Coolgardie Minerals Limited

ACN 53 145 676 900

Report for the Seven Months Ended 31 January 2018

COMPANY DIRECTORY

Directors

Mr Neil Warburton
Mr Bradd Granville
Mr Paul Jago
Mr Antony Middleton
Mr Gregory Martin

Company Secretary

Ms Susan Hunter

Principal and Registered Office

Unit 21, 5 Hines Road
O'CONNOR WA 6163

Auditors

Moore Stephens
Level 15 Exchange Tower
2 The Esplanade
PERTH WA 6000

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DIRECTORS' REPORT

Your directors submit the interim financial report of the Company for the seven months ended 31 January 2018. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

1) BOARD OF DIRECTORS

The names of directors who held office during or since the end of the interim reporting period and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Directors	Position
Mr Neil Warburton	Non-Executive Chairman (appointed 20 July 2017)
Mr Bradd Granville	Managing Director
Mr Paul Jago	Non-Executive Director
Mr Antony Middleton	Non-Executive Director (appointed 25 July 2017)
Mr Gregory Martin	Non-Executive Director (appointed 25 July 2017)

Mr Stewart Brown was also a director during the period, resigning on 20 July 2017.

2) REVIEW OF OPERATIONS

The principal activity of the Company during the course of the financial period continued to be the seeking of appropriate investment opportunities in gold exploration assets within Western Australia, maintaining and exploration activities on existing Company tenements, the advancement of the Company's plans towards the early production of gold from the Geko Gold Project, and progressing towards a public listing of the Company on ASX.

3) FINANCIAL RESULTS

The loss of the Company for the financial period ended 31 January 2018 was $1,461,871.

4) EVENTS SUBSEQUENT TO REPORTING DATE

Other than as described in Note 5 there have not been any significant events that have arisen since 31 January 2018 and up to the date of this report that have 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 years.

5) AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, Moore Stephens, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 4 and forms part of this directors' report for the interim period ended 31 January 2018.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the *Corporations Act 2001*.

Neil Warburton
Director
Dated this 4th day of May 2018

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF COOLGARDIE MINERALS LIMITED

As lead auditor for the review of Coolgardie Minerals Limited for the interim period ended 31 January 2018, I declare that, to the best of my knowledge and belief, there have been:

i. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

NEIL PACE
PARTNER

MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 4th day of May 2018

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 7 MONTHS ENDED 31 JANUARY 2018

	31 Jan 2018
	$
Interest revenue	38
Administration expenses	475,649
Exploration & evaluation expenses	429,969
Tenement acquisition costs	400,275
Fundraising	114,419
Other expenses	41,597
Loss before income tax expense	**1,461,871**
Income tax expense	-
Net loss for the period	**1,461,871**
Other comprehensive Income	-
Total comprehensive income for the period	**1,461,871**

Note: Comparative results for the seven months ended 31 January 2017 have not been provided as they cannot be readily obtained and were not subject to review.

The accompanying notes form part of this financial report

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2018

	Notes	31 Jan 2018	30 June 2017
		$	$
CURRENT ASSETS			
Cash and cash equivalents		28,134	93,664
Trade and other receivables		8,888	32,596
TOTAL CURRENT ASSETS		**37,022**	**126,260**
NON- CURRENT ASSETS			
Plant and equipment		138,779	185,764
TOTAL NON CURRENT ASSETS		**138,779**	**185,764**
TOTAL ASSETS		**175,801**	**312,024**
CURRENT LIABILITIES			
Trade and other payables		1,913,390	3,041,263
Provisions		198,078	-
Borrowings		98,200	191,272
TOTAL CURRENT LIABILITIES		**2,209,668**	**3,232,535**
TOTAL LIABILITIES		**2,209,668**	**3,232,535**
NET LIABILITIES		**(2,033,867)**	**(2,920,511)**
EQUITY			
Issued capital		14,523,035	12,418,520
Share based payments reserve		244,000	-
Accumulated losses		(16,800,902)	(15,339,031)
TOTAL EQUITY		**(2,033,867)**	**(2,920,511)**

