-	-	-	21	241
A Ehlers ¹	19	-	-	-	-	19
B H Ndimande ¹	58	105	-	-	-	163
	485	105	-	-	42	632
TOTAL	912	105	12	-	54	1,083

¹ Appointed during the period

² Equity settled Options: Current year share based payment expense for options issued in prior years.

Remuneration paid to non-executive directors during the year consists of base remuneration of \$37,500 per annum, plus fees for additional services performed over 2 days per month at a rate of \$1,500 per day, as approved by shareholders at the 2011 AGM.

DIRECTORS REPORT

2013	Short-term employment benefits		Post-employment benefits		Share-based payment	
	Cash, salary & fees	Other Fees	Superannuation	Termination benefits	Equity settled Options ²	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
						-
M Brune	270	-	-	-	21	291
M Rose	59	-	-	-	21	80
L Blumberg	70	-	-	-	21	91
H Carr	61	-	3	-	21	85
	460	-	3	-	84	547
E Milne	172	-	-	-	20	192
J Jacobs	216	-	-	-	20	236
K Freeman ¹	40	-	-	-	-	40
I Harris ¹	1	-	-	-	-	1
	429	-	-	-	40	469
TOTAL	889	-	3	-	124	1,016

¹Resigned during the period

²Equity settled Options: Current year share based payment expense for options issued in current or prior years.

Performance income as a proportion of total remuneration

All Executives are eligible to receive incentives whether through employment contracts or by the recommendation of the Board. Their performance payments are based on a set monetary value, set number of shares or options or as a portion of base salary. Therefore there is no fixed proportion between incentive and non-incentive remuneration.

Non-Executive Directors are not entitled to receive performance based bonuses.

Equity Issued as Part of Remuneration for the Year Ended 30 June 2014

The following table discloses the value of remuneration based options granted, exercised, sold or lapsed during the year for Directors and Key Management Personnel. As a result, they may not indicate all options held by Directors or Key Management Personnel.

DIRECTORS REPORT

2014	Balance at start of the year	Granted as compensation	Net change other	Balance at end of the year	Vested	Escrowed/ Unvested
M Brune	1,200,000	-	-	1,200,000	1,200,000	-
M Rose	1,200,000	-	-	1,200,000	1,200,000	-
L Blumberg	1,200,000	-	-	1,200,000	1,200,000	-
H Carr	1,200,000	-	-	1,200,000	1,200,000	-
	4,800,000	-	-	4,800,000	4,800,000	-
A Ehlers ¹	-	-	-	-	-	-
B H Ndimande ¹	-	-	-	-	-	-
E Milne	1,000,000	-	-	1,000,000	1,000,000	-
J Jacobs	1,000,000	-	-	1,000,000	1,000,000	-
	2,000,000	-	-	2,000,000	2,000,000	-
TOTAL	6,800,000	-	-	6,800,000	6,800,000	-

¹ Balance at date of resignation/appointment

2013	Balance at start of the year	Granted as compensation	Net change other	Balance at end of the year	Vested	Escrowed/ Unvested
M Brune	1,200,000	-	-	1,200,000	800,000	400,000
M Rose	1,200,000	-	-	1,200,000	800,000	400,000
L Blumberg	1,200,000	-	-	1,200,000	800,000	400,000
H Carr	1,200,000	-	-	1,200,000	800,000	400,000
	4,800,000	-	-	4,800,000	3,200,000	1,600,000
E Milne	-	1,000,000	-	1,000,000	-	1,000,000
J Jacobs	246,392	1,000,000	(246,392)	1,000,000	-	1,000,000
	246,392	2,000,000	(246,392)	2,000,000	-	2,000,000
TOTAL	5,046,392	2,000,000	(246,392)	6,800,000	3,200,000	3,600,000

DIRECTORS REPORT

Options lapsed and vested during the period

	Lapsed 2014 \$'000	Lapsed 2013 \$'000	Vested 2014 \$'000	Vested 2013 \$'000
M Brune	-	-	14	33
M Rose	-	-	14	33
L Blumberg	-	-	14	33
H Carr	-	-	14	33
E Milne	-	-	41	-
J Jacobs	-	-	41	-
A Ehlers ¹	-	-	-	-
B H Ndimande ¹	-	-	-	-
	-	-	138	132

¹ Balance at date of resignation/appointment

Employment contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel have employment contracts in place at the date of this report.

	Duration of Contract	Period of notice to terminate	Termination payments
J Jacobs	Ongoing	1 month by either party	Nil*
E Milne	Ongoing	3 months by either party	Nil*
A Ehlers	Ongoing	3 months by either party	Nil*

* No further termination payments other than those prescribed under South African Employment Law.

DIRECTORS REPORT

MEETINGS OF DIRECTORS

During the financial year, 28 meetings of Directors (including committees of Directors) were held.

Attendances by each Director during the year were as follows:

			Committee Meetings			
			Audit, Risk & Compliance Committee		Remuneration/Nomination Committee	
	Board Meetings					
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr. Mark Brune	16	16	-	-	-	-
Dr. Howard Carr	16	16	6	6	1	1
Mr. Murray Rose	16	16	6	6	1	1
Mr. Laurence Blumberg	16	16	6	6	1	1

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Company entered into an insurance policy to indemnify Directors and Officers against certain liabilities incurred as a Director or Officer, including costs and expenses associated in successfully defending legal proceedings. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an Officer or Auditor of the Company or of any related body corporate against a liability incurred as an Officer or Auditor.

SHARE OPTIONS

At the date of this report, the unissued ordinary shares of Mintails Limited under option are as follows:

Quantity	Expiry	Exercise Price
1,750,000	11/12/2014	\$0.45
1,000,000	11/12/2014	\$0.45
1,600,000	21/12/2017	\$0.18
1,600,000	21/12/2017	\$0.24
800,000	21/12/2018	\$0.18
800,000	21/12/2018	\$0.24
600,000	20/12/2018	\$0.16
600,000	20/12/2018	\$0.22
800,000	20/12/2018	\$0.30
9,550,000		

These options do not confer any rights on option holders to participate in any share issue of Mintails Limited or any other entity.

DIRECTORS REPORT

Shares issued as a result of the exercise of Options

During the year ended 30 June 2014, 245,000 ordinary shares of Mintails Limited were issued on the exercise of options. These were issued for nil consideration as per the terms of the 2009 ESOP. No amounts are unpaid on these shares.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

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

ROUNDING

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Audit, Risk & Compliance Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor does not compromise the external auditors' independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services are reviewed by the Audit, Risk and Compliance Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES10 Code of Ethics for Professional Accountants.

No fees for non-audit services were paid or payable to the external auditor of the Parent Entity during the year ended 30 June 2014.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the year ended 30 June 2014 has been received and can be found on page 38 of the Directors' Report.

This Directors Report, incorporating the remuneration report is signed in accordance with a resolution of the board of directors.



Mark Brune
Chairman

Dated this 22nd day of October 2014

INDEPENDENCE DECLARATION

MOORE STEPHENS
ACCOUNTANTS & ADVISORS

Level 10, 530 Collins Street
Melbourne VIC 3000

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F +61 (0)3 8102 3400

www.moorestephens.com.au

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of Mintails Limited and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there has been:

- i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- ii) No contraventions of any applicable code of professional conduct in relation to the audit.

Moore Stephens

MOORE STEPHENS
Chartered Accountants



Nick Michael
Partner
Melbourne, 22 October 2014

Moore Stephens ABN 39 533 589 331. Liability limited by a scheme approved under Professional Standards Legislation. An independent member of Moore Stephens International Limited – members in principal cities throughout the world. The Melbourne Moore Stephens firm is not a partner or agent of any other Moore Stephens firm. And is a separate partnership in Victoria.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2014

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
Revenue	2	48,598	57,796
Production costs		(45,889)	(47,395)
Professional fees		(988)	(800)
Directors Fees		(454)	(547)
Employment		(3,464)	(2,707)
Foreign currency losses		(91)	(481)
Net decrease in fair value of financial assets		2	(34)
Other expenses		(3,172)	(2,221)
Profit/(loss) before depreciation, amortisation & impairment		(5,458)	3,611
Depreciation and Amortisation	3	(13,883)	(8,345)
Loss disposal of subsidiaries	12c	-	(8,211)
Fair value adjustment on loans		(7,645)	-
Impairment of assets	3	(11,580)	(2,850)
Loss before interest & tax		(38,566)	(15,795)
Finance costs		(166)	(104)
Loss before tax		(38,732)	(15,899)
Income tax expense	4	-	(927)
Loss for the period		(38,732)	(16,826)
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss</i>			
Loss on revaluation of mineral resources		(3,054)	(466)
Gain/ (loss) on revaluation of property, plant & equipment		-	9,755
Income tax relating to items that will not be reclassified		-	1,303
		(3,054)	10,592
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations	19b	(202)	1,327
Reclassification of fx on disposal of subsidiaries	19b	-	(2,127)
Income tax relating to items that may be reclassified		-	-
		(202)	(800)
Other comprehensive income / (expense) for the year, net of tax		(3,256)	9,792
Total comprehensive income / (expense) for the period		(41,988)	(7,034)
Loss attributable to:			
Owners of the parent		(29,192)	(17,205)
Non-controlling interests		(9,540)	379
		(38,732)	(16,826)
Total comprehensive expense attributable to:			
Owners of the parent		(32,416)	(10,283)
Non-controlling interests		(9,572)	3,249
		(41,988)	(7,034)
Basic earnings/(loss) per share (cents per share)	7	(13.84)	(11.34)
Diluted earnings/(loss) per share (cents per share)	7	(13.84)	(11.34)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2014

