

Goldphyre Resources Limited

ABN 58 149 390 394

Annual Financial Report

for the year ended 30 June 2014

Corporate Information

ABN 58 149 390 394

Directors

Matt Shackleton (Executive Chairman)
Brenton Siggs (Non-Executive Director)
Christopher Clegg (Non-Executive Director)
Dean Goodwin (Non-Executive Director)

Company Secretary

John Ribbons

Principal Place of Business

37 Colin Street
WEST PERTH WA 6005
Telephone: +61 8 9422 9502
Facsimile: +61 8 9389 2199

Registered Office

Ground Floor, 20 Kings Park Road
WEST PERTH WA 6005

Solicitors

Kings Park Corporate Lawyers
8/8 Clive Street
WEST PERTH WA 6005

Share Register

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Auditors

Bentleys Audit & Corporate (WA) Pty Ltd
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

Internet Address

www.goldphyreresources.com.au

Stock Exchange Listing

Goldphyre Resources Limited shares are listed on the Australian Securities Exchange (ASX code GPH).

Contents

Directors' Report	3
Auditor's Independence Declaration	9
Corporate Governance Statement	10
Statement of Profit or Loss and Other Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Financial Statements	19
Directors' Declaration	31
Independent Audit Report	32
ASX Additional Information	34

Directors' Report

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

DIRECTORS

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

Names, qualifications, experience and special responsibilities

Matt Shackleton, (Executive Chairman, member of the Audit Committee) appointed 23 July 2014

Mr Shackleton is a Chartered Accountant with 20 years' experience in senior management and board roles. Previously the Managing Director of ASX listed Western Australian gold developer Mount Magnet South NL, Mr Shackleton is founding and continuing director of ASX listed and West African gold and bauxite explorer Canyon Resources Limited, and Executive Director with Brazilian gold explorer Mineralis Limited. He has also held senior roles with Bannerman Resources Limited, a uranium developer, Skywest Airlines, iiNet Limited and DRCM Global Investors in London. Mr Shackleton holds an MBA from The University of Western Australia, and is a Fellow of the ICAA.

Brenton Siggs, (Non-Executive Director)

Mr Siggs is a geologist with over twenty four years' experience in the Australian mineral exploration and mining industry and has worked on a range of gold, nickel, petroleum, mineral sands, coal and phosphate projects throughout Australia. He currently operates a successful geological contracting business which was established in Kalgoorlie in 1994 and is now based in Perth, Western Australia.

Mr Siggs has extensive experience in all stages of regional and near-mine exploration project management, particularly in Western Australia, from conceptual targeting and ground acquisition through to resource definition drilling programs and open cut mining geology. He has held Senior Geologist and Project Leader roles with a variety of Australian and major international companies including Newcrest Mining Ltd., Inco Australia, VALE, Sons of Gwalia Ltd, Central Norseman Gold Corporation Ltd and Belvedere Coal Management Pty Ltd.

Mr Siggs' exploration successes include senior geology roles in Western Australian gold discoveries at Racetrack, Golden Funnel and Black Lady (Mount Pleasant), Dingo Range, Norseman and Menzies (Lady Irene). Other technical highlights include senior roles in resource upgrades at significant nickel laterite (Ravensthorpe Project and Kalgoorlie Nickel Project, Western Australia) and coal projects (Belvedere Coal Project, Queensland).

Mr Siggs is a director of Goldphyre WA Pty Ltd ("Vendor"), and ultimately controls 60% of the Vendor's holding in the Company.

Mr Siggs holds a Bachelor of Applied Science (Applied Geology) degree from the University of South Australia and is a Member of the Australian Institute of Geoscientists (AIG) and the Society of Economic Geologists (SEG).

Christopher Clegg, (Non-Executive Director)

Mr Clegg has over thirty five years' experience in the mining industry as a service provider to leading Australian mining companies, various other SME's and high net worth individuals.

Mr Clegg is principal and managing director of Statewide Tenement and Advisory Services Pty Ltd, providing mining title management and acquisition, native title negotiation and dispute resolution, and strategic planning services to the mining industry for over twenty five years.

Dean Goodwin, (Non-Executive Director, Chairman of the Audit Committee) appointed 23 July 2014

Mr Goodwin, BAppSc (Geology), MAIG is a geologist with over twenty five years' exploration experience which has included acting as Head of Geology at Focus Minerals Limited and a six year period as Managing Director of Barra Resources Ltd (2004-2010). Mr Goodwin also spent six years as an exploration geologist with Western Mining Corporation Ltd and was involved with discovering the Intrepid, Redoubtable and Santa Anna gold deposits at Lake Lefroy with WMC. Whilst with WMC he worked closely with the nickel exploration team.

In 1994 he joined Resolute Ltd as Senior Exploration Geologist, spending five years in Kalgoorlie managing exploration for the Chalice, Higginsville, Bullabulling and Bulong projects. In 1999 Mr Goodwin was appointed as Senior Exploration Geologist with LionOre Limited and whilst at the Bounty Gold Mine operations he was responsible for the discovery of several small gold deposits. More recently, he has been working as an independent contract geologist exploring for nickel sulphides throughout Western Australia.

Ron Punch was Executive Chairman from the beginning of the financial year until his resignation on 23 July 2014.

COMPANY SECRETARY

John Ribbons,

Mr Ribbons is an accountant who has worked within the resources industry for over fifteen years in the capacity of company accountant, group financial controller or company secretary.

Mr Ribbons has extensive knowledge and experience with ASX listed production and exploration companies. He has considerable site based experience with operating mines and has also been involved with the listing of several exploration companies on ASX. Mr Ribbons has experience in capital raising, ASX and TSX compliance and regulatory requirements. Mr Ribbons has not held any former directorships in the last 3 years.

Directors' Report (continued)

Interests in the shares and options of the company and related bodies corporate

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

	Ordinary Shares	Options over Ordinary Shares
Matt Shackleton	-	-
Brenton Siggs	7,250,000	6,041,667
Christopher Clegg	175,000	2,058,334
Dean Goodwin	20,000	-

PRINCIPAL ACTIVITIES

During the year the Company carried out exploration on its tenements and applied for or acquired additional tenements with the objective of identifying gold and other economic mineral deposits.