The accompanying notes form part of this financial report

STATEMENT OF CHANGES IN EQUITY
FOR THE 7 MONTHS ENDED 31 JANUARY 2018

	Issued Capital	Reserves	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2017	12,418,520	-	(15,339,031)	(2,920,511)
Loss for the period	-	-	(1,461,871)	(1,461,871)
Other comprehensive income	-	-	-	-
Shares issued	2,104,515	-	-	2,104,515
Share based payments	-	244,000	-	244,000
Balance at 31 January 2018	14,523,035	244,000	(16,800,902)	(2,033,867)

The accompanying notes form part of this financial report

STATEMENT OF CASH FLOWS
FOR THE 7 MONTHS ENDED 31 JANUARY 2018

	31 Jan 2017
	$
Cash flows from operating activities	
Interest and other income	38
Payments to suppliers and employees	(2,109,012)
Net cash used in operating activities	**(2,108,974)**
Cash flows from investing activities	
Proceeds from sale of plant and equipment	34,448
Payment for plant and equipment	(2,447)
Net cash used in investing activities	**32,001**
Cash flows from financing activities	
Proceeds from issue of shares	2,114,515
Payments for share issue costs	(10,000)
Repayment of Borrowings	(93,072)
Net cash provided by / (used in) financing activities	**2,011,443**
Net decrease in cash and cash equivalents held	(65,530)
Cash and cash equivalents at beginning of period	93,664
Cash and cash equivalents at end of reporting period	**28,134**

Note: Comparative cashflows for the seven months ended 31 January 2017 have not been provided as they cannot be readily obtained and were not subject to review.

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 7 MONTHS ENDED 31 JANUARY 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The interim financial report comprises general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with the International Financial Reporting Standards.

The interim report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2017 and any public announcements made by Coolgardie Minerals Limited during the interim period in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

Basis of Preparation

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

The same accounting policies and methods of computation have been followed in this interim report as were applied in the most recent annual financial statements.

For the purpose of preparing the interim report, the interim period has been treated as a discrete reporting period.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The ability of the company to continue as a going concern is dependent on the company raising additional funding when required over the 12 months from the date of approval of this report and/or the commercial development or sale of its exploration assets.

Should the company not achieve the matters set out above, the company may not be able to continue as a going concern or may have to dispose of assets other than in the normal course of business. No adjustments related to the recoverability and classification of recorded assets or liabilities related to the above have been made in the financial report.

Significant Accounting Judgment and Key Estimates

In the interim period ended 31 January 2018, the Company has reviewed and adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2017.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective as at 31 January 2018. As a result of this review the Directors have determined that there is no expected impact, material or otherwise, arising from these Standards and Interpretations on its business and, therefore, no change necessary to the Company accounting policies.

NOTE 2: OPERATING SEGMENTS

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Company operates in one geographical and business segment being mineral exploration in Australia. All segment assets, segment liabilities and segment results relate to the one segment and therefore no segment analysis has been prepared.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 7 MONTHS ENDED 31 JANUARY 2018

NOTE 3: COMMITMENTS

Farm-in and Joint Venture Agreements

The company has one contributing exploration joint venture agreement with Bulletin Resources Limited (70% Coolgardie Minerals / 30% Bulletin) over the Geko Mining lease outside of the planned Geko Open Pit.

Office Rent

The company has no significant obligations in relation to its future rental arrangements.

Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the company is required to meet rent and rate commitments and perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report.

NOTE 4: CONTINGENT LIABILITIES

Royalties

The company has obligations to pay various royalties, based on minerals produced, pursuant to a number of tenement acquisition agreements. The royalties will only become due and payable when and if mining commences.

Option Agreement in Relation to Tenement Acquisition

On 24 November 2010 the company executed an option agreement with Mr Chitty and Devant Pty Ltd ("Grantors") for the acquisition of certain tenements. The tenement acquisition option agreement referred to the above has been extended and varied a number of times. On 15 August 2016 the Company and the Grantors further varied the terms of the Devant/Chitty Tenement Option agreement and Grace Mining Limited agreed to become a party to the agreement. The Grantors and Grace Mining Limited (referred to as the "Sellers") agreed to sell all their rights, title and interest in the Devant/Chitty/Grace tenements. Pursuant to the 15 August 2016 variation the Company's principal obligations are summarised as follows:

- Payment of a variation fee of $125,000;
- Payment of a settlement fee of $196,801 to be paid on settlement;
- The company has agreed to settle certain debt obligations of the Grantor of approximately $1,186,000 via the issue of 5,830,695 fully paid ordinary shares in the company (to be issued to the trustee of a trust established for the benefit of members of the Chitty/Devant Syndicate) and a cash payment of $20,000. If the creditors refuse to accept the shares in settlement then the company has no further obligations to them;
- The Company is required to issue to Mr Chitty 5,000,100 ordinary shares at settlement;
- The Company must use its best endeavours to list on ASX by 31 March 2017. If this is not achieved then the Company must either, provide Devant and Chitty with a transfer in favour of Devant and Charles Chitty, together with the instrument of title and mining information in respect of the tenements, or pay to Charles Chitty a break fee of $750,000, in which case Devant and Charles Chitty will have no further right to be transferred the tenements or the mining information relating to those tenements; and
- On and from the settlement date the Company must pay to Charles Chitty a royalty equally to 2% net smelter return in respect of any revenue received from the sale of gold, nickel, copper and lithium produced from the tenements.

Settlement of the amended and restated option agreement, as referred to above, took place on 27 October 2016 with all obligations bar one having been met. However, the Company is yet to list on ASX hence the related obligation to Devant and Chitty, as noted above, remains unfulfilled at this time.

On 30 March 2017 the Company further varied the above agreement with Chitty/Devant, in terms of the requirement to list on ASX, which was changed to 30 September 2017.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 7 MONTHS ENDED 31 JANUARY 2018

NOTE 4: CONTINGENT LIABILITIES (CONTINUED)

On 1 December 2017 the Company further varied the above agreement with Chitty/Devant, such that the following obligations remain;

- The break fee referred to above was amended from $750,000 to $250,000;
- The requirement to list on ASX was amended from 30 September 2017 to the date which is 6 months after the earlier of;
  - the date on which the claim brought by Geko Gold Pty Ltd (the "Bulletin claim") against the Company is fully and finally resolved and settled by way of a binding deed of settlement;
  - the date on which the Bulletin claim is fully and finally determined by the courts;
  - or such other date as agreed by the parties.
- In consideration for the variation the Company agrees to issue one Loyalty Option for every share held by the Vendors and related syndicate members on the date which is 120 days after the listing date (estimated to be approximately 5,415,347 options).

  The loyalty options will have an exercise price of $0.30 and an expiry date of 3 years from the date of issue.
- A monthly variation fee of $22,916.65 (inc GST) remains payable to the Vendors until the Company is listed on ASX.

The directors are not aware of any other contingent liabilities that may have arisen from the company's operations as at 31 January 2018.

NOTE 5: EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 January 2018 the Company has:

Raised Additional Equity

Continued to raise equity by way of the issue of fully paid ordinary shares so as to fund its operations. Since 31 January 2018 the Company has raised approximately $1,204,000 (before costs) from the issue of approximately 7.525 million fully paid ordinary shares at $0.16 per share.

Allotted or agreed to allot 1,696,138 fully paid ordinary shares in satisfaction of amounts owing to creditors.

Resolution of Geko Gold Project Dispute

On 19 February 2018 the Company executed a Heads of Agreement with Geko Gold Pty Ltd (a 100% owned subsidiary of Bulletin Resources Ltd) in order to resolve all disputed items and to allow for the immediate commencement of mining activities at the Geko Gold Project.

The terms of settlement have been publicly disclosed by both parties.

Geko Gold Project

Pre development activities have commenced with some on site establishment contracts awarded and other major contracts being negotiated. The Company is also finalising project funding for development of the Project.

Other than as noted above there have been no matters or circumstances that have arisen since 31 January 2018 which significantly affected or may significantly affect the company's operations in future years or the results of those operations in future years or the company's state of affairs in future years.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes thereto, as set out on 4 to 10:
   a. comply with Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Regulations; and
   b. give a true and fair view of the Company's financial position as at 31 January 2018 and of its performance for the seven months then ended.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s303(5) of the *Corporations Act 2001*.