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
Assets			
<i>Non-current assets</i>			
Trade and other receivables	13	4,217	-
Property, plant and equipment	8	32,124	47,954
Mineral resources	9	8,476	18,700
Intangible assets	10	12	27
Other assets	16	2,361	2,483
Total non-current assets		47,190	69,164
<i>Current assets</i>			
Inventories	14	419	510
Trade and other receivables	13	1,852	1,956
Financial assets at fair value through the profit and loss	11	3	1
Non-current assets classified as held for sale	15	1,505	1,664
Other current assets	16	118	25
Cash and cash equivalents	17	1,207	1,374
Total current assets		5,104	5,530
Total assets		52,294	74,694
Equity and Liabilities			
Issued capital	18	280,506	274,290
Retained earnings		(251,018)	(227,966)
Other components of equity	19	3,898	(393)
Equity attributable to owners of the parent		33,386	45,931
Non-controlling interests		(30,882)	(19,188)
Total equity		2,504	26,743
<i>Non-current liabilities</i>			
Deferred tax	21	872	965
Long term provisions	22	27,413	25,568
Other payables	23	-	1,198
Total non-current liabilities		28,285	27,731
<i>Current liabilities</i>			
Trade and other payables	23	20,106	17,638
Short-term borrowings	20	-	1,015
Liabilities directly associated with non-current assets classified as held for sale	15	1,073	1,188
Short-term provisions	22	326	379
Total current liabilities		21,505	20,220
Total liabilities		49,790	47,951
Total equity and liabilities		52,294	74,694

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2014

Economic Entity	Share capital \$ '000	Other components of equity \$ '000	Retained Earnings \$ '000	Non- controlling interests \$ '000	Total \$ '000
Balance as at 1 July 2012	274,166	(19,743)	(210,761)	(15,984)	27,678
Loss for the period attributable to members of the parent entity	-	-	(17,205)	-	(17,205)
Loss for the period attributable to non-controlling interests	-	-	-	379	379
Other comprehensive income/(expense) for the period	-	6,922	-	2,870	9,792
Total comprehensive income/(expense) for the period	-	6,922	(17,205)	3,249	(7,034)
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued net of costs	647	-	-	-	647
Exercise of options	(647)	-	-	-	(647)
Vested options	124	-	-	-	124
NCI disposal of subsidiary	-	-	-	(313)	(313)
Disposal of interest in subsidiary	-	6,811	-	-	6,811
Acquisition of NCI in subsidiary	-	5,617	-	(6,140)	(523)
Balance at 30 June 2013	274,290	(393)	(227,966)	(19,188)	26,743
Loss for the period attributable to members of the parent entity	-	-	(29,192)	-	(29,192)
Loss for the period attributable to non-controlling interests	-	-	-	(9,540)	(9,540)
Other comprehensive income for the period	-	(3,289)	-	33	(3,256)
Total comprehensive income/(expense) for the period	-	(3,289)	(29,192)	(9,507)	(41,988)
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued net of costs	6,164	-	-	-	6,164
Exercise of options	-	-	-	-	-
Vested options	52	-	-	-	52
Disposal of NCI in subsidiary	-	7,580	6,140	(2,187)	11,533
Balance at 30 June 2014	280,506	3,898	(251,018)	(30,882)	2,504

- Refer to Note 19 for details of other components of equity.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2014

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Cash flows from operating activities</i>			
Receipts from customers		47,052	56,502
Payments to suppliers and employees		(48,321)	(48,481)
Interest received		550	77
Rehabilitation funding		(306)	-
Other		122	34
Net cash flows (used in)/provided by operating activities	17	(903)	8,132
<i>Cash flows related to investing activities</i>			
Payment for purchases of plant and equipment		(1,838)	(1,103)
Payment for capital improvements		-	(1,174)
Payment for purchase of mining rights & resources		(2,276)	(3,000)
Proceeds from the sale of equity investments		-	-
Net cash flows used in investing activities		(4,114)	(5,277)
<i>Cash flows related to financing activities</i>			
Proceeds from issues of securities		6,275	-
Capital raising costs		(111)	-
Payment for acquisition of NCI in subsidiary		-	(523)
Proceeds from borrowings		2,083	1,000
Repayment of borrowings		(3,263)	(2,750)
Net cash flows (used in)/provided by financing activities		4,984	(2,273)
Net increase/(decrease) in cash and cash equivalents		(33)	582
Cash and cash equivalents at the beginning of the year		1,374	825
Effects of exchange rate changes on cash and cash equivalents		(134)	(33)
Cash and cash equivalents at the end of the year		1,207	1,374

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

Note 1 Statement of Significant Accounting Policies

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

The financial report covers the consolidated group of Mintails Limited and controlled entities ("consolidated group" or "group" or "company"). Mintails Limited is a listed public company, incorporated and domiciled in Australia. The separate financial statements of the parent entity, Mintails Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial report of the consolidated group complies with International Financial Reporting Standards (IFRS) in their entirety. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International financial Reporting Standards.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions

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

Going Concern

At the 30 June 2014 the consolidated group had a net working capital deficit of \$16,402,104 (2013: \$14,691,987 deficit). For the year ended the consolidated group had operating cash outflows of \$903,128 (2013: \$8,132,011 outflows) resulting from an operating loss of \$38,731,816 (2013: \$16,826,158 loss), which included an asset impairment loss of \$6,027,724 (2013: \$2,850,093 loss), a resource impairment of \$5,551,662 and a loan impairment loss of \$7,644,933. From the date of this report, the consolidated group budgets to generate positive cash flows that are sufficient to meet its costs of production, operating costs and make a contribution to trade creditors.

For the foreseeable future the Group will remain entirely reliant on the continuing support of its major shareholder Paige Ltd and the outstanding trade creditors. The Group, through the constant adapting of its business plan is budgeting to increase operating margins by improving gold recovery and reducing operational expenses. If the Group loses the support of its financiers and creditors or is unable to increase operating margins the Group will be required to raise additional capital or borrow money from new financiers. If the Group is unable to raise this new capital the Group will not be able to continue as a going concern. Any capital raising may dilute the interests of the current shareholders of the Company.

These conditions indicate a material uncertainty and cast significant doubt about the consolidated entity's ability to continue as a going concern.

To mitigate this risk of ceasing to be a going concern the consolidated group is considering and implementing the following:

- The consolidated group has a history of successfully raising funds to pursue its capital projects, raising \$6,275,183 in the current financial year. A further capital raising will be required;
- To negotiate the continued support of the consolidated group by its major shareholders. One major shareholder has currently extended credit facilities to the value of AUD4.3million since 1 July 2014, with the potential for further funding;
- The continued review of the consolidated groups life of mine plan which indicates that it will be able to economically extract gold from its mineral resource;
- The sale of non-core assets;

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

- The development of an integrated water treatment solution with the Department of Water Affairs for the treatment of Acid Mine Drainage;
- The upgrading and recommissioning of our Gold 2 CIL plant to provide necessary volume and specifications of by-product reagents for the TWT process and considerable low cost tailings sourced gold;
- Payment by the Department of Water for treating AMD to world's best standards which would include the pumping of AMD from the void and its discharge to the environment;
- Access, via the de-watered void, to significant high-grade gold resources left unmined by historical operations;
- The re-equipment and operationalization of existing underground development, including shafts, cross-cuts, stopes, ore-passes, to cost effectively extract remnant high grade gold ore; and
- Filling our existing Gold 1 crushing and grinding circuit to 100 000 tonnes per month with high-grade (>3g/t Au) underground gold ore, resulting in considerable increase in gold production, operating margins and profit.

For the period covering 12 months from signing the financial report, the consolidated group has budgeted on the assumption of continued support of the Group by its creditors and major shareholder.

Based on these factors management and the board of directors are satisfied that the consolidated group has access to sufficient cash flows to meet commitments over the next twelve months, and for that reason the financial statements have been prepared on the basis that the consolidated group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and the settlement of liabilities in the normal course of business.

Should the consolidated group be unable to continue as a going concern, it will be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that will differ materially 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 consolidated group not continue as a going concern.

Accounting Policies

(a) Principles of Consolidation

A controlled entity is any entity Mintails Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 12 to the financial statements.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Non-controlling interests in the equity and results of the controlled entities are shown as a separate item in the consolidated financial report. The non-controlling interests in net assets comprise of their interest at the date of the original business combinations and their share of changes in equity since that date.

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted as at the end of the reporting period.

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

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

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited to the statement of comprehensive income except where it relates to items that may be credited directly to other components of equity, in which case the deferred tax is adjusted directly against other components of equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Where temporary differences exist in relation to investments in subsidiaries and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

(c) Interests in Joint Ventures

The consolidated group's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated group's financial statements.

The consolidated group's interest in joint ventures entities are brought to account using the equity method of accounting in the consolidated group's financial statements.

(d) Investments in associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the group's share of post-acquisition reserves of its associates.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. The cost of mining inventory includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

(f) Property and Plant & Equipment

Each class of property and plant is carried at fair value less, where applicable, any accumulated depreciation and impairment losses. Where fair value cannot be reliably measured the item or class of property and plant will be carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Land

Land is shown at its fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by an external independent expert.

Plant

Plant is measured at fair value. The fair value is assessed on the basis of the depreciated replacement cost of existing plant.

Depreciated replacement cost is assessed using available prices for plant and equipment, depreciated based on the assessed life span of the asset and the age of the asset held. This method of assessing fair value was selected as the most appropriate as there is not a ready market for the plant and equipment due to the nature of the assets and operations. Additionally, there are no clearly comparable sales that can be referred to in order to provide an indicative value. The directors have also determined it is not appropriate to use discounted cash flow forecasts to assess fair value, as future cash flows have already been used to value the Company's minerals resources (see note 1(g)).

Equipment

Equipment is valued at cost less accumulated depreciation and impairment

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or

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

recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of property and plant are credited net of tax to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against revaluation reserves directly in equity; all other decreases are charged to profit or loss.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Plant and equipment	15% to 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(g) Mineral Resources

Mineral Resources are measured at fair value, less amortisation and impairment losses. Resources are only recognised when they are owned by the consolidated group and have been determined to have a JORC compliant Indicated Resource or above category.

The carrying amount of mineral resources is reviewed at the end of each reporting period by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be generated from processing the mineral resources and subsequent disposal.

Increases in the carrying amount arising on revaluation of reserves are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against a re-valuation reserve directly in equity; all other decreases are charged to profit or loss.