DIVIDENDS

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

OPERATING AND FINANCIAL REVIEW

Finance Review

The Company began the year with available cash assets of \$767,202. The Company raised funds during the year via a placement of 24,000,000 ordinary shares (with a 1 for 2 free attaching option) to sophisticated and professional investors, and an entitlement issue of 16,910,670 listed options to eligible shareholders. Total gross funds raised during the year were \$616,911.

During the year total exploration expenditure incurred by the Company amounted to \$558,269 (2013: \$1,088,258). In line with the Company's accounting policies, all exploration expenditure is written off as incurred. Net administration expenditure incurred amounted to \$348,695 (2013: \$302,069). This has resulted in an operating loss after income tax for the year ended 30 June 2014 of \$906,964 (2013: \$1,390,327).

At 30 June 2014 cash assets available totalled \$475,803.

Operating Results for the Year

Summarised operating results are as follows:

	2014 Revenues \$	Results \$
Revenues and loss from ordinary activities before income tax expense	22,925	(906,964)

Shareholder Returns

	2014	2013
Basic loss per share (cents)	(2.1)	(5.2)

Risk Management

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

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

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

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Report, no significant changes in the state of affairs of the Company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matters or circumstances, besides those disclosed at note 16, have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Directors' Report (continued)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company expects to maintain the present status and level of operations and will report any further developments in accordance with ASX continuous disclosure requirements.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to significant environmental regulation in respect to its exploration activities.

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

The directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Company for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises.

REMUNERATION REPORT

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Goldphyre Resources Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The board of Goldphyre Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company.

The board's policy for determining the nature and amount of remuneration for board members and senior executives (if any) of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors, was developed by the board. All executives receive a base salary (which is based on factors such as length of service, performance and experience) and superannuation. The board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

The directors and executives (if any) receive a superannuation guarantee contribution required by the government, which was 9.25% for the 2014 financial year (9.5% effective 1 July 2014). Some individuals may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to key management personnel is valued at the cost to the company and expensed. Shares issued to key management personnel are valued as the difference between the market price of those shares and the amount paid by the key management personnel. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$300,000). Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

Performance based remuneration

The Company currently has no performance based remuneration component built into key management personnel remuneration packages.

Company performance, shareholder wealth and key management personnel remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and key management personnel performance. Currently, this is facilitated through the issue of options to the majority of key management personnel to encourage the alignment of personal and shareholder interests. The company believes this policy will be effective in increasing shareholder wealth. At commencement of mine production, performance based bonuses based on key performance indicators are expected to be introduced. For details of key management personnel interests in options at year end, refer to the 'Option holdings' section later in the Remuneration Report.

Use of remuneration consultants

The Company did not employ the services of any remuneration consultants during the financial year ended 30 June 2014.

Directors' Report (continued)

Voting and comments made at the Company's 2013 Annual General Meeting

The Company received 100% of "yes" votes on its remuneration report for the 2013 financial year. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

Details of remuneration

Details of the remuneration of the key management personnel of the Company are set out in the following table.

The key management personnel of the Company include the directors as per page 3 above.

Key management personnel of the Company

	Short-Term		Post Employment		Share-based	Total
	Salary & Fees	Non-Monetary	Superannuation	Retirement benefits	Payments Options	
	\$	\$	\$	\$	\$	\$
Directors						
Ron Punch						
2014	20,000	-	-	-	-	20,000
2013	50,000	-	2,700	-	-	52,700
Brenton Siggs ⁽¹⁾						
2014	199,268	-	1,850	-	-	201,118
2013	258,048	-	3,000	-	-	261,048
Christopher Clegg						
2014	20,000	-	1,850	-	-	21,850
2013	33,333	-	3,000	-	-	36,333
Russell Lynton-Brown (resigned 21 January 2013)						
2013	20,000	-	1,800	-	-	21,800
Total key management personnel compensation						
2014	239,268	-	3,700	-	-	242,968
2013	361,381	-	10,500	-	-	371,881

(1) In addition to the remuneration included here, Reefus Geology Services (a business controlled by Brenton Siggs) was paid \$9,834 (2013: \$36,388) for the provision of other exploration services to the Company.

Service agreements

Matt Shackleton Executive Chairman, appointed 23 July 2014:

- Paid annual salary of \$100,000 (plus statutory superannuation), comprising of \$50,000 in cash and, subject to shareholder approval, \$50,000 to be settled via the issue of scrip in the company.
- The Company may terminate, without cause, the Executive's employment at any time by giving three calendar months' written notice to the Executive.
- The Executive shall be entitled to a payment equal to three calendar months at the base salary in the event of demotion from his position as Executive Chairman or if he is requested to assume responsibilities or perform tasks not reasonably consistent with his position as Executive Chairman.
- In the event the Executive Chairman is terminated as a result of one of the following circumstances the Company will make a three calendar months Redundancy Payment to the Executive at the base salary:
 - the Executive's position is made redundant by the Board;
 - there is a material diminution in the responsibilities or powers assigned to the Executive by the Board; or
 - there is a material reduction in the remuneration payable to the Executive as determined by the Board.

Reefus Geology Services (a business controlled by Brenton Siggs) has agreed to provide technical geological management services to the Company at a daily rate, from the beginning of the financial year of \$950 (excluding GST), reduced to \$880 effective 1 September 2013, plus a four wheel drive vehicle daily rate of \$85 (excluding GST). All fuel and oils costs will be invoiced to the Company.