Neil Warburton
Director
Dated this 4th day of May 2018

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF COOLGARDIE MINERALS LIMITED

Report on the Interim Financial Report

We have reviewed the accompanying interim financial report of Coolgardie Minerals Limited which comprises the condensed statement of financial position as at 31 January 2018, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, the condensed statement of cash flows for the seven months ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of Coolgardie Minerals Limited are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Coolgardie Minerals Limited's financial position as at 31 January 2018 and its performance for the seven months ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Coolgardie Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the Corporations Act, which has been given to the directors of Coolgardie Minerals Limited, would be in the same terms if provided to the directors as at the time of this auditor's review report.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF COOLGARDIE MINERALS LIMITED (CONTINUED)

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Coolgardie Minerals Limited is not in accordance with the *Corporations Act 2001* including:

i. giving a true and fair view of the company's financial position as at 31 January 2018 and of its performance for the seven months ended on that date; and

ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

In forming our conclusion on the Company's financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements concerning the Company's ability to continue as a going concern. The Company is dependent upon various funding initiatives in order to fund its working capital and discharge its liabilities in the normal course of business. This condition as explained in Note 1 to the financial statements indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company's financial statements do not include any adjustments that would result if the Company were unable to continue as a going concern.

NEIL PACE
PARTNER

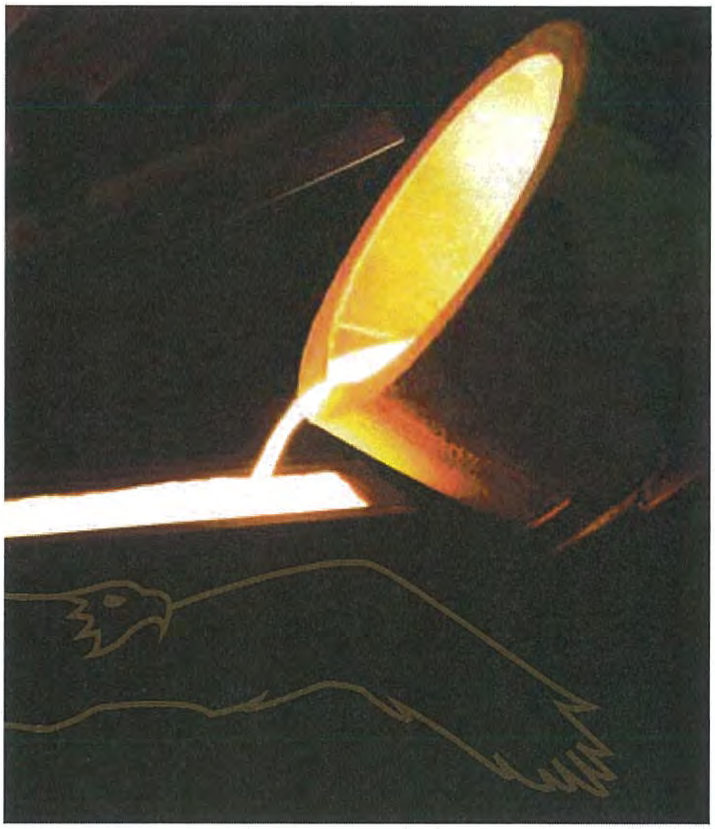
MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 4th day of May 2018

GOLDEN EAGLE

MINING LIMITED

ANNUAL REPORT 30 JUNE 2017



GOLDEN EAGLE MINING LIMITED

ABN 53 145 676 900

GOLDEN EAGLE
MINING LIMITED

COMPANY INFORMATION

DIRECTORS

Mr Neil Warburton
Mr Bradd Granville
Mr Paul Jago
Mr Antony Middleton
Mr Gregory Martin

COMPANY SECRETARY

Ms Susan Hunter

AUDITORS

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DIRECTORS REPORT

Your directors present their report on Golden Eagle Mining Ltd for the year ended 30 June 2017.

DIRECTORS

The following persons were directors of Golden Eagle Mining Ltd during or since the end of the financial year and up to the date of this report:

Mr Neil Warburton (appointed 20 July 2017) (Non-Executive Chairman)
Mr Bradd Granville (Managing Director)
Mr Paul Jago (Non Executive Director)
Mr Antony Middleton (appointed 25 July 2017) (Non Executive Director)
Mr Gregory Martin (appointed 25 July 2017) (Non Executive Director)
Mr Stewart Brown (1 July 2016 until resigned on 20 July 2017)
Mr Shaun Robert Melville (1 July 2016 until resigned on 27 October 2016)

INFORMATION ON DIRECTORS

Mr Bradd Granville

Bradd Granville has substantial commercial management experience in the mining industry. Bradd has held various senior operational roles in the oil and gas and gold sectors. Bradd has been influential in driving Golden Eagle Mining Ltd to extensive growth through identifying opportunities, consolidating numerous licenses and incorporating strategy.