Amortisation

Amortisation of Mineral Resources is principally computed using the Units of Production method based on Indicated and Measured JORC reserves.

(h) Provision for Site Rehabilitation Costs

The group is required to rehabilitate processing/tailings sites at the end of their lives to a condition that is acceptable to the relevant authorities.

The provision for rehabilitation costs are based on the discounted value of the estimated future cost to rehabilitate the site. Where there is a change in the estimated costs, the change in value of the provision is added to the cost of the asset in the current period.

(i) Exploration & Mine Development Expenditure

Exploration expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the Statement of Financial Position where it is expected that the expenditure will be recovered through the successful development and exploration of an area of interest, or by its sale, or exploration activities are continuing in an area and activities

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

have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Capitalised mine development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from the exploration phase once production commences in the area of interest.

Amortisation of mine development expenditure is computed using the units of production method based on Indicated and Measured JORC reserves.

(j) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the consolidated group are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(k) Financial Instruments

Initial Recognition and Measurement

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

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit and loss', in which case transaction costs are expensed in the profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either; fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, the quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i) the amount at which the financial asset or financial liability is measured at initial recognition;
- ii) less principle repayments;
- iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- iv) less any reduction for impairment.

The *effective interest* method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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

The consolidated group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Financial Assets at Fair Value through Profit and Loss

Financial assets are classified at 'fair value through profit and loss' when they are held for trading for the purpose of short-term profit taking. They are subsequently measured at fair value with changes in carrying value being recognised in profit or loss.

Loans and receivables

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by the Company. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Available-for-sale financial assets are stated at fair value with the changes in fair value recognised in other comprehensive income.

Fair value

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

De-recognition

Financial assets are derecognised where the contractual rights to receive cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

(l) Impairment of Assets

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. In accordance with Accounting Standards, once goodwill is impaired it cannot be subsequently reversed.

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

Non-financial assets other than goodwill that suffered a previous impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(m) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the yearend exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

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

Exchange differences arising on the translation of monetary items are recognised in profit or loss except where deferred in other comprehensive income as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Group companies

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

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

Exchange differences arising on translation of foreign operations are transferred directly to the foreign currency translation reserve via other comprehensive income. The cumulative amount of these differences is recycled in profit or loss in the period in which the operation is disposed.

(n) Employee Benefits

Provision is made for the consolidated group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the consolidated group to employee superannuation or insurance funds and are charged as expenses when incurred.

(o) Cash and Cash Equivalents

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

(p) Revenue

Revenue from the sale of resources is recognised on the date of sale of the resource to the market. Interest revenue is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

Revenue from the rendering of a service and goods sold is recognised upon the delivery of the goods and service to the customer.

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

(q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred.

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

(r) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The consideration transferred for a business combination shall form the cost of the investment in the separate financial statements. Such consideration is measured at fair value at acquisition date and consists of the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to profit or loss.

(s) Goods and Services Tax (GST)/ Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of GST/VAT, except where the amount of GST/VAT incurred is not recoverable from the Taxation Authority. In these circumstances the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST/VAT.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST/VAT component of investing and financing activities, which are disclosed as operating cash flows.

(t) Trade and other Receivables

Trade receivables are financial instruments (loans receivables) and are carried at amortised cost using the effective interest rate method less a provision for impairment. However, the effect of amortisation is not considered where they are of a short-term nature. An impairment of receivables is made when collection of the full amount is no longer probable.

Receivables from related parties are carried at the amortised cost less provision for impairment. Interest is taken up as income on an accrual basis.

(u) Trade and other Payables

Liabilities for trade creditors and other amounts are carried at cost due to their short-term nature which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated group.

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

Trade and other payables are unsecured and are usually settled within 30 to 90 days of recognition depending on suppliers' terms.

Payables to related parties are carried at the principle amount. Interest, when charged by the lender is recognised as an expense on an accruals basis.

(v) Share Capital

Ordinary share capital is recognised as the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(w) Share-based Payments

Equity-settled payments are measured at fair value at the date of grant or entitlement. Fair value is measured by use of the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate for the effects of non-transferability or exercise restrictions.

The fair value determined for the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the consolidated entity's estimate of shares that will eventually vest, with a corresponding increase to issue capital in equity.

(x) Earnings per Share

Basic earnings per share is determined by dividing the result for the year after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

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

(y) Comparative Figures

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

Amendments to Accounting Standards

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

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

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 10 Consolidated Financial Statements

The consolidated entity has applied AASB 10 from 1 July 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the

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

current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes.

AASB 11 Joint Arrangements

The consolidated entity has applied AASB 11 from 1 July 2013. The standard defines which entities qualify as joint arrangements and removes the option to account for joint ventures using proportional consolidation. Joint ventures, where the parties to the agreement have the rights to the net assets are accounted for using the equity method. Joint operations, where the parties to the agreements have the rights to the assets and obligations for the liabilities, will account for its share of the assets, liabilities, revenues and expenses separately under the appropriate classifications.

AASB 12 Disclosure of Interests in Other Entities

The consolidated entity has applied AASB 12 from 1 July 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'.

AASB 127 Separate Financial Statements (Revised), AASB 128 Investments in Associates and Joint Ventures (Reissued) and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards

The consolidated entity has applied AASB 127, AASB 128 and AASB 2011-7 from 1 July 2013. AASB 127 and AASB 128 have been modified to remove specific guidance that is now contained in AASB 10, AASB 11 and AASB 12 and AASB 2011-7 makes numerous consequential changes to a range of Australian Accounting Standards and Interpretations. AASB 128 has also been amended to include the application of the equity method to investments in joint ventures.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

The consolidated entity has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities.

AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments

The consolidated entity has applied AASB 2012-10 amendments from 1 July 2013, which amends AASB 10 and related standards for the transition guidance relevant to the initial application of those standards. The amendments clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement

The consolidated entity has applied 2011-4 from 1 July 2013, which amends AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No.1) now specify the KMP disclosure requirements to be included within the directors' report.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and its consequential amendments

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2014 may increase the disclosures by the consolidated entity.

AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and amends AASB 139 'Financial Instruments: Recognition and Measurement' to permit continuation of hedge accounting in circumstances where a derivative (designated as hedging instrument) is novated from one counter party to a central counterparty as a consequence of laws or regulations. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and allow entities that meet the definition of an 'investment entity' to account for their investments at fair value through profit or loss. An investment entity is not required to consolidate investments in entities it controls, or apply AASB 3 'Business Combinations' when it obtains control of another entity, nor is it required to equity account or proportionately consolidate associates and joint ventures if it meets the criteria for exemption in the standard. The adoption of these amendments from 1 July 2014 will have no impact on the consolidated entity.

Annual Improvements to IFRSs 2010-2012 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of

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

AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

Annual Improvements to IFRSs 2011-2013 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

Significant accounting estimates and assumptions

In applying the Company's accounting policies, management continually evaluates estimates and assumptions based on experience and other factors, including expectation of future events that may have an impact on the group as a whole. All estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the estimates and assumptions. Significant estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Valuation of Mineral Resources

The fair value of mineral resources is initially recognised at fair value at date of acquisition, then subsequently determined utilising discounted future cash flows. Management considers such factors as the market capitalisation of the group, the quality of the individual mineral resource and country risk in determining the fair value. Resources are only valued when they achieve a JORC category of indicated or above.

The key assumptions on which the cash flow projections have been based are:

- Updated life-of-mine plans (all JORC resources of indicated or above): 19 years
- Gold price of US\$1,223 per ounce
- Gold price of ZAR 437,952 per kilogram
- Real pre-tax discount rate used after applying estimated South African CPI: 20.00%
- US/Rand foreign exchange rate: 11.14
- CPI – South Africa: 6.4%
- CPI – United States: 1.7%
- Future real gold price due to SA/US CPI rate differential: 4.62%

Share-based payment transactions

The Company measures the cost of share-based payments at fair value at the grant date using the Black-Scholes formula after taking into account the terms and conditions upon which the instruments were granted (see Note 18).

Going Concern & BEE loan impairment

The key assumptions on which the cash flow projections have been based are the same as for the valuation of mineral resources, except for the life of the BEE loan, which is 3 years.

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

Note 2 Revenue

	30-June-2014 \$ '000	30-June-2013 \$ '000
Operating activities		
Gold sales	46,962	57,190
Other by-product sales	183	208
Interest received - other parties	961	198
Total operating revenue	48,106	57,596
Non-operating activities		
Sundry revenue	492	200
Other non-operating activities	492	200
Total revenue	48,598	57,796

Note 3 Loss for the year

The following expense/ (income) items have been included in arriving at profit or loss for the year.

	30-June-2014 \$ '000	30-June-2013 \$ '000
a) Depreciation and amortisation included in statement of comprehensive income		
Depreciation	7,569	7,016
Amortisation	6,314	1,329
	13,883	8,345
b) Finance costs		
Interest & finance charges paid or payable	166	104
c) Impairment		
Impairment of mineral resources	5,552	-
Impairment of property, plant & equipment	6,006	3,538
Impairment/(write-back) of loan to/from third party	-	(688)
Impairment of intangible asset	22	
	11,580	2,850

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

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
d) Other significant income & expenses			
Foreign currency losses		91	481
Net decrease in fair value of financial assets	i)	(2)	34

- i) The net decrease in fair value of financial assets represents the fair value adjustment to assets at reporting date and those disposed of during the period.