Share-based compensation

Options are issued at no cost to key management personnel as part of their remuneration. The options are not issued based on performance criteria, but are issued to the key management personnel of Goldphyre Resources Limited to increase goal congruence between key management personnel and shareholders. There were no options over ordinary shares of the Company granted to or vesting with key management personnel during the year. Options currently on issue that were previously granted to key management personnel are shown below:

Directors' Report (continued)

	Grant Date	Granted Number	Vesting Date	Expiry Date	Exercise Price (cents)	Value per option at grant date (cents)	Exercised Number
Directors							
Ron Punch	29/05/2012	1,000,000	29/05/2012	29/05/2016	19.5	10.41	-

Equity instruments held by key management personnel

Share holdings

The numbers of shares in the company held during the financial year by each director of Goldphyre Resources Limited and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2014

	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Goldphyre Resources Limited				
Ordinary shares				
Ron Punch	-	-	-	-
Brenton Siggs	7,250,000	-	-	7,250,000
Christopher Clegg	175,000	-	-	175,000

Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Goldphyre Resources Limited and other key management personnel of the Company, including their personally related parties, are set out below:

2014

	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors of Goldphyre Resources Limited							
Ron Punch	2,000,000	-	-	-	2,000,000	2,000,000	-
Brenton Siggs	3,625,000	-	-	2,416,667	6,041,667	6,041,667	-
Christopher Clegg	2,000,000	-	-	58,334	2,058,334	2,058,334	-

Loans to key management personnel

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

Other transactions with key management personnel

Services

Reefus Geology Services, a business controlled by Mr Brenton Siggs, is engaged through an executive service agreement to provide technical geological management services to the Company during the year. The amounts paid were at arms' length and are included as part of Mr Siggs' compensation. In addition to the remuneration for Mr Siggs' services, Reefus Geology Services was paid \$9,834 (2013: \$36,388) for the provision of other exploration services to the Company.

Statewide Tenement & Advisory Services, a business controlled by Mr Christopher Clegg, provided tenement management services to the Company during the year totalling \$31,183 (2013: \$53,986). The amounts paid were on arms' length commercial terms.

Resminco Pty Ltd, a company associated with Mr Michael Punch (Mr Ron Punch's son), provided corporate advisory services to the Company during the year totalling \$6,988 (2013: \$40,080). The amounts paid were on arms' length commercial terms.

Acquisitions

Goldphyre WA Pty Ltd and the Company entered into a Tenement Sale Agreement dated on or about 13 June 2013 under which the Company would acquire a 100% interest in one tenement for the sum of \$1,100 (GST inclusive).

Mr Brenton Siggs is a director of Goldphyre WA Pty Ltd and ultimately controls a 60% interest in Goldphyre WA Pty Ltd.

Goldphyre WA Pty Ltd and the Company are parties to a sale of Mining Tenements Agreement dated on or about 11 April 2011 under which the Company acquired a 100% interest in 9 Tenements. In consideration, the Company issued the Vendor 7,250,000 ordinary shares and 3,625,000 options (with an exercise price of 20 cents and expiry date of 30 June 2015) during the 2011 financial period. The Company will potentially issue further ordinary shares to the Vendor, refer to note 14.

End of audited Remuneration Report

Directors' Report (continued)

DIRECTORS' MEETINGS

During the year the Company held eleven meetings of directors. The attendance of directors at meetings of the board and committees were:

	Directors Meetings		Audit Committee Meetings	
	A	B	A	B
Ron Punch	10	11	2	2
Brenton Siggs	11	11	*	*
Christopher Clegg	11	11	2	2

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the year.

* Not a member of the Audit Committee.

SHARES UNDER OPTION

Unissued ordinary shares of Goldphyre Resources Limited under option at the date of this report are as follows:

Date options issued	Expiry date	Exercise price (cents)	Number of options
12 April 2011 & 5 December 2011	30 June 2015	20.0 Unlisted	20,389,800
29 May 2012	29 May 2016	19.5 Unlisted	1,000,000
September, November & December 2013	30 September 2016	8.0 Listed	28,910,670
Total number of options outstanding at the date of this report			50,300,470

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

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, Goldphyre Resources Limited paid a premium of \$19,758 to insure the directors and secretary of the Company. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Bentleys, or associated entities.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

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

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9.

Signed in accordance with a resolution of the directors.



Matt Shackleton

Executive Chairman

Perth, 16 September 2014

To The Board of Directors

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

As lead audit director for the audit of the financial statements of Goldphyre Resources Limited for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



BENTLEYS
Chartered Accountants



DOUG BELL CA
Director

Dated at Perth this 16th day of September 2014

Corporate Governance Statement

The Board of Directors

The Company's constitution provides that the number of directors shall not be less than three and not more than ten.

As and if the Company's activities increase in size, nature and scope the size of the board will be reviewed periodically, and as circumstances demand. The optimum number of directors required to supervise adequately the Company's constitution will be determined within the limitations imposed by the constitution.

In order to ensure the board maintains an optimal mix of skills and diversity, the membership of the board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the board shall include quality of the individual, background of experience and achievement, compatibility with other board members, credibility within the Company's scope of activities, intellectual ability to contribute to board's duties and physical ability to undertake board's duties and responsibilities.

Directors are initially appointed by the full board subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the *Corporations Act 2001*, the board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, may revoke any appointment.

The board has established Audit, Remuneration and Nomination Committees. The board as a whole is committed to addressing the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for oversight of management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

Independent Professional Advice

The board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The directors recognise that mining exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

ASX Principles of Good Corporate Governance

To the extent that they are relevant to the organisation, the Company has adopted the Eight Corporate Governance Principles and Best Practice Recommendations as published by the ASX Corporate Governance Council.

As the Company's activities develop in size, nature and scope, the size of the board and the implementation of any additional formal corporate governance committees will be given further consideration.

The following table sets out the Company's present position in relation to each of the Principles.

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
	Principle 1: Lay solid foundations for management and oversight		
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions	A	The Board Charter includes matters reserved for the Board and is included on the Company website.
1.2	Companies should disclose the process for evaluating the performance of senior executives	N/A	The company only employs one executive being the Executive Chairman. No process is currently adopted for evaluating the performance of senior executives. Acting in its ordinary capacity, the board from time to time carries out the process of considering and determining performance issues.
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1	A	
	Principle 2: Structure the board to add value		
2.1	A majority of the board should be independent directors	N/A	The Board comprises four directors, three of whom are non-executive, however only two directors are classified as independent. The Board believes that this is both appropriate and acceptable at this stage of the Company's development.
2.2	The chair should be an independent director	N/A	The chair is not independent.
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	N/A	The Company has only one executive, being the Executive Chairman. The Board believes that this is both appropriate and acceptable at this stage of the Company's development.
2.4	The board should establish a nomination committee	A	The full Board carries out the duties that would normally fall to the Nomination Committee. The Committee operates under the Nomination Committee Charter, a copy of which is available on the Company's website.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors	A	Disclosed in the Nomination Committee Charter which is available on the Company's website.
2.6	Companies should provide the information indicated in the Guide to reporting on Principle 2	A	The skills and experience of Directors are set out in the Company's Annual Report (Directors' Report) and available on its website. The materiality thresholds are assessed on a case-by-case basis, taking into account the relevant Director's specific circumstances, rather than referring to a general materiality threshold.