Mr Paul Jago

Paul Jago is a quailed Mining Engineer with experience in all aspects of gold mining. Much of Paul's 17 years in the Mining Industry was spent at Kalgoorlie's (KCGM) world famous Super Pit. Paul has held a range of positions including Drill & Blast Operations Manager, Senior Production Engineer, Senior Planning Engineer and Senior Consultant. Paul has vast management experience and has held managerial positions in charge of over 200 personnel together with budget responsibility of over $600 million. Paul holds a Bachelor of Engineering degree.

Mr Neil Warburton

Neil Warburton has worked within the mining industry his entire career in roles ranging from underground miner through to senior mining engineer to executive directorships managing large mining and contracting companies. He has over 37 years of experience in all areas of mining operations. Neil is a graduate from the Western Australia School of Mines with an Associate Degree in Mining Engineering. He is a Fellow of the Australian Institute of Company Directors, Member of the Australian Institute of Mining and Metallurgy, Chairman of the Australian Mining and Prospectus Hall of Fame Foundation, Councillor of the Western Australian School of Mines Alumni association and serves as a director on several smaller private companies.

Mr Antony Middleton

Antony was a Managing Director of Advanced Engine Components Ltd, a West Australian company listed on the Australian Stock Exchange. He has held senior management positions with WA government authorities, including his previous position of Chairman and Chief Executive Officer of Transperth. Antony holds a Bachelor of Engineering and a Master of Business Administration from the University of Western Australia and Company Director Diploma from the University of England.

Mr Gregory Martin

Gregory brings energy and enthusiasm to the board, mixed with the solid foundation in corporate governance. He has 25 years of experience in the mining industry and during this time has built solid relationships with suppliers and service providers throughout Western Australia.

COMPANY SECRETARY

Ms Susan Hunter

Susan Hunter has over 18 years experience in the corporate finance industry. Susan holds a Bachelor of Commerce degree from the University of Western Australia, is a member of the Australian Institute of Chartered Accountants, a fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors. Susan is also a member of the Governance Institute of Australia and is currently Company Secretary for a number of ASX listed companies.

DIRECTORS' INTERESTS

The interests of the directors in securities of the company at the date of this report are:

Director	Fully Paid Ordinary Shares
Mr Bradd Granville	7,710,588
Mr Paul Jago	487,672
Mr Neil Warburton	500,000

PRINCIPAL ACTIVITIES

The principal activity of the entity during the course of the financial year was to seek appropriate investment opportunities in exploration assets within Australia, offering investors excellent exposure to a range of commodities. There were no significant changes in the nature of the entity's principal activities during the year.

RESULTS

The loss of the company for the financial year was $5,851,931.

FINANCIAL POSITION AND SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The net liabilities of the company at 30 June 2017 were $2,920,511.
Cash on hand at 30 June 2017 totalled $93,664.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The company will continue to carry on its current business being the exploration of its mineral assets.

DIVIDENDS

No dividends have been provided for or paid by the entity in respect of the year ended 30 June 2017.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Other than as disclosed in Note 16 there have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect:

- the company's operations in future years; or
- the results of those operations in future years; or
- the company's state of affairs in future years.

Building on our past performance and with the support of our shareholders we have again made significant advances in our company's evolution. During the year under review and in line with our company's Principal Activities statement your Board has progressed our company toward the early production of Gold and the eventual public listing of Golden Eagle Mining LTD.

The company engaged Mining Plus Pty Ltd (MP) to progress the scoping study completed in 2016 to a full Bankable Feasibility Study(BFS) which was completed in February in 2017. This included upgrading the resource to be 2012 JORC compliant. The principal goal of the study was to document the quickest, most efficient and economically beneficial path to production. The study highlighted the viability of the project which is summarised below;

- The Geko Gold Open Pit Project (GGOPP) Resource Estimate reveals the following available ounces within the Orebody which extends from the underlying fresh material into the weathered zone above and has a small supergene enriched gold zone at the top. The Hanging Wall Zone isolates a local high-grade zone on the hanging wall contact. There are also multiple small mineralised zones of varying size located within the weathering profile. In addition, there is a zone of high grade mineralisation that abuts the base of an alluvium horizon and runs through the mottled clay material beneath the alluvial zone.