Note 4 Income tax expense/ (benefit)

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
a) The components of tax expense/(benefit) comprise:			
Current tax expense/(benefit)	21	-	-
Deferred tax expense/(benefit)	21	-	927
			927
b) The prima facie tax on losses from ordinary activities before income tax is reconciled to the income tax as follows:			
Prima facie tax payable on loss from ordinary activities before income tax at 30% (2012: 30%)			
- consolidated group		(12,628)	(4,770)
- effect of different tax rates of subsidiaries operating in other jurisdictions		1,008	637
		(11,620)	(4,133)
Add			
Tax effect of:			
- non-deductible legal fees		20	75
- entertainment expenses		-	2
- share options expensed during the year		15	75
- amortisation/depreciation		3,862	70
- Impairment of assets		1,682	-
- Impairment of resources		1,555	-
- Impairment of loans		2,140	-
- other permanent adjustments		40	-
Less			
Tax effect of:			
- section 40-880 deduction		(8)	(1)
- depreciation/capital allowances		(1,062)	-
- other temporary adjustments		(6)	(9)
Deferred tax asset not brought to account		3,382	4,848
Income tax attributable to entity		-	927

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

- c) Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in note 1 (b) is met:

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
Carried forward losses		25,318	21,936
d) The tax rate of subsidiaries operating in other jurisdictions are:			
- South Africa		28%	28%

- e) Income tax relating to components of other comprehensive income:

Relating to the revaluation of mineral resources	-	1,303
Relating to the revaluation of land and plant	-	-
	-	1,303

Note 5 Key Management Personnel

a) Directors

The following Key Management Personnel were Directors of Mintails Limited during the full financial year unless otherwise stated:

Name	Position
M Brune	Executive Director
M Rose	Non-Executive Director
L Blumberg	Non-Executive Director
H Carr	Non-Executive Director

b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly during the full financial year unless stated otherwise:

Name	Position	Employer
J Jacobs	General Manager - Operations	Mintails Mining SA (Pty) Ltd
E Milne	CFO	Mintails Mining SA (Pty) Ltd
A Ehlers	CEO	Mintails Mining SA (Pty) Ltd
B H Ndimande	Executive – Legal Licensing & Compliance	Mintails Mining SA (Pty) Ltd

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

c) Aggregate Remuneration of Key Management Personnel

	30-June-2014	30-June-2013
	\$'000	\$'000
Short-term benefits	1,017	889
Post-employment benefits	12	3
Termination payments	-	-
Share based payments	54	124
	1,083	1,016

d) Options and rights holdings

The number of options over ordinary shares in the Company held during the financial year by each Director of Mintails Limited and other Key Management Personnel of the group, including their personally related parties, are set out below:

2014	Balance at start of the year	Granted as compensation	Net change other	Balance at end of the year	Vested	Escrowed/ Unvested
M Brune	1,200,000	-	-	1,200,000	1,200,000	-
M Rose	1,200,000	-	-	1,200,000	1,200,000	-
L Blumberg	1,200,000	-	-	1,200,000	1,200,000	-
H Carr	1,200,000	-	-	1,200,000	1,200,000	-
	4,800,000	-	-	4,800,000	4,800,000	-
A Ehlers ¹	-	-	-	-	-	-
B H Ndimande ¹	-	-	-	-	-	-
E Milne	1,000,000	-	-	1,000,000	1,000,000	-
J Jacobs	1,000,000	-	-	1,000,000	1,000,000	-
	2,000,000	-	-	2,000,000	2,000,000	-
TOTAL	6,800,000	-	-	6,800,000	6,800,000	-

¹ Balance at date of appointment/resignation

2013	Balance at start of the year	Granted as compensation	Net change other	Balance at end of the year	Vested	Escrowed/ Unvested
M Brune	1,200,000	-	-	1,200,000	800,000	400,000
M Rose	1,200,000	-	-	1,200,000	800,000	400,000
L Blumberg	1,200,000	-	-	1,200,000	800,000	400,000
H Carr	1,200,000	-	-	1,200,000	800,000	400,000
	4,800,000	-	-	4,800,000	3,200,000	1,600,000
E Milne	-	1,000,000	-	1,000,000	-	1,000,000
J Jacobs	246,392	1,000,000	(246,392)	1,000,000	-	1,000,000
	246,392	2,000,000	(246,392)	2,000,000	-	2,000,000
TOTAL	5,046,392	2,000,000	(246,392)	6,800,000	3,200,000	3,600,000

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

e) Shareholdings

The number of shares in the Company held during the financial year by each Director of Mintails Limited and other Key Management Personnel of the group, including their personally related parties, are set out below. There were no additional shares granted during the period as compensation.

2014	Balance at start of year	Received as compensation	Options exercised	Net change other	Balance at the end of the year
M Brune	625,000	-	-	625,000	1,250,000
M Rose	-	-	-	-	-
L Blumberg	-	-	-	-	-
H Carr	-	-	-	-	-
	625,000	-	-	625,000	1,250,000
A Ehlers ¹	-	-	-	-	-
B H Ndimande ¹	-	-	-	-	-
E Milne	-	-	-	-	-
J Jacobs	-	-	-	-	-
	-	-	-	-	-

¹ Balance at date of appointment/resignation

2013	Balance at start of year	Received as compensation	Options exercised	Net change other	Balance at the end of the year
M Brune	625,000	-	-		625,000
M Rose	-	-	-	-	-
L Blumberg	-	-	-	-	-
H Carr	-	-	-	-	-
	625,000	-	-	-	625,000
E Milne	-	-	-	-	-
J Jacobs	-	-	-	-	-
	-	-	-	-	-

f) Loans to Directors and Key Management Personnel

There were no loans made to Directors and other Key Management Personnel of the group, including their personally related parties.

g) Other transactions with Key Management Personnel

There were no other transactions with Key Management Personnel not disclosed elsewhere in this report.

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

h) Contracts for services with Key Management Personnel

	Duration of Contract	Period of notice to terminate	Termination payments
J Jacobs	Ongoing	1 month by either party	Nil*
E Milne	Ongoing	3 months by either party	Nil*
A Ehlers	Ongoing	3 months by either party	Nil*

* No further termination payments other than those prescribed under South African Employment Law.

i) Option Valuation

The unlisted options issued to Directors and Key Management Personnel of the group for nil consideration during the period were valued based on the Black-Scholes model, adjusted for their escrow and unlisted nature. The inputs for this model and valuation are disclosed in Note 18.

Note 6 Auditors remuneration

	30-June-2014 \$ '000	30-June-2013 \$ '000
Remuneration of the auditor of the parent entity for:		
- Audit services	90	87
Remuneration of other auditors of subsidiaries for:		
- Audit services	120	97

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

Note 7 Earnings/ (Loss) per share

	30-June-2014 \$ '000	30-June-2013 \$ '000
a) Reconciliation of earnings to profit/loss		
Net loss attributable to ordinary equity holders of the parent	(38,732)	(16,826)
Add back (loss)/gain attributable to non-controlling interests	9,540	(379)
Earnings used to calculate basic EPS	(29,192)	(17,205)
	No.	No.
b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	210,978,161	151,721,426
Weighted average number of options outstanding *	-	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	210,978,161	151,721,426

* - Includes instruments with dilutive impact on EPS only

	Cents	Cents
c) Basic earnings/loss per share	(13.84)	(11.34)
d) Diluted earnings/loss per share	(13.84)	(11.34)

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

Note 8 Plant and Equipment

2013	Land & Buildings at fair value \$ '000	Plant at fair value \$ '000	Equipment at cost \$ '000	Total \$ '000
Cost / fair value	9,968	71,050	2,089	83,107
Accumulated depreciation	-	(33,606)	(1,547)	(35,153)
	9,968	37,444	542	47,954
Balance at the beginning of year	10,570	38,793	321	49,684
Additions	22	682	399	1,103
Depreciation expense	-	(6,860)	(156)	(7,016)
Impairment (ii)	-	(3,538)	-	(3,538)
Revaluation	90	9,752	-	9,842
Effect of movements in exchange rates	(714)	(1,385)	(22)	(2,121)
Carrying amount at the end of the year	9,968	37,444	542	47,954

(i) Impairment of land according to valuation by independent valuer to below cost. Impairment was expensed to statement of comprehensive income. This asset belongs to the mining segment.

2014	Land & Buildings at fair value \$ '000	Plant at fair value \$ '000	Equipment at cost \$ '000	Total \$ '000
Cost / fair value	9,024	61,061	2,303	72,388
Accumulated depreciation		(38,629)	(1,635)	(40,264)
	9,024	22,432	668	32,124
Balance at the beginning of year	9,968	37,444	542	47,954
Additions	16	1,392	333	1,741
Disposals	-	-	(4)	(4)
Depreciation expense	-	(7,412)	(157)	(7,569)
Impairment (i)	-	(6,006)	-	(6,006)
Revaluation (ii)	-	-	-	-
Effect of movements in exchange rates	(960)	(2,986)	(46)	(3,992)
Carrying amount at the end of the year	9,024	22,432	668	32,124

(ii) Impairment of land according to valuation by independent valuer to below cost. Impairment was expensed to statement of comprehensive income. This asset belongs to the mining segment.

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

Valuation of land and plant

The basis of the valuation of land is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar land in the same location. The land was re-valued at 30 June 2013 based on external independent assessments by land valuers in South Africa.

Plant is measured at fair value. The fair value is assessed on a yearly basis by directors and management on the basis of the depreciated replacement cost of existing plant. Depreciated replacement cost is assessed using available prices for plant, depreciated based on the assessed life span of the asset and the age of the asset held. Refer note 1(f) for further information.

Revaluation surplus net of applicable deferred taxes was credited to the asset revaluation reserve.

Had the carried fair value remained at historical cost less accumulated depreciation and impairment, their carrying value at 30 June 2013 would be:

	30 June 2014 \$'000	30 June 2013 \$'000
Land & Buildings	10,272	10,256
Plant	31,052	29,660

Note 9 Mineral resources

	Resources	Total
2013	\$ '000	\$ '000
Fair value	27,582	27,582
Accumulated amortisation	(8,882)	(8,882)
	18,700	18,700
Balance at the beginning of year	17,476	17,476
Capital improvements	1,174	1,174
Revaluation of rehabilitation asset	2,648	2,648
Revaluation increments/(decrements)	(138)	(138)
Amortisation expense	(1,329)	(1,329)
Effect of movements in exchange rates	(1,131)	(1,131)
Carrying amount at the end of the year	18,700	18,700

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

	Resources	Total
2014	\$ '000	\$ '000
Fair value	23,259	23,259
Accumulated amortisation	(14,784)	(14,784)
	8,475	8,475
Balance at the beginning of year	18,700	18,700
Additions	-	-
Disposals	-	-
Capital improvements	-	-
Revaluation of rehabilitation asset	4,286	4,286
Impairment	(5,552)	(5,552)
Revaluation decrement	(1,391)	(1,391)
Amortisation expense	(6,314)	(6,314)
Effect of movements in exchange rates	(1,254)	(1,254)
Carrying amount at the end of the year	8,475	8,475

Impairment of resources relates to the revaluation of mining resources to below the cost of the resources on acquisition. The revaluation has been undertaken in accordance with the groups accounting policy on the valuation of resources as outlined in note 1(g). Impairment was expensed to the statement of comprehensive income. This asset belongs to the mining segment.