A = Adopted

N/A = Not adopted

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
Principle 3:	Promote ethical and responsible decision-making		
3.1	Companies should establish a code of conduct and disclose the code	A	The Company has formulated a Code of Conduct which can be viewed on the Company's website.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them	N/A	The Company has established a Diversity Policy, however, the policy does not include requirements for the board to establish measurable objectives for achieving gender diversity. Given the Company's size and stage of development as an exploration company, the board does not think it is yet appropriate to include measurable objectives in relation to gender. As the Company grows and requires more employees, the Company will review this policy and amend as appropriate.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them	N/A	The Company has established a Diversity Policy, however, the policy does not include requirements for the board to establish measurable objectives for achieving gender diversity. Given the Company's size and stage of development as an exploration company, the board does not think it is yet appropriate to include measurable objectives in relation to gender.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	N/A	There are no women on the Board. The Company does not have any female employees or senior executives.
3.5	Companies should provide the information indicated in the Guide to reporting on Principle 3	A	
Principle 4:	Safeguard integrity in financial reporting		
4.1	The board should establish an audit committee	A	
4.2	The audit committee should be structured so that it:		
	<ul style="list-style-type: none"> consists only of non-executive directors 	N/A	Goldphyre has established an Audit Committee consisting of one executive director (Matt Shackleton) and one non-executive director (Dean Goodwin). Sourcing alternative directors to strictly comply with this Principle is considered expensive with costs outweighing the potential benefits.
	<ul style="list-style-type: none"> consists of a majority of independent directors 	N/A	Goldphyre has established an Audit Committee consisting of one non-independent executive director and one independent non-executive directors
	<ul style="list-style-type: none"> is chaired by an independent chair, who is not chair of the board 	A	The chair of the committee is independent and not chair of the board.
	<ul style="list-style-type: none"> has at least three members 	N/A	

A = Adopted

N/A = Not adopted

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
4.3	The audit committee should have a formal charter	A	The Audit Committee operates under the Audit Committee Charter which lists the main responsibilities of the Committee and is available on the Company's website.
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4	A	The committee is to meet at least annually and otherwise as required.
Principle 5: Make timely and balanced disclosure			
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance	A	Goldphyre has adopted a Continuous Disclosure Policy.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5	A	
Principle 6: Respect the rights of shareholders			
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings	A	The Company has a Shareholder Communication Policy. The Policy specifically encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals and outlines the various ways in which the Company communicates with shareholders.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6	A	
Principle 7: Recognise and manage risk			
7.1	Companies should establish policies for the oversight and management of material business risks	N/A	While the Company does not have formalised policies on risk management the board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at board meetings and risk management culture is encouraged.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively	N/A	While the Company does not have formalised policies on risk management the board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at board meetings and risk management culture is encouraged.
A = <i>Adopted</i>			
N/A = <i>Not adopted</i>			

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	A	The Board has received the required assurance and declaration.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7	A	
Principle 8: Remunerate fairly and responsibly			
8.1	The board should establish a remuneration committee	N/A	The full Board performs the function of the Remuneration Committee. Given the size of the Company it is believed this function is better performed at Board level.
8.2	The remuneration committee should be structured so that it: <ul style="list-style-type: none"> consists of a majority of independent directors is chaired by an independent director has at least three members 	N/A	The full Board performs the function of the Remuneration Committee.
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	A	The full Board performs the function of the Remuneration Committee and operates under the Remuneration Committee Charter. The Charter states that no executive is to be directly involved in deciding their own remuneration and that, when making recommendations to the Board, the Committee should clearly distinguish the structure of non-executive director's remuneration from that of executive directors and senior executives.
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8	A	The executive directors and executives receive a superannuation guarantee contribution required by the government and do not receive any other retirement benefits.

A = Adopted

N/A = Not adopted

Goldphyre Resources Limited

Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2014	Notes	2014 \$	2013 \$
REVENUE	4	22,925	59,118
EXPENDITURE			
Administration expenses		(306,320)	(212,420)
Depreciation expenses		(1,600)	(1,600)
Employee benefits expenses		(63,700)	(147,167)
Exploration expenses		(558,269)	(1,088,258)
LOSS BEFORE INCOME TAX		(906,964)	(1,390,327)
INCOME TAX BENEFIT / (EXPENSE)	5	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF GOLDPHYRE RESOURCES LIMITED		(906,964)	(1,390,327)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company (cents per share)	18	(2.1)	(5.2)

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

Statement of Financial Position

AT 30 JUNE 2014	Notes	2014 \$	2013 \$
CURRENT ASSETS			
Cash and cash equivalents	6	475,803	767,202
Trade and other receivables	7	17,932	4,043
TOTAL CURRENT ASSETS		493,735	771,245
NON-CURRENT ASSETS			
Plant and equipment	8	551	2,151
TOTAL NON-CURRENT ASSETS		551	2,151
TOTAL ASSETS		494,286	773,396
CURRENT LIABILITIES			
Trade and other payables	9	65,140	17,248
TOTAL CURRENT LIABILITIES		65,140	17,248
TOTAL LIABILITIES		65,140	17,248
NET ASSETS		429,146	756,148
EQUITY			
Issued capital	10	2,756,326	2,176,364
Reserves		883,405	883,405
Accumulated losses		(3,210,585)	(2,303,621)
TOTAL EQUITY		429,146	756,148