Measured			Indicated			Inferred		
Tonnes (kT)	Grade (g/t)	Ounces (Koz)	Tonnes (kT)	Grade (g/t)	Ounces (Koz)	Tonnes (kT)	Grade (g/t)	Ounces (Koz)
1,745	1.6	89	690	1.7	37	120	2.6	10

- The MP team conducted Reserve Ore Modelling on the above Resource, resulting in a 2012 JORC Ore Reserve for the final pit design of;

Classification	Tonnes (kt)	Au Grade (g/t)	Au Oz
Proved	1,238	1.69	67,300
Probable	340	2.25	24,6
Total	1,578	1.81	91,900

- The key outcomes of the GGOPP financial model and the sensitivity analysis undertaken within the Report, indicates the project has a valuation (NPV_{10}) of $18.9m based on a gold price assumption of $1650/oz.

- Permitting and licencing for the GGOPP is now all but complete with the following Permits completed in the year or awaiting approval;

- Clearing Permit – Haul Road
- Clearing Permit – Mine Site
- Miscellaneous License – Haul Road
- Environmental Management Plan
- Mine Closure Plan
- 5C Water License
- Project Management Plan
- Mining Proposal - Haul Road
- Mining Proposal – Mine Area
- Works Approval – Salt Lake Discharge
- Works Approval – Evaporation License
- DER Site License

The cash flow from the GGOPP will provide us with the funds to explore and develop more of our company's tenement holdings.

During the year under review we further progressed the First Find area with an additional 4 holes being drilled with positive results. These holes were aided by a Co-funding grant under the DMP Exploration Incentive Scheme.

The aim of the drilling was to test the structural controls on gold mineralisation at First Find and to extend the mineralisation laterally and at depth. The drilling was a success, and a detailed structural analysis was undertaken on the drill core by SRK consulting.

Figure . Photograph of strongly sheared drill core from FFD02, one of the holes at First Find

1.1 Other Studies

1.1.1 Optiro

Optiro were engaged to conduct predictive modelling and prospectivity analysis over tenure managed by Golden Eagle in the Bullabulling area during the reporting period. Optiro completed a prospectivity analysis for gold by applying science and mineral systems modelling. This method establishes the spatial association between known deposits and other datasets objectively, without human bias.

The final map highlighted many gold exploration targets in the regional study area, five of which are within Golden Eagles tenements. These target areas are identified as having higher prospectivity for the occurrence of gold mineralisation than the surrounding areas.

1.1.2 SRK

SRK consulting were engaged in November 2017 to conduct a structural analysis on the available drill core from Golden Eagles drilling completed in 2016.

Key points of the work were as follows:

Gold mineralisation at First Find appears to have a rod-like morphology, but with rods extending in two directions. These orientations have never been considered before, and will be tested by future explorations programs at First Find.

SRK provided several other recommendations to follow up based on the structural analysis at Endeavour and Geko. These represent significant exploration upside opportunities to the Company.

1.2 Remote Sensing

Southern Geoscience Consultants (SGC) were engaged to produce photorealistic imagery over the Bullabulling and Coolgardie region to aid in geological interpretation. SGC were also engaged to extract and process open file Aster and Aeromagnetic datasets to produce a set of images to aid in geological interpretation and alteration halo recognition.

DIRECTORS' MEETINGS

The number of meetings attended by each director during the year is as follows:

Director	Number of meetings held while in office	Number of meetings attended
Mr Bradd Granville	4	4
Mr Stewart Brown	4	4
Mr Paul Jago	4	4

PROCEEDINGS OF THE COMPANY

No person has applied to the Court to bring proceedings on behalf of the company or 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.

The company was not a party to any such proceedings during the year.

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on the next page and forms part of the Directors' Report for the year ended 30 June 2017.

Signed in accordance with a resolution of the directors:

Mr Bradd Granville
Director

Perth, 29th September 2017

MOORE STEPHENS

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GOLDEN EAGLE MINING LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Neil Pace
Partner

Moore Stephens
Chartered Accountants

Signed at Perth this 29th day of September 2017

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GOLDEN EAGLE MINING LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Golden Eagle Mining Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2017 and of its financial performance for the year then ended; and

ii. complying with Australian Accounting Standards and the *Corporotions Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

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

Material Uncertainty Related to Going Concern

In forming our opinion on the Company's financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1(a) to the financial statements concerning the Company's ability to continue as a going concern. The Company is dependent upon various funding initiatives in order to fund its working capital and discharge its liabilities in the normal course of business. This condition as explained in Note 1(a) to the financial statements indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company's financial statements do not include any adjustments that would result if the Company were unable to continue as a going concern.