Fair value of mineral resources is initially recognised at fair value at date of acquisition, and then subsequently reviewed to determine that it does not exceed the net present value of cash flow projections over the estimated life of the applicable mines using the following assumptions:

Assumptions	Rate
Pre-tax discount rate	20.00%
Life of mines (all JORC resources of indicated or above)	19 years
CPI - South Africa	6.4%
CPI - United States	1.7%
Future real gold price due to SA/US CPI rate differential: 4.62%	4.62%
US/Rand foreign exchange rate	11.14
Price of gold per ounce	USD 1,223
Price of gold per kilogram	ZAR 437,952

- No value has been attributed to any in-situ uranium mineral resource. Currently the Company has no mining plan or operational intention to extract uranium from its resources. No value has been attributed to in-situ gold resources falling outside the group's life of mine plan.
- Randfontein Cluster acquired during the 2012 year has been brought to account at fair value at date of acquisition.

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

Note 10 Intangible assets

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Prospecting Rights</i>			
Cost		24	27
Accumulated impairment loss		(12)	-
		12	27
Balance at beginning of the year		27	18
Additions		-	9
Impairment		(12)	-
Effect of movements in exchange rates		(3)	-
Balance at the end of the year		12	27

Note 11 Financial assets at fair value through profit and loss

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>At fair value</i>			
Listed investments held for trading, at market value			
- shares in listed corporations, unrelated	(i)	3	1
		3	1

The above financial assets consist of investments in ordinary shares, and therefore have no fixed maturity date or coupon rate.

- (i) Listed Shares
The fair value of listed investments has been determined directly by reference to published price quotations in an active market.

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

Note 12 Investments in subsidiaries

a) Controlled entities consolidated

	Country of Incorporation	Percentage owned by Group (%)*		Ownership interest held by non-controlling interests (%)	
		30-June- 2014	30-June- 2013	30-June- 2014	30-June- 2013
<i>Parent Entity:</i>					
Mintails Limited	Australia				
<i>Subsidiaries of Mintails Limited:</i>					
Mintails SA (Pty) Ltd	South Africa	100	100	-	-
Mogale Gold (Pty) Ltd	South Africa	74	100	26	-
Luipaards Vlei (Pty) Ltd	South Africa	74	100	26	-
HVH Gold Mining (Pty) Ltd	South Africa	74	100	26	-
Cream Magenta 171 (Pty) Ltd	South Africa	74	100	26	-
Witfontein Mining (Pty) Ltd	South Africa	74	100	26	-
Witsand Mining (Pty) Ltd	South Africa	74	100	26	-
Durban Roodepoort Deep (Pty) Ltd	South Africa	74	100	26	-
Autumn Star 776 (Pty) Ltd	South Africa	74	100	26	-
Mintails Projects (Pty) Ltd	South Africa	74	100	26	-
Mintails Fleet (Pty) Ltd	South Africa	74	100	26	-
Mintails SA Randfontein (Pty) Ltd	South Africa	74	100	26	-
Mintails Mining SA (Pty) Ltd	South Africa	74	100	26	-

* Percentage of voting power is in proportion to ownership

Financial Information

Set out below is summarised financial information for all subsidiaries that have material non-controlling interests. All subsidiaries have been aggregated as they are all located in South Africa and their principle activity is mining. The amounts disclosed are before intercompany eliminations.

	30-June-2014	30-June-2013
	\$ '000	\$ '000
Summarised balance sheet		
Non-current assets	47,189	65,501
Current Assets	4,242	5,512
Total Assets	51,431	71,014
Non-current liabilities	206,348	172,197
Current liabilities	21,200	16,076
Total liabilities	227,548	188,273
Net Assets	(176,117)	(117,260)
Accumulated NCI	(30,882)	(19,188)

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

	30-June-2014	30-June-2013
	\$ '000	\$ '000
Summarised statement of comprehensive income		
Revenue	48,598	57,795
Loss for the period	(50,419)	(31,817)
Other comprehensive income/(loss)	-	10,592
Total comprehensive loss	(50,419)	(21,225)
Profit/(loss) allocated to NCI	(9,540)	379
Dividends paid to NCI	-	-

Summarised cash flows

Cash flows from operating activities	(648)	8,118
Cash flows from investing activities	(279)	(7,270)
Cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(927)	848

Significant restrictions

Cash held by all South Africa subsidiaries is subject to exchange control regulations governed by the South African Reserve Bank (SARB). Ongoing approval by SARB is crucial to the transfer of cash funds into and out of South Africa. The cash and cash equivalents balance held in South Africa is \$350,255 at year end (2013: \$1,366,653).

b) Acquisition & Sale of non-controlling interest in subsidiaries

During the 2013 year, the Company entered into arrangements with its BEE partners to buy back or reacquire their 26% holding in operational subsidiaries.

On the 1st July 2013, the Company restructured its BEE program with the consolidation of all operational subsidiaries under one legal entity and the sale of 26% of that legal entity to new BEE partners in accordance with South African BEE and BBBEE legislation requirements. The 26% equity interest in Mintails Mining SA (Pty) Ltd was sold to Kutana Resources, Bukhosi Ndimande, The Foundation for Social Investment & Development Trust and Matla Trust for R115,000,000.

The sale proceeds of R115,000,000 are subject to a vendor finance agreement. The loan will be interest free until such time as the cumulative EBIT of Mintails Mining SA (Pty) Ltd reaches R75,000,000 measured from 1 July 2013. After the initial interest free period, the loan will attract interest at the South African prime rate.

	30-June-2014	30-June-2013
	\$ '000	\$ '000
Agreed consideration for the transaction received/(paid)	12,359	(523)
Net assets acquired/(disposed)	2,343	6,140
Net gain on acquisition	14,702	5,617

- Note: Net assets disposed in 2014 year were negative net assets.

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

c) Disposal/Windup of subsidiaries

During the 2013 year, the Company liquidated or wound up non-operational subsidiaries in an initiative to streamline the Company's structure.

	30-June-2014 \$ '000	30-June-2013 \$ '000
Agreed consideration for the transaction paid	-	-
Net assets disposed	-	10,338
FX gain on realisation of assets disposed	-	(2,127)
Net loss on disposal	-	8,211

Note 13 Trade and other receivables

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Current</i>		
Trade receivables	1,032	1,067
Provision for impairment of receivables	-	-
	1,032	1,067
Other receivables (i)	820	889
	1,852	1,956
<i>Non-current</i>		
Amounts receivable from:		
- associated entities	-	-
- other entities (ii)	4,217	-
	4,217	-

- (i) Other receivables include amounts due from local authorities for VAT and are not considered a significant credit risk.
(ii) Fair value of amount receivable from BEE/BBBEE partners under vendor finance arrangements for the sale of equity interests in Mintails Mining SA (Pty) Ltd as described in Note 12 b).

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

Note 14 Inventories

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Current</i>		
Work in progress, at cost	419	510
	419	510

Note 15 Non-current assets classified as held for sale& associated liabilities

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Assets held for sale</i>			
- land and plant	(i)	1,505	1,664
		1,505	1,664

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Liabilities associated with Assets held for sale</i>			
- rehabilitation provision	(i)	1,073	1,188
		1,073	1,188

- (i) The Company currently holds land and plant surplus to its current operating requirements. A buyer for the assets is currently being sought. The land and plant being sold has an associated rehabilitation liability.

The above non-current assets classified as held for sale and associated liabilities form part of the mining segment per note 24.

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

Note 16 Other assets

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Current</i>		
Prepayments	118	25
	118	25
	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Non-current</i>		
Rehabilitation Bonds (i)	2,361	2,483
	2,361	2,483

(i) Cash held in term deposits as required under South African mining regulations to land rehabilitation. This cash is not available for working capital purposes.

Note 17 Cash and cash equivalents

	30-June-2014 \$ '000	30-June-2013 \$ '000
Cash at bank	1,207	1,374
Term deposits	-	-
	1,207	1,374
<i>Reconciliation of cash</i>		
Cash at the end of the financial year as show in the cash flow statement is reconciled to items in the Statement of Financial Position as follows:		
Cash and cash equivalents	1,207	1,374
	1,207	1,374

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

	30-June-2014 \$ '000	30-June-2013 \$ '000
b) Reconciliation of cash flow from operations with loss after income tax		
(Loss)/profit for the period	(38,732)	(16,826)
Add back depreciation expense	7,569	7,016
Add back amortisation expense	6,314	1,329
Add back bad debts	25	-
Add back disposal of subsidiaries	-	8,211
Add back equity issued for nil consideration	52	124
Add back loss on disposal of assets	4	-
Add back impairment of assets	13,673	2,850
Add back impairment of resources	5,552	-
Add back interest on borrowings	166	104
Add back foreign exchange adjustments	91	481
Add back diminution of investments	(2)	34
Add back rehabilitation funding	-	(122)
Add back fair value adjustment on asset purchase	36	-
(Increases)/Decreases in Accounts Receivable	(263)	(1,114)
(Increases)/Decreases in Other Current Assets	(53)	263
Increases/(Decreases) in Accounts Payable	5,228	5,330
Increases/(Decreases) in Other Current Liabilities	(563)	(475)
Increases/(Decreases) in Deferred Tax Liabilities	-	927
Cash flow from operations	(903)	8,132

Note 18 Issued capital

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
Ordinary Shares	18a	265,665	259,403
Options over shares	18b	14,841	14,887
Convertible Notes	18c	-	-
		280,506	274,290

	Note	30-June-2014 No.	30-June-2014 \$ '000	30-June-2013 No.	30-June-2013 \$ '000
a) Ordinary shares					
At the beginning of the reporting period		154,555,645	259,403	152,937,187	258,756
Shares issued during year	(i)	114,094,248	6,275	-	-
Exercise of options		245,000	98	1,618,458	647
Transaction costs relating to share issues		-	(111)	-	-
At reporting date		268,894,893	265,665	154,555,645	259,403

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote of a show of hands. The shares have no par value.