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

Statement of Changes in Equity

YEAR ENDED 30 JUNE 2014

	Notes	Issued Capital \$	Share-Based Payments Reserve \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2012		2,176,364	883,405	(913,294)	2,146,475
Loss for the period		-	-	(1,390,327)	(1,390,327)
TOTAL COMPREHENSIVE LOSS		-	-	(1,390,327)	(1,390,327)
BALANCE AT 30 JUNE 2013		2,176,364	883,405	(2,303,621)	756,148
Loss for the year		-	-	(906,964)	(906,964)
TOTAL COMPREHENSIVE LOSS		-	-	(906,964)	(906,964)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares and options issued during the year	10	616,911	-	-	616,911
Share issue transaction costs	10	(36,949)	-	-	(36,949)
BALANCE AT 30 JUNE 2014		2,756,326	883,405	(3,210,585)	429,146

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

Statement of Cash Flows

YEAR ENDED 30 JUNE 2014	Notes	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(349,027)	(372,949)
Expenditure on mining interests		(547,342)	(1,187,654)
Interest received		25,008	74,748
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	17(a)	(871,361)	(1,485,855)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares and options		616,911	-
Payments of share issue costs		(36,949)	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		579,962	-
NET DECREASE IN CASH AND CASH EQUIVALENTS		(291,399)	(1,485,855)
Cash and cash equivalents at the beginning of the year		767,202	2,253,057
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6	475,803	767,202

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

Notes to the Financial Statements

30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements are for Goldphyre Resources Limited. The financial statements are presented in the Australian currency. Goldphyre Resources Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 16 September 2014. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Goldphyre Resources Limited is a for-profit entity for the purpose of preparing the financial statements. All amounts are presented in Australian dollars unless otherwise stated.

(i) Compliance with IFRS

The financial statements of Goldphyre Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Company

The Company has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the first time for the annual reporting period commencing 1 July 2013 that are relevant to the Company include:

- AASB 10 *Consolidated Financial Statements*;
- AASB 11 *Joint Arrangements*;
- AASB 12 *Disclosure of Interests in Other Entities*;
- AASB 13 *Fair Value Measurement*;
- AASB 119 *Employee Benefits*;
- AASB 2012-2 *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities*; and
- AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior years. However, the above standards have affected the disclosures in the notes to the financial statements.

(iii) Early adoption of standards

The Company has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, which have been measured at fair value.

(v) Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the year of \$906,964 and net cash outflows of \$291,399. The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

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

Notes to the Financial Statements (continued)

30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Segment reporting

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

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

(c) Revenue recognition

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

(d) Income tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

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

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

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

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

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

(e) Impairment of assets

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

(f) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(g) Trade and other receivables

Receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Notes to the Financial Statements (continued)

30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Exploration and evaluation costs

Exploration and evaluation costs for each area of interest in the early stages of project life are expensed as they are incurred.

(i) Investments and financial instruments

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the profit or loss as gains and losses from investment securities.

Classification and subsequent measurement

(i) Loans and receivables

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

(ii) Financial liabilities

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

Impairment

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

(j) Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the profit or loss during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rate used for assets held during the year is 40% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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 (note 1(e)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss. When revalued assets are sold, it is Company policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(l) Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Notes to the Financial Statements (continued)

30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Share-based payments

The Company provides benefits to employees (including directors) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'), refer to note 19.

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

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

Options over ordinary shares have also been issued as consideration for the acquisition of interests in tenements and other services. These options have been treated in the same manner as employee options described above, with the expense being included as part of exploration expenditure.

(n) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(o) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect 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.

(p) Goods and Services Tax (GST)

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

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

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

Notes to the Financial Statements (continued)

30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) New accounting standards and interpretations

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective. The Company does not anticipate that there will be a material effect on the financial statements from the adoption of these standards.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2017	30 June 2018
AASB 1031 'Materiality' (2013)	1 January 2014	30 June 2015
AASB 2012-3 "Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities"	1 January 2014	30 June 2015
AASB 2013-3 "Amendments to AASB 135 – Recoverable Amount Disclosures for Non-Financial Assets"	1 January 2014	30 June 2015
AASB 2013-5 "Amendments to Australian Accounting Standards – Investment Entities"	1 January 2014	30 June 2015
AASB 2013-9 "Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments"	1 January 2014	30 June 2015

(r) Critical accounting judgements, estimates and assumptions

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

Environmental Issues

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

Taxation

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

Share-based payments

Share-based payment transactions, in the form of options to acquire ordinary shares, are valued using the Black-Scholes option pricing model. This model uses assumptions and estimates as inputs.

Notes to the Financial Statements (continued)

30 JUNE 2014

2. FINANCIAL RISK MANAGEMENT

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

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

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia, the Company is not exposed to any material foreign exchange risk.

(ii) Commodity price risk

Given the current level of operations the Company is not exposed to commodity price risk.

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of cash and cash equivalents for the Company \$475,803 (2013: \$767,202) is subject to interest rate risk. The weighted average interest rate received on cash and cash equivalents by the Company was 3.1% (2013: 4.3%).

Sensitivity analysis

At 30 June 2014, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been \$7,320 lower/higher (2013: \$13,848 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

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

(c) Liquidity risk

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

The financial liabilities of the Company are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date. Financial assets mature within 3 months of balance date.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The carrying amount of all financial assets and financial liabilities of the Company at the balance date approximate their fair value due to their short term nature.

Notes to the Financial Statements (continued)

30 JUNE 2014

2014

2013

\$

\$

3. SEGMENT INFORMATION

For management purposes, the Company has identified only one reportable segment being exploration activities undertaken in Australia. This segment includes activities associated with the determination and assessment of the existence of commercial economic reserves, from the Company's mineral assets in this geographic location.

Segment performance is evaluated based on the operating profit and loss and cash flows and is measured in accordance with the Company's accounting policies.