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporotions Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

MOORE STEPHENS

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GOLDEN EAGLE MINING LIMITED (CONTINUED)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

MOORE STEPHENS

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Neil Pace

NEIL PACE
PARTNER

Moore Stephens

MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 29th day of September 2017

		2017	2016
	Note	$	$
Continuing operations			
Other income		288,380	114,382
		288,380	114,382
Expenses			
Administration expenses		(1,861,406)	(831,692)
Exploration and evaluation expenses		(1,838,001)	(1,323,285)
Tenement acquisition costs		(2,065,999)	(62,500)
Fundraising expenses		(308,775)	(209,403)
Other expenses		(66,130)	(126,072)
		(6,140,311)	(2,552,952)
Loss before income tax expense		(5,851,931)	(2,438,570)
Income tax expense	3	-	-
Total comprehensive loss for the year		(5,851,931)	(2,438,570)

This statement should be read in conjunction with the accompanying notes.

	Notes	2017 $	2016 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	93,664	813
Trade and other receivables	5	32,596	139,640
Total Current Assets		126,260	140,453
Non-Current Assets			
Plant and equipment	6	185,764	157,078
Total Non-Current Assets		185,764	157,078
TOTAL ASSETS		312,024	297,531
LIABILITIES			
Current Liabilities			
Trade and other payables	8	3,041,263	1,876,510
Other amounts payable		-	154,562
Borrowings	9	191,272	230,917
Total Current Liabilities		3,232,535	2,261,989
TOTAL LIABILITIES		3,232,535	2,261,989
NET LIABILITIES		(2,920,511)	(1,964,458)
EQUITY			
Issued capital	10	12,418,520	7,522,642
Accumulated losses		(15,339,031)	(9,487,100)
TOTAL EQUITY		(2,920,511)	(1,964,458)

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2017

GOLDEN EAGLE
MINING LIMITED

		Issued Capital	Accumulated Losses	Total
	Note	$	$	$
Balance at beginning of year		7,522,642	(9,487,100)	(1,964,458)
Total comprehensive income for the year		-	(5,851,931)	(5,851,931)
Issue of shares	10	5,045,003	-	5,045,003
Share issue costs	10	(149,125)	-	(149,125)
Balance at end of year		12,418,520	(15,339,031)	(2,920,511)

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2016

		Issued Capital	Accumulated Losses	Total
	Note	$	$	$
Balance at beginning of year		6,235,971	(7,048,531)	(812,560)
Total comprehensive income for the year		-	(2,438,569)	(2,438,569)
Issue of shares	10	1,306,603	-	1,306,603
Share issue costs	10	(19,932)	-	(19,932)
Balance at end of year		7,522,642	(9,487,100)	(1,964,458)

This statement should be read in conjunction with the accompanying notes.

	Note	2017 $	2017 $
Cash flows from operating activities			
Cash receipts in the course of operations		288,126	11,982
Payments to suppliers and employees		(4,924,304)	(1,440,149)
Net cash outflow from operating activities	4	(4,636,178)	(1,428,167)
Cash flows from investing activities			
Proceeds from sale of plant and equipment		30,909	-
Payments for plant and equipment		(107,758)	(60,000)
Net cash outflow from investing activities		(76,849)	(60,000)
Cash flows from financing activities			
Proceeds from issue of shares		4,955,003	1,279,603
Payments for share issue costs		(149,125)	(19,932)
Proceeds from borrowings		-	215,501
Short-term loan		-	10,000
Net cash inflow from financing activities		4,805,878	1,485,172
Net increase (decrease) in cash and cash equivalents		92,851	(2,995)
Cash and cash equivalents at the beginning of the financial year		813	3,808
Cash at the end of the financial year	4	93,664	813

This statement should be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The ability of the company to continue as a going concern is dependent on the company raising additional funding when required over the 12 months from the date of approval of this report and/or the commercial development or sale of its exploration assets.

Should the company not achieve the matters set out above, the company may not be able to continue as a going concern or may have to dispose of assets other than in the normal course of business. No adjustments related to the recoverability and classification of recorded assets or liabilities related to the above have been made in the financial report.