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

(i) 2014	Details	Number	Issue price \$	\$ '000
23/12/13	1:4 Rights Issue to shareholders	114,094,248	0.055	6,275
		114,094,248		6,275

b) Options					
	Note	30-June-2014		30-June-2013	
		No.	\$ '000	No.	\$ '000
At the beginning of the reporting period		9,895,000	14,887	10,658,456	15,410
Options issued during year	(i)	-	-	2,000,000	-
Options lapsed or cancelled	(ii)	(100,000)	-	(1,144,998)	-
Options exercised during year	(iii)	(245,000)	(98)	(1,618,458)	(647)
Unvested options		-	52	-	124
At reporting date		9,550,000	14,841	9,895,000	14,887

(i) 2013	Details	Number	Issue price \$	\$ '000
20/12/2012	Issue to Employees, exercisable @ \$0.16 on or before 21/11/17	600,000	0.04524	-
20/12/2012	Issue to Employees exercisable @ \$0.22 on or before 21/11/17	600,000	0.04104	-
20/12/2012	Issue to Employees exercisable @ \$0.30 on or before 21/11/18	800,000	0.02763	-
		2,000,000		-

(ii) 2014	Details	Number	Issue price \$	\$ '000
26/08/2013	Lapse of options exercisable at \$3.00 on or before 26/08/13	(100,000)	-	-
		(100,000)	-	-

(ii) 2013	Details	Number	Issue price \$	\$ '000
1/08/2012	Lapse of options exercisable at \$6.10 on or before 01/08/12	(250,000)	-	-
30/11/2012	Lapse of options exercisable at \$8.00 on or before 01/08/12	(850,000)	-	-
2/01/2013	Lapse of options exercisable at \$0.00 on or before 02/02/13	(44,998)	-	-
		(1,144,998)	-	-

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

(iii) 2014	Details	Number	Issue price \$	\$ '000
30/05/2014	Exercise of Options	(94,500)	0.40000	(38)
12/06/2014	Exercise of Options	(150,500)	0.40000	(60)
		(245,000)		(98)

(iii) 2013	Details	Number	Issue price \$	\$ '000
12/07/2012	Exercise of Options	(110,000)	0.40000	(44)
12/12/2012	Exercise of Options	(313,596)	0.40000	(125)
20/12/2012	Exercise of Options	(1,194,862)	0.40000	(478)
		(1,618,458)		(647)

c) Share based payments

i) Share based payments issued during the year

No new share based payment arrangements occurred during the year.

ii) Current share based payments in existence

Series Issued	Quantity	Grant Date	Expiry Date	Exercise Price	Value attributed at grant date
11/12/2009 (28)	1,750,000	11/12/2009	11/12/2014	\$0.45	\$0.1740
11/12/2009 (29)	1,000,000 ***	11/12/2009	11/12/2014	\$0.45	\$0.1740
21/12/2011 (32)	1,600,000 *	24/11/2011	21/12/2017	\$0.18	\$0.0430
21/12/2011 (33)	1,600,000 *	24/11/2011	21/12/2017	\$0.24	\$0.0398
21/12/2011 (34)	800,000 **	24/11/2011	21/12/2018	\$0.18	\$0.0349
21/12/2011 (35)	800,000 **	24/11/2011	21/12/2018	\$0.24	\$0.0328
21/12/2012 (37)	600,000 *	21/12/2012	20/12/2018	\$0.16	\$0.0456
21/12/2012 (38)	600,000 *	21/12/2012	20/12/2018	\$0.22	\$0.0414
21/12/2012 (39)	800,000 *	21/12/2012	20/12/2018	\$0.30	\$0.0376
	<u>9,550,000</u>				

All options vested upon issue except where indicated

* Options vest over 1 year from date of issue

** Options vest over 2 years from date of issue

*** Options vest over 3 years from date of issue

All options are to be settled with the physical delivery of ordinary shares.

The weighted average fair value of the options granted during the year was \$0.00 (2013: \$0.04).

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the options is based on the historical exercise pattern of options, being the expiry date of the options, which may not eventuate in the future.

The value of the share based payments expensed to the statement of comprehensive income during the year is \$52,260 (2013: \$123,292). This amount appears in the Directors Fees and Employment lines of the Statement of Comprehensive Income.

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

iii) Reconciliation of outstanding share based payments

	Number of Options	30-June-2014 Weighted average exercise price \$	Number of Options	30-June-2013 Weighted average exercise price \$
Balance at the beginning of the year	9,895,000	0.3045	10,658,456	1.0199
Granted during the year	-	-	2,000,000	0.2340
Exercised during the year	(245,000)	-	(1,618,458)	-
Lapsed or Cancelled during the year	(100,000)	3.0000	(1,144,998)	7.2708
Balance at the end of the year	9,550,000	0.2841	9,895,000	0.3045
Exercisable at the end of the year	9,550,000	0.2841	6,295,000	0.2233

The share options outstanding at the end of the year had exercise prices in the range of \$0.16 to \$0.45 (2013:\$0.00 to \$3.00), and a weighted average remaining contractual life of 1.74 years (2013: 2.61 years).

Note 19 Other components of equity

	Note	30-June-2014 \$ '000	30-June-2013 \$ '000
Asset revaluation reserve	19a	12,556	15,643
Foreign currency translation reserve	19b	(21,856)	(21,654)
Non-controlling interest reserve	19c	13,198	5,618
		3,898	(393)

a) Asset revaluation reserve

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.

Movement during the year

Opening balance		15,643	7,922
Revaluation		(3,087)	6,418
Deferred tax	21	-	1,303
Closing balance		12,556	15,643

b) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

Movement during the year

Opening balance		(21,654)	(20,854)
Realisation of fx disposal of subsidiaries		-	(2,127)
Adjustment arising from the translation of foreign controlled entities' financial statements		(202)	1,327
Closing balance		(21,856)	(21,654)

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

c) Non-controlling interest reserve

The non-controlling interest (NCI) acquisition reserve records movements in the NCI of subsidiaries acquired where control was already held.

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Movement during the year</i>		
Opening balance	5,618	(6,811)
Disposal of a subsidiary	7,580	6,811
Acquisition of a subsidiary	-	5,618
Closing balance	13,198	5,618

Note 20 Borrowings

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Short-term borrowings</i>		
<i>Unsecured liabilities</i>		
Loans	-	1,015
	-	1,015

2013: Loans provided to the Company by a major shareholder. Interest accruable at Bank Bill rate during the period of the loan plus 4%. A 1% facility fee is repayable on the loan. \$1,000,000 loan, accrued interest & facility fee was repaid on 16 August 2013.

2014: US \$ 1,915,000 loan provided to the Company by a major shareholder. Loan attracted a 2 % facility fee and interest at bank bill rate plus 4% over the period of the loan. Loan was fully repaid during the year.

Note 21 Tax Deferred tax liabilities

	30-June-2014 \$ '000	30-June-2013 \$ '000
Deferred tax liability comprises:		
Revaluation adjustments taken directly to income	-	-
Revaluation adjustments taken directly to equity	872	965
Total	872	965
Movements:		
The overall movement in the deferred tax account is as follows:		
Opening balance	965	1,167
Charge to income	-	927
Charge to equity	-	(1,303)
Effect of exchange rates	(93)	174
Closing balance	872	965

30-June-2014 30-June-2013

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

	\$ '000	\$ '000
Mineral resources carried at fair value	-	-
Land and plant carried at fair value	872	965
Tax losses	-	-
	872	965

Note 22 Provisions

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Current</i>		
Employee entitlements		
Opening balance at the beginning of the year	379	159
Additional provisions	28	231
Amounts used	(43)	-
Effect of movements in exchange rates	(38)	(11)
Balance at the end of the year	326	379
<i>Non Current</i>		
Land Rehabilitation		
Opening balance at the beginning of the year	25,568	25,365
Additional provisions	4,305	1,921
Effect of movements in exchange rates	(2,460)	(1,718)
Balance at the end of the year	27,413	25,568

A provision has been recognised for the costs to be incurred for the rehabilitation of land on which mineral resources and plant are located.

Note 23 Trade and other payables

	30-June-2014 \$ '000	30-June-2013 \$ '000
<i>Current</i>		
Unsecured liabilities		
Trade payables	16,419	11,436
Sundry payables and accrued expenses	1,981	3,402
Amounts payable to:		
- wholly owned subsidiaries		-
- other entities (i)	1,706	2,800
	20,106	17,638
<i>Non-current</i>		
Unsecured liabilities (i)	-	1,198
	-	1,198

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

- (i) Relates to the net present value of the Company's commitment to purchase mining assets from West Wits Mining Limited. This liability is secured by a first mortgage over the Company's Witfontein land.