Exploration segment

Segment revenue	-	-
Reconciliation of segment revenue to total revenue before tax:		
Interest revenue	22,925	59,118
Total revenue	22,925	59,118
Segment results	(558,269)	(1,088,258)
Reconciliation of segment result to net loss before tax:		
Other corporate and administration	(348,695)	(302,069)
Net loss before tax	(906,964)	(1,390,327)
Segment operating assets	-	-
Reconciliation of segment operating assets to total assets:		
Other corporate and administration assets	494,286	773,396
Total assets	494,286	773,396
Segment operating liabilities	31,195	4,297
Reconciliation of segment operating liabilities to total liabilities:		
Other corporate and administration liabilities	33,945	12,951
Total liabilities	65,140	17,248
4. REVENUE		
From continuing operations		
<i>Other revenue</i>		
Interest	22,925	59,118
5. INCOME TAX		
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(906,964)	(1,390,327)
Prima facie tax benefit at the Australian tax rate of 30%	(272,089)	(417,098)
Tax effect of entertainment not deductible in calculating taxable income	155	167
Movements in unrecognised temporary differences	(26,741)	(22,087)
Tax effect of current period tax losses for which no deferred tax asset has been recognised	298,675	439,018
Income tax expense	-	-

Notes to the Financial Statements (continued)

30 JUNE 2014

2014

2013

\$

\$

5. INCOME TAX (cont'd)

(c) Unrecognised temporary differences

Deferred Tax Assets (at 30%)*On Income Tax Account*

Capital raising costs

61,532

80,464

Carry forward tax losses

984,721

686,046

1,046,253

766,510

Set off of deferred tax liabilities

(35,320)

(32,044)

Net deferred tax assets

1,010,933

734,466

Less deferred tax assets not recognised

(1,010,933)

(734,466)

-

-

Deferred Tax Liabilities (at 30%)

Tenement acquisition costs

35,081

32,015

Depreciation variances

239

29

35,320

32,044

Set off against deferred tax assets

(35,320)

(32,044)

-

-

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Company's ability to use losses in the future is subject to the Company satisfying the relevant tax authority's criteria for using these losses.

6. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank and in hand

803

56,202

Short-term deposits

475,000

711,000

Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows

475,803

767,202

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

7. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

GST receivable

16,937

965

Interest receivable

995

3,078

17,932

4,043

8. NON-CURRENT ASSETS - PLANT AND EQUIPMENT

Plant and equipment

Cost

4,000

4,000

Accumulated depreciation

(3,449)

(1,849)

Net book amount

551

2,151

Plant and equipment

Opening net book amount

2,151

3,751

Depreciation charge

(1,600)

(1,600)

Closing net book amount

551

2,151

9. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

Trade payables

27,507

4,276

Other payables and accruals

37,633

12,972

65,140

17,248

Notes to the Financial Statements (continued)

30 JUNE 2014

10. ISSUED CAPITAL

	Notes	2014		2013	
		Number of securities	\$	Number of securities	\$
(a) Share capital					
Ordinary shares fully paid	10(c), 10(e)	50,732,010	2,739,415	26,732,010	2,176,364
(b) Other equity securities					
Options	10(f)	16,910,670	16,911	-	-
Total issued capital			2,756,326		2,176,364
(c) Movements in ordinary share capital					
Beginning of the financial year		26,732,010	2,176,364	26,732,010	2,176,364
Issued during the year:					
– Issued for cash @ 2.5 cents per share		24,000,000	600,000	-	-
Transaction costs		-	(36,949)	-	-
End of the financial year		50,732,010	2,739,415	26,732,010	2,176,364

(d) Movements in options on issue

	Number of options	
	2014	2013
Beginning of the financial year	21,389,800	21,389,800
Issued, exercisable at 8 cents, on or before 30 September 2016 (listed)	28,910,670	-
End of the financial year	50,300,470	21,389,800

(e) Ordinary shares

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

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

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

(f) Paid options

During December 2013 a total of 16,910,670 options were issued at 0.1 cents each.

(g) Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2014 and 30 June 2013 are as follows:

	2014	2013
	\$	\$
Cash and cash equivalents	475,803	767,202
Trade and other receivables	17,932	4,043
Trade and other payables	(65,140)	(17,248)
Working capital position	428,595	753,997

11. DIVIDENDS

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

Notes to the Financial Statements (continued)

30 JUNE 2014

2014

2013

\$

\$

12. RELATED PARTY TRANSACTIONS**(a) Key management personnel compensation**

Short-term benefits	239,268	361,381
Post-employment benefits	3,700	10,500
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	242,968	371,881

Detailed remuneration disclosures are provided in the remuneration report on pages 10 to 16.

(b) Transactions and balances with other related parties**Services**

Reefus Geology Services, a business controlled by Mr Brenton Siggs, is engaged via a letter agreement to provide technical geological management services to the Company during the year. The amounts paid were at arms' length and are included as part of Mr Siggs' compensation. In addition to the remuneration for Mr Siggs' services, Reefus Geology Services was paid \$9,834 (2013: \$36,388) for the provision of other exploration services to the Company.

Statewide Tenement & Advisory Services, a business controlled by Mr Christopher Clegg, provided tenement management services to the Company during the year totalling \$31,183 (2013: \$53,986). The amounts paid were on arms' length commercial terms.

Resminco Pty Ltd, a company associated with Mr Michael Punch (Mr Ron Punch's son), provided corporate advisory services to the Company during the year totalling \$6,988 (2013: \$40,080). The amounts paid were on arms' length commercial terms.

Acquisitions

Goldphyre WA Pty Ltd and the Company entered into a Tenement Sale Agreement dated on or about 13 June 2013 under which the Company would acquire a 100% interest in one tenement for the sum of \$1,100 (GST inclusive).

Mr Brenton Siggs is a director of Goldphyre WA Pty Ltd and ultimately controls a 60% interest in Goldphyre WA Pty Ltd.

Goldphyre WA Pty Ltd and the Company are parties to a sale of Mining Tenements Agreement dated on or about 11 April 2011 under which the Company acquired a 100% interest in 9 Tenements. In consideration, the Company issued the Vendor 7,250,000 ordinary shares and 3,625,000 options (with an exercise price of 20 cents and expiry date of 30 June 2015) during the 2011 financial period. The Company will potentially issue further ordinary shares to the Vendor, refer to note 14.

(c) Loans to related parties

There were no loans to related parties, including key management personnel, during the year.