(b) New and amended accounting policies adopted by the company

The company has adopted all new and revised accounting standards and interpretations that are relevant to its operations and effective for reporting periods beginning 1 July 2016. None of the new and revised standards and interpretations adopted during the year had a material impact.

(c) New accounting standards for application in future periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the company are not expected to impact significantly on the company when adopted in future periods.

(d) Exploration and evaluation assets

Exploration and evaluation expenditure in relation to the company's mineral tenements is expensed as incurred. When the Directors decide to progress the development of an area of interest all further expenditure incurred relating to the area will be capitalised. Projects are advanced to development status and classified as mine development when it is expected that further expenditure can be recouped through sale or successful development and exploitation of the area of interest. Such expenditure is carried forward up to commencement of production at which time it is amortised over the life of the economically recoverable reserves. All projects are subject to detailed review on an annual basis and accumulated costs written off to the extent that they will not be recoverable in the future.

(e) Cash and cash equivalents

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

(f) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset during their expected useful life of 3 to 5 years.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not shown in the accounts at a value in excess of the recoverable amount from assets.

(g) Fair value estimation

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

The fair value of financial instruments traded in active markets (such as shares in listed companies) is based on quoted market prices at 30 June 2017.

The nominal value, less any estimated credit adjustments, of trade receivables and payables are assumed to approximate their fair value.

(h) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

(i) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed over an ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.
Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to note 1(h) for further discussion on the determination of impairment losses.

(j) Trade and other payables

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(k) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(l) 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 notional income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

A deferred tax asset for unused tax losses is recognised only if it is probable that future taxable amounts will be available to utilise losses.

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 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 assets and settle the liability simultaneously.

(m) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

(m) Financial Instruments (continued)

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

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

The company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments other than loans receivables and financial liabilities, the entity does not currently hold any other classification of financial assets.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(m) Financial Instruments (continued)

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(a) Contributed equity

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

(b) Employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

		2017 $	2016 $
4	**CASH AND CASH EQUIVALENTS**		
	Income tax expense in loss	-	-
	Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
	Cash at bank	93,661	810
	Cash on hand	3	3
	Balance per statement of cash flows	93,664	813
(a)	**Reconciliation of the loss for the year to net cash flows from operating activities**		
	Operating loss	(5,851,931)	(2,438,570)
	Depreciation and amortisation	48,418	23,480
	Decrease/increase in operating assets and liabilities:		
	Trade and other receivables	647,044	(139,640)
	Trade and other payables	430,291	1,126,563
	Non cash settlement of directors fees	90,000	-
	Net cash outflow from operating activities	(4,636,178)	(1,428,167)
5.	**TRADE AND OTHER RECEIVABLES**		
	Trade receivables	-	112,640
	Share application funds receivable	-	27,000
	Current tax assets	32,596	-
		32,596	139,640
6.	**PLANT AND EQUIPMENT**		
	Plant & equipment – at cost	282,747	221,906
	Accumulated depreciation	(123,945)	(64,828)
		185,764	157,078
7.	**LOANS RECEIVABLE**		
	Loans to related parties	-	-
	Loans to unrelated parties	-	-
		-	-
	The loans are payable on demand and are non interest bearing		
8.	**TRADE AND OTHER PAYABLES**		
	Trade creditors	1,896,670	1,421,368
	Fees and other remuneration payable to directors	540,000	-
	Payroll liabilities	604,593	455,142
		3,041,263	1,876,510

		2017 $	2016 $
9.	**BORROWINGS**		
	Loans from associated parties and shareholders	191,272	230,917
		191,272	230,917

The loans are for a fixed period and subject to fixed rates of interest.

10.	**ISSUED CAPITAL**		
	Ordinary and Convertible Preference Shares		
(a)	**Issued and Fully Paid**	7,522.642	7,522.642
(b)	**Movement in ordinary shares on issue**		
	53,642,736 fully paid ordinary shares at the beginning of the year	7,522,642	6,235,971
	Issued during the year:		
	44,730,849 fully paid ordinary shares issued throughout the financial year.	4,895,878	1,286,671
	98,373,585 fully paid ordinary shares at the end of the year	12,418,520	7,522,642

(c) **Rights attaching to ordinary shares and convertible performance shares**

Ordinary shares

i. Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

ii. At shareholder meetings, when a poll is called, each ordinary share is entitled to one vote otherwise each shareholder has