Note 24 Segment Reporting

The Group has only identified one reportable segment, mining, based on the reports received and reviewed by its Chairman. Unless stated otherwise, all amounts reported to the Chairman, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group. The following items of revenue, expense, assets and liabilities are not considered part of the core operations of the business and are therefore not allocated to any segment:

- Interest revenue
- Net increase or decrease in financial assets held for trading
- Corporate administration expenses

30-June-2014

	Mining \$'000	Consolidated \$'000
External Sales	47,144	47,144
Other Revenue	1,454	1,454
Unallocated revenue	-	-
	48,598	48,598

Segment Result	(37,675)	(37,675)
Unallocated result	-	(1,057)
Income tax benefit/(expense)	-	-
Net loss after tax		(38,732)

	Mining \$'000
<i>Other</i>	
Acquisition of non-current segment assets	1,741
Depreciation & amortisation	13,883

30-June-2013

	Mining \$'000	Consolidated \$'000
External Sales	57,398	57,398
Other Revenue	398	398
Unallocated revenue	-	-
	57,796	57,796

Segment Result	(14,676)	(14,676)
Unallocated result	-	(1,223)
Income tax benefit/(expense)	(927)	(927)
Net loss after tax		(16,826)

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

	Mining \$'000
<i>Other</i>	
Acquisition of non-current segment assets	1,103
Depreciation & amortisation	8,345

<i>Segment Assets</i>	30-June-2014 \$'000	30-June-2013 \$'000
Mining	51,432	74,680
Unallocated	862	14
Total Assets	52,294	74,694

<i>Segment Liabilities</i>	30-June-2014 \$'000	30-June-2013 \$'000
Mining	49,485	46,608
Unallocated	305	1,342
Total Assets	49,790	47,950

Geographical Regions

The Group operates its mining activities in one geographical location, South Africa.

Note 25 Events after the reporting date

- a) The financial report was authorised for issue on 22nd October 2014 by the Board of Directors.
- b) The following events have occurred subsequent to reporting date:

On the 1st August 2014 the Company announced that it had obtained an unsecured conditional loan funding from Paige Limited for up to AUD 5,000,000. The funding would be used to reduce working capital deficiency issues caused by the recent National Union of Metalworkers of South Africa strike and the Company's inability to access its higher grade resources due to restrictions imposed by the Department of Mineral Resources (DMR) in South Africa earlier in the year and current operational issues.

On the 15th September 2014 the Company announced that the Department of Mineral Resources (DMR) in South Africa had lifted the last remaining mining restrictions imposed on its opening cast mining areas. Paige Limited had also provided a further draw down of GBP 750,000 on the AUD 5 million loan facility.

On 3 October 2014, Anthony Elhers, CEO of the Company's South African operations resigned.

On 7 October 2014, Paige Limited agreed to a further draw down on the current loan facility to the value of US\$ 1,791,190.

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

Please refer to Note 1 of this report which refers to the Company's ability to trade as a going concern. These conditions continue to exist subsequent to the reporting date.

No other significant events have occurred since reporting date that have not been otherwise disclosed in this report.

Note 26 Related party transactions

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

Transactions with related parties

	30-June-2014 \$ '000	30-June-2013 \$ '000
Loans given by Paige Limited, an entity controlled by Rex Harbour, a substantial shareholder with significant influence over Mintails Limited. ¹	2,083	1,025
Payments made to Bedford CA for the provision of administration services. Bedford CA is a director related entity to Non-Executive Director, Murray Rose.	-	3

¹ Interest charged at Bank Bill rate plus 4% over the term of the loans. 2013 loan had a 1% facility fee payable on termination of loan. Loan was fully repaid on 16 August 2013. 2014 loan had a 2% facility fee payable on termination of loan. Loan was fully repaid on 13 December 2013.

Mintails Limited loans funds to subsidiaries on an at call basis and accrues interest at 6.20% per annum (2013: 7.05%). At 30 June 2014 the balance outstanding from subsidiaries was \$177,461,969 (2013: \$173,166,835) and the interest accrued was \$10,781,771 (2013: \$12,722,548). An accumulated provision for impairment of \$175,515,405 (2013: \$171,207,405) has been recognised by Mintails Ltd for these loans. In the current period the parent recognised an impairment expense of \$4,308,000 (2013: \$nil) on the loans to subsidiaries and forgave \$Nil (2013: \$7,984,085) on loans related to subsidiaries that were liquidated or wound up during the period.

Note 27 Financial instruments

Capital Management

The group's objectives and policies are to maintain a strong and flexible capital base to maintain investor, creditor and market confidence and to sustain future development of the business.

The group's capital includes ordinary share capital and share options. There are no externally imposed capital requirements.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of return on capital (defined as total shareholders' equity attributable to members divided by number of shares on issue), distributions to shareholders and share issues.

Financial Risk Management

The consolidated group's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. Management have established risk management policies to identify and analyse the risks faced by the Company and the group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's and group's activities.

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

Risk management is overseen by the Audit, Risk and Compliance Committee.

Please refer to the going concern note for further info.

a) Market Risk

i) Foreign exchange risk

The consolidated group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currency of the consolidated group.

The parent entity also has exposure to foreign exchange risk in the currency cash reserves it holds to meet subsidiary loan requirements. This is kept to an acceptable level by buying foreign currency at spot rates only to fund short term cash requirements.

Exposure to foreign exchange risk has not changed from the previous year. The consolidated group does not make use of derivative financial instruments to hedge foreign exchange risk.

The carrying amount of the consolidated group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Economic Entity Rand('000)
2014	
Financial Assets	87,554
Financial Liabilities	(214,450)
Total exposure	(126,896)
2013	
Financial Assets	52,261
Financial Liabilities	(165,442)
Total exposure	(113,181)

Sensitivity analysis

The consolidated group is mainly exposed to the South African Rand (ZAR). The average annual movement in the AUD/ZAR exchange rate over the last 5 years was a 9.5% (2013: 4%) strengthening of the AUD against the Rand, based on the year-end spot rates. A further 9.5% strengthening of the AUD against the ZAR at 30 June 2014 would have increased/ (decreased) equity and loss after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain consistent. The analysis is performed on the same basis for 2013 using a movement of 9.5%.

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

	Movement Sensitivity	Equity decrease \$'000	Loss after tax decrease \$'000
30-Jun-14	9.5%	(116)	(2,459)
30-Jun-13	9.5%	(4,445)	(6,542)

ii) Commodity price risk

The consolidated group is exposed to commodity price risk. This arises from the sale of gold which is priced on, or benchmarked to, open market exchanges.

The consolidated group does not make use of derivative financial instruments to hedge commodity price risk.

Sensitivity analysis

The following table shows that a decrease in the 5 year average annual commodity price movement would have increased the loss for the year.

		2014	2013
Commodity	5-year average annual price movement	Loss after tax increase \$'000	Loss after tax increase \$'000
Gold	2014	10%	(4,720)
	2013	11%	-
			(6,372)

iii) Interest rate risk

The consolidated group's exposure to interest rate risk is the risk that a financial instruments' value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and liabilities.

	2014	2013
Cash and cash equivalents	1,207	1,374
Deposits/other financial instruments	8,932	4,441
Weighted average interest rate %	2.32	4.04

There has been no change to the consolidated group's exposure to interest rate risk or the manner in which it manages and measures its risk over the year.

Sensitivity analysis

An increase/ (decrease) of 1% in interest rates at the end of the reporting period would have the following effect on after tax loss and equity. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2013.

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

	Loss after tax		Equity	
	1% increase \$'000	1% decrease \$'000	1% increase \$'000	1% decrease \$'000
2014				
Variable rate instruments	12	(12)	12	(12)
2013				
Variable rate instruments	14	(14)	14	(14)

iv) Price risk

The consolidated group's exposure to share price risk has decreased significantly over the past twelve months. It no longer holds any significant financial assets that are listed on a recognised trading exchange and valued according to the market price of the underlying security held.

b) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the consolidated group. The consolidated group's most substantial exposure to credit risk is through its sales of gold.

Gold sales contribute 97% of the consolidated group's operating income (2013: 99%) and are made to one customer. This customer is one of the largest buyer's of gold product in South Africa and considered a customer of high credit worthiness. The sale price of gold is set to current market value.

The consolidated group ensures that surplus cash is invested with financial institutions of appropriate credit worthiness and limits the amount of credit exposure to any one counter party.

The consolidated group's exposure to credit risk has remained unchanged from the previous year. The carrying amount of the group's financial assets represents the maximum credit exposure. The group's maximum exposure to credit risk at the end of the reporting period was as follows: -

Consolidated Group	Carrying Amount	
	2014 \$'000	2013 \$'000
Loans and receivables	6,070	1,956
Bonds	2,360	2,483
Other financial assets	3	1
Cash and cash equivalents	1,207	1,374
	9,640	5,814

The consolidated group's maximum exposure to credit risk for trade receivables at the reporting date by geographical location was:

Economic Entity	Carrying Amount	
	2014 \$'000	2013 \$'000
Australia	-	-
South Africa	1,032	1,067
	1,032	1,067

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

The consolidated group's single significant customer accounts for \$983,972 or 95% of the trade receivables carrying amount at the end of the reporting period and are considered to be good credit quality (2013 \$1,030,142).

Receivables past due and impaired are \$nil (2013: \$nil). All other receivables past due are not considered impaired. Management believe that these debtors are recoverable and are satisfied that payment will be received in full. The ageing of the group's trade receivables at reporting date was:

	Gross 2014 \$'000	Carrying Amount 2014 \$'000	Gross 2013 \$'000	Carrying Amount 2013 \$'000
Not past due	1,032	1,032	1,067	1,067
Past due 0 - 30 days	-	-	-	-
Past due 31 - 120 days	-	-	-	-
Past due 121 days to one year	-	-	-	-
More than one year	-	-	-	-
	1,032	1,032	1,067	1,067

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2014 \$'000	2013 \$'000
Balance at 1 July	-	-
Bad Debts recognised	-	-
Impairment loss reversed/(recognised)	-	-
Balance at 30 June	-	-

The allowance for impairment is used to record impairment losses unless the group is satisfied that no recovery of the amount owing is possible; at that point the amount is considered irrecoverable and is written off against the financial asset directly. Bad debts of \$24,964 were recognised during the year. No provision was made for these debts.

c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient assets to meeting liabilities as they fall due.

The consolidated group is exposed to liquidity risk via the quantity and type of financial assets and liabilities it holds. The board budgets to ensure that the consolidated group can meet its financial obligations as they fall due by generating sufficient cash turnover, raising cash on market (if required), renegotiating terms with suppliers (if required), maintaining sufficient cash reserves and borrowing facilities, continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

The consolidated group's exposure to liquidity risk has not changed from the prior year. The consolidated group's financial assets and liabilities and net outflow effect are detailed in the below analysis.

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

Maturity Analysis

2014	Due with 1 year \$'000	Due 1 - 5 years \$'000	Over 5 years \$'000	Total \$'000
Financial liabilities due to payment				
Trade and other payables	20,106	-	-	20,106
Loans and other financial liabilities	1,706	-	-	1,706
Total expected outflows	21,812	-	-	21,812
Financial assets - cash flows realisable				
Cash and cash equivalents	1,207	-	-	1,207
Trade and other receivables	1,852	4,217	-	6,070
Bonds	-	-	2,360	2,360
Other financial assets	3	-	-	3
Total expected inflows	3,062	4,217	2,360	9,640
Net outflow on financial instruments	(18,750)	4,217	2,360	(12,172)
2013	Due with 1 year \$'000	Due 1 - 5 years \$'000	Over 5 years \$'000	Total \$'000
Financial liabilities due to payment				
Trade and other payables	17,638	-	-	17,638
Loans and other financial liabilities	1,015	1,198	-	2,213
Total financial liabilities	18,653	1,198	-	19,851
Financial assets - cash flows realisable				
Cash and cash equivalents	1,374	-	-	1,374
Trade and other receivables	1,956	-	-	1,956
Bonds	-	-	2,483	2,483
Other financial assets	1	-	-	1
Total financial assets	3,331	-	2,483	5,814
Net outflow on financial instruments	(15,322)	(1,198)	2,483	(14,037)

d) Fair values

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are set out below.

Financial Assets carried at fair value are all valued with reference to a readily available market price, which relates to level 1 valuation as defined in AASB 7.

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

	Carrying amount		Fair value	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Consolidated				
<i>Financial Assets</i>				
Cash and cash equivalents	1,207	1,374	1,207	1,374
Receivables	6,070	1,956	6,070	1,956
Bonds	2,360	2,483	2,360	2,483
Total financial assets	9,637	5,814	9,637	5,814
<i>Financial Liabilities</i>				
Payables	21,812	19,851	21,812	19,851
Finance leases	-	-	-	-
Preference shares	-	-	-	-
Total financial liabilities	21,812	19,851	21,812	19,851
Net assets	(12,175)	(14,037)	(12,175)	(14,037)

Note 28 Parent entity

The following information has been extracted from the financial reports and records of the Parent Entity, Mintails Limited, and has been prepared in accordance with the accounting standards.

	30-June-2014 \$ '000	30-June-2013 \$ '000
Statement of Financial Position		
<u>Assets</u>		
Non-current assets	1,947	31,180
Current Assets	862	14
Total Assets	2,809	31,194
<u>Equity</u>		
Issued capital	280,507	274,290
Retained earnings	(278,003)	(244,438)
Other components of equity	-	-
Total equity	2,504	29,852
<u>Liabilities</u>		
Non-current liabilities	-	-
Current liabilities	305	1,342
Total liabilities	305	1,342
Total equity and liabilities	2,809	31,194
INCOME STATEMENT		
Total Profit/(loss)	(33,566)	(129)

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

Contractual commitments

At 30 June 2014, Mintails Limited has not entered any contractual commitments for the acquisition of property, plant and equipment (2013: Nil).

Guarantees

Mintails Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contingent liabilities

At 30 June 2014, Mintails Limited has no contingent liabilities.

Note 29 Company details

The registered office of the Company is:

Mintails Limited

Suite 1
1233 High Street
Armadale Victoria, Australia 3143

The principal places of business are:

Australia

Mintails Limited
Suite 1
1233 High Street
Armadale Victoria 3143

South Africa

Mintails SA (Pty) Ltd
14 Tweelopies Road
Krugersdorp 1740, South Africa

DIRECTORS DECLARATION

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 39 to 86, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the Company and consolidated group;
2. the Chief Finance Officer has declared that:
 - (c) the financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the Corporations Act 2001;
 - (d) the financial statements and notes for the financial year comply with Accounting Standards; and
 - (e) the financial statements and notes for the financial year give a true and fair view; and
3. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Mark Brune
Chairman

Dated this 22nd day of October 2014

MOORE STEPHENS

ACCOUNTANTS & ADVISORS

Level 10, 530 Collins Street
Melbourne VIC 3000

T +61 (0)3 8635 1800

F +61 (0)3 8102 3400

www.moorestephens.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MINTAILS LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of Mintails Limited and Controlled Entities (the "consolidated entity"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial period.

Directors' Responsibility for the Financial Report

The directors of Mintails Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

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

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

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

Independence

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

Moore Stephens ABN 39 533 589 331. Liability limited by a scheme approved under Professional Standards Legislation. An independent member of Moore Stephens International Limited – members in principal cities throughout the world. The Melbourne Moore Stephens firm is not a partner or agent of any other Moore Stephens firm. And is a separate partnership in Victoria.

Opinion

In our opinion:

- a) the financial report of Mintails Limited and Controlled Entities is in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the period ended on that date; and
 - ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b) the financial reports also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Significant Uncertainty Regarding Going Concern

Without qualification to the opinion expressed above, we draw your attention to Note 1 in the financial report which indicates that the consolidated entity incurred a net loss during the year ended 30 June 2014 of \$38,731,816 (2013: \$16,826,158 loss) and, as of that date, had a net working capital deficiency of \$16,402,104 (2013: \$14,691,987 deficit). These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern.

Report on the Remuneration Report

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

Auditor's Opinion

In our opinion the remuneration report of Mintails Limited for the period ended 30 June 2014, complies with section 300A of the *Corporations Act 2001*.

Moore Stephens

MOORE STEPHENS
Chartered Accountants



Nick Michael
Partner

Melbourne, 22 October 2014

SHAREHOLDER INFORMATION

Shareholder Information as at 15 October 2014

Number of holders of equity securities

Ordinary Shares

268,894,893 fully paid ordinary shares are held by 1,680 holders.

All ordinary shares carry one vote per share.

<i>Unlisted Options</i>			
Quantity	Expiry	Exercise Price	Individual Holders
2,750,000	11/12/2014	\$0.45	7
1,600,000	21/12/2017	\$0.18	4
1,600,000	21/12/2017	\$0.24	4
800,000	21/12/2018	\$0.18	4
800,000	21/12/2018	\$0.24	4
600,000	20/12/2018	\$0.16	2
600,000	20/12/2018	\$0.22	2
800,000	20/12/2018	\$0.30	2
<hr/>			
9,550,000			

Twenty largest holders of quoted securities

Shareholders	Number	Fully paid ordinary shares %
Rex Seager Harbour	103,012,906	38.31
Citicorp Nominees Pty Ltd	46,830,362	17.42
Tony & Enea Stella < AM & EM Stella Benefit A/c>	25,000,000	9.29
JP Morgan Nominees Australia Ltd	17,407,519	6.47
Realstar Finance Pty Ltd	15,333,604	5.70
Estelville Nominees Pty Ltd	9,956,008	3.70
Janilo Group Corporation	9,000,000	3.35
HSBC Custody Nominees Australia Ltd	7,598,481	2.83
Antnea Pty Ltd	6,875,633	2.56
Nefco Nominees Pty Ltd	6,000,000	2.23
Constable Investment Group Ltd	5,500,000	2.05
T Constable-McDowell	1,519,270	0.57
Bank Gutenberg AG	1,136,364	0.42
Honan Pty Ltd	1,087,986	0.40
I & G Brookfield	649,023	0.24
BNP Paribas Nominees Pty Ltd	572,897	0.21
National Nominees Pty Ltd	527,606	0.20
ABN Ambro Clearing Sydney	427,627	0.16
Ronay Investments Pty Ltd	358,726	0.13
Stelgian Nominees Pty Ltd	300,000	0.11
	259,094,012	96.35

SHAREHOLDER INFORMATION

Distribution of holders in each class of equity securities

	Fully paid ordinary shares
1 - 1,000	1,156
1,001 - 5,000	275
5,001 - 10,000	77
10,001 - 100,000	129
100,001 and over	43
Total number of shareholders	1,680
Unmarketable parcel	1,485

Substantial shareholders

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

Name	Quantity
Stella Group	56,505,254
Rex Harbour and associates	142,148,462

Shareholder enquiries

Shareholders with enquiries about their shareholdings should contact the share registry:

Security Transfer Registrar
770 Canning Highway, Applecross WA 6153
Phone: (08) 9315 2333
Fax: (08) 9315 2233
Email: registrar@securitytransfer.com.au

Change of Address, Change of Name, Consolidation of Shareholdings

Shareholders should contact the Share Registry to obtain details of the procedure required for any of these changes.

Annual report

Shareholders do not automatically receive a hard copy of the Company's Annual Report unless they notify the Share Registry in writing. An electronic copy of the Annual Report can be viewed on the Company's website www.mintails.co.za

Tax file numbers

It is important that Australian resident shareholders, including children, have their tax file number or exemption details noted by the Share Registry.

CHESS (Clearing House Electronic Sub register System)

Shareholders wishing to move to uncertified holdings under the Australian Stock Exchange CHESS system should contact their stockbroker.

Uncertified share register

Shareholding statements are issued at the end of each month that there is a transaction that alters the balance of an individual/company's holding.

CORPORATE DIRECTORY

Directors

Mr. Mark Brune
Mr. Murray Rose

Mr. Laurence Blumberg
Dr. Howard Carr

Executive Chairman
Independent Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director

Company Secretarial

Mr. Phillip Hains
Ms. Terri Bakos

Registered Office

Suite 1
1233 High Street
Armadale Victoria 3143

Solicitors

Australia:
Gilbert & Tobin
1202 Hay Street
West Perth WA 6005

South Africa:
Edward Nathan Sonnenbergs
150 West Street
Sandton, Johannesburg 2196
South Africa

Auditors

Moore Stephens
Level 10, 530 Collins Street
Melbourne VIC 3000

Share Register

Security Transfer Registrars
770 Canning Highway
Applecross Western Australia 6153
Ph: +61 8 9315 2333
Fax: +61 8 9315 2233
Email: registrar@securitytransfer.com.au

Quoted Securities

Ordinary Shares – ASX Code: MLI