13. REMUNERATION OF AUDITORS

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

Audit services

Bentleys Audit & Corporate (WA) Pty Ltd – audit and review of financial reports

	14,000	16,000
Total remuneration for audit services	14,000	16,000

Notes to the Financial Statements (continued)

30 JUNE 2014

2014

2013

\$

\$

14. CONTINGENCIES

Tenement Acquisition Agreement

Goldphyre WA Pty Ltd (“Vendor”) and the Company are parties to a sale of Mining Tenements Agreement dated on or about 11 April 2011 (“Tenement Sale Agreement”) under which the Company acquired a 100% interest in 9 Tenements. In consideration, the Company issued the Vendor 7,250,000 ordinary shares and 3,625,000 options (with an exercise price of 20 cents and expiry date of 30 June 2015) during the 2011 financial period. The Company will also issue the Vendor with further ordinary shares in the following circumstances, subject to any necessary regulatory or shareholder approvals:

- a) 2,000,000 ordinary shares upon the Company delineating 250,000 ounces of JORC measured gold or equivalent (as a single commodity) that can be verified as an economic deposit by an independent expert, on a tenement acquired from the Vendor;
- b) 2,000,000 ordinary shares upon the Company delineating a further 250,000 ounces of JORC measured gold or equivalent (as a single commodity) that can be verified as an economic deposit by an independent expert, on a tenement acquired from the Vendor; and
- c) 3,000,000 ordinary shares upon the Company completing a bankable feasibility study in any of the tenements acquired from the Vendor.

Subject to the grant of a waiver in writing from ASX from Condition 10 of Chapter 1 of the Listing Rules the Company agrees to pay the Vendor a 2% net smelter royalty on any mineral won from the tenements acquired from the Vendor.

15. COMMITMENTS

Exploration commitments

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

within one year	564,700	557,580
later than one year but not later than five years	1,104,720	632,880
	1,669,420	1,190,460

16. EVENTS OCCURRING AFTER THE REPORTING DATE

As announced on 21 August 2014, the Company is undertaking a placement of shares and free attaching options to sophisticated and professional investors who are clients of Hartleys Limited at \$0.022 per share.

On 29 August 2014 the Company issued 12,682,995 fully paid ordinary shares under the placement (Tranche1). Subject to shareholder approval free attaching Options that form part of the placement will be issued to those parties that participated in the placement (Tranche 2).

As part of the placement and subject to shareholder approval up to 2,727,280 Shares, plus 2,727,280 free attaching Options each at an issue price of \$0.022 per share, will be issued to related parties of the Company, being Mr Matthew Shackleton and Mr Dean Goodwin (Tranche 2). A General Meeting of shareholders will be held on 30 September 2014 to consider these matters.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

17. CASH FLOW INFORMATION

Reconciliation of net loss after income tax to net cash outflow from operating activities

Net loss for the year	(906,964)	(1,390,327)
Non-Cash Items		
Depreciation of non-current assets	1,600	1,600
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(13,889)	50,882
Increase/(decrease) in trade and other payables	47,892	(148,010)
Net cash outflow from operating activities	(871,361)	(1,485,855)

Notes to the Financial Statements (continued)

30 JUNE 2014

2014

2013

\$

\$

18. LOSS PER SHARE

(a) Reconciliation of earnings used in calculating loss per share

Loss attributable to the owners of the Company used in calculating basic and diluted loss per share

(906,964)	(1,390,327)
-----------	-------------

Number of shares

2014

2013

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

Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share

42,257,544	26,732,010
------------	------------

(c) Information on the classification of options

As the Company has made a loss for the year ended 30 June 2014, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

19. SHARE-BASED PAYMENTS

(a) Director Options

In the 2012 financial year the Company provided benefits to a director of the Company in the form of options as approved at a General Meeting of the Company, constituting a share-based payment transaction. The exercise price of the options granted is 19.5 cents per option. All options granted have an expiry date of 29 May 2016.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

There were no options granted during the 2013 or 2014 financial years.

(b) Supplier Options

In the 2012 financial year the Company granted options to suppliers in accordance with the terms of the IPO prospectus. The exercise price of the options granted is 20 cents with an expiry date of 30 June 2015.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share in the capital of the company with full dividend and voting rights.

There were no options granted during the 2013 or 2014 financial years.

Set out below are summaries of the share-based payment options granted per (a) and (b):

	2014		2013	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	7,764,800	19.9	7,764,800	19.9
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year-end	7,764,800	19.9	7,764,800	19.9
Exercisable at year-end	7,764,800	19.9	7,764,800	19.9

The weighted average remaining contractual life of share options outstanding at the end of the period was 1.1 years (2013: 2.1 years), and the exercise prices range from 19.5 cents to 20 cents.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and accompanying notes set out on pages 15 to 30 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the financial period ended on that date;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations required by section 295A of the *Corporation Act 2001*.

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



Matt Shackleton

Executive Chairman

Perth, 16 September 2014

Independent Auditor's Report

To the Members of Goldphyre Resources Limited

We have audited the accompanying financial report of Goldphyre Resources Limited ("the Company"), which comprises the statement of financial position as at 30 June 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of accounting policies, other explanatory information and the directors' declaration.

**Bentleys Audit & Corporate
(WA) Pty Ltd**

Level 1, 12 Kings Park Road
West Perth WA 6005

Australia

PO Box 44

West Perth WA 6872

Australia

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

bentleys.com.au

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report

To the Members of Goldphyre Resources Limited (*Continued*)



Independence

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

Opinion

In our opinion:

- a. The financial report of Goldphyre Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the Company incurred a net loss of \$906,964 during the year ended 30 June 2014. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

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

Opinion

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

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 16th day of September 2014

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 17 September 2014.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Ordinary Shares		Listed Options	
	Number of holders	Number of shares	Number of holders	Number of options
1 - 1,000	3	506	1	834
1,001 - 5,000	7	29,000	29	99,997
5,001 - 10,000	157	1,557,999	8	58,547
10,001 - 100,000	130	6,150,937	19	831,813
100,001 and over	68	55,676,563	39	27,919,479
	365	63,415,005	96	28,910,670
The number of equity security holders holding less than a marketable parcel of securities are:	190	1,959,438	57	991,191

(b) Twenty largest shareholders

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

	Listed ordinary shares	
	Number of shares	Percentage of ordinary shares
1 Goldphyre WA Pty Ltd	7,250,000	11.43
2 Southern Terrain Pty Ltd <Southern Terrain A/C>	3,062,085	4.83
3 Global Dor Pty Ltd	3,000,000	4.73
4 KGBR Future Fund Pty Ltd	2,600,000	4.10
5 Oceanic Capital Pty Ltd	2,400,519	3.79
6 Pollara Pty Ltd <Pollara A/C>	2,272,700	3.58
7 William Henry Hernstadt	2,268,000	3.58
8 AWD Cons Pty Ltd <Stevens S/F A/C>	1,700,000	2.68
9 AWD Cons Pty Ltd	1,600,000	2.52
10 Mandarin Securities Ltd	1,600,000	2.52
11 Northern Star Nominees Pty Ltd	1,500,000	2.37
12 D & S Coultas <Coultas Family A/C>	1,500,000	2.37
13 Matthew Norman Bull	1,443,433	2.28
14 Wyss Investments Pty Ltd <EKS Office A/C>	1,200,000	1.89
15 Grant Ross Tanner	1,119,733	1.77
16 Cloday Pty Ltd <Smith S/F A/C>	1,000,000	1.58
17 Marshall Brian Nathanson	1,000,000	1.58
18 Riverfront Nominees Pty Ltd <MCM Family A/C>	968,781	1.53
19 Andrew Kar Wai Miu	860,000	1.36
20 S R & R M Weir <S R S/F A/C>	800,000	1.26
	39,145,251	61.75

ASX Additional Information (cont'd)

(c) Twenty largest quoted option holders

The names of the twenty largest holders of quoted options are:

		Listed options	
		Number of options	Percentage of options
1	W & C Fleming <Aceriver S/F A/C>	2,500,000	8.65
2	Southern Terrain Pty Ltd <Southern Terrain A/C>	2,452,159	8.48
3	Goldphyre WA Pty Ltd	2,416,667	8.36
4	KGBR Future Fund Pty Ltd	1,666,667	5.76
5	S R & R M Weir <S R S/F A/C>	1,411,667	4.88
6	Mandarin Securities Ltd	1,333,334	4.61
7	St Barnabas Investments Pty Ltd <Melvista Family A/C>	1,261,334	4.36
8	Jemaya Pty Ltd <Featherby Family A/C>	1,130,000	3.91
9	Wyss Investments Pty Ltd <EKS Office A/C>	1,000,000	3.46
10	AWD Consolidated Pty Ltd <Stevens S/F A/C>	966,667	3.34
11	Westgate Capital Pty Ltd <Westgate Asset Management>	690,000	2.39
12	William Henry Hernstadt	680,000	2.35
13	Dunes Corp Pty Ltd	666,667	2.31
14	Dead Knick Pty Ltd	666,667	2.31
15	Antoinette Janet Ribbons	520,000	1.80
16	Vienna Holdings Pty Ltd <Ronjen S/F A/C>	516,667	1.79
17	A & S Staltari <Staltari Family A/C>	516,667	1.79
18	RLS Eng Pty Ltd <RLS Family A/C>	516,667	1.79
19	D A & T T Bryan <Bryan Investment A/C>	500,000	1.73
20	Jayni Francis Manners <Joshua William Manners>	500,000	1.73
		21,911,830	75.80

(d) Substantial shareholders

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

	Number of Shares
Goldphyre Resources WA Pty Ltd	7,250,000
Global Dor Pty Ltd	3,000,000

(e) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(f) Schedule of interests in mining tenements

Location	Tenement	Percentage held / earning
Iguana, Western Australia	E16/0447	100
Island View, Western Australia	E15/1049	100
Island View, Western Australia	E15/1050	100
Island View, Western Australia	PL15/5647	100
Kilkenny, Western Australia	E39/1702	100
Kilkenny, Western Australia	PL39/5310	100
Kilkenny, Western Australia	PL39/5311	100
Kilkenny, Western Australia	PL39/5312	100
Kilkenny, Western Australia	PL39/5313	100
Kilkenny, Western Australia	PL39/5310	100
Kilkenny, Western Australia	PL39/5315	100
Kilkenny, Western Australia	PL39/5316	100
Kilkenny, Western Australia	PL39/5317	100
Kilkenny, Western Australia	PL39/5318	100
Kilkenny, Western Australia	PL39/5319	100
Kilkenny, Western Australia	PL39/5320	100
Kilkenny, Western Australia	PL39/5321	100

ASX Additional Information (cont'd)

(f) Schedule of interests in mining tenements (cont'd)

<u>Location</u>	<u>Tenement</u>	<u>Percentage held / earning</u>
Kilkenny, Western Australia	PL39/5322	100
Kilkenny, Western Australia	PL39/5323	100
Kilkenny, Western Australia	PL39/5324	100
Kilkenny, Western Australia	PL39/5325	100
Kilkenny, Western Australia	PL39/5326	100
Kilkenny, Western Australia	PL39/5327	100
Kilkenny, Western Australia	PL39/5328	100
Kilkenny, Western Australia	PL39/5329	100
Laverton Downs, Western Australia	E38/2724	100
Mailman Hill, Western Australia	E37/0990	100
Mailman Hill, Western Australia	PL37/7877	100
Lake Wells, Western Australia	E38/1903	100
Lake Wells, Western Australia	E38/2113	100
Lake Wells, Western Australia	E38/2114	100
Lake Wells, Western Australia	E38/2505	100
Lake Wells, Western Australia	E38/2901	100
Yamarna, Western Australia	E38/1949	100

(g) Unquoted Securities

<u>Class</u>	<u>Number of Securities</u>	<u>Number of Holders</u>	<u>Holder Name</u>		<u>Number of Securities</u>
			<u>Holders of 20% or more of the class</u>		
Unlisted 20 cent Options, Expiry 30 June 2015	20,389,800	31	Resminco Pty Ltd		5,000,000
Unlisted 19.5 cent Options, Expiry 29 May 2016	1,000,000	1	Tretheway Pty Ltd <The Westralian Trading A/C>		1,000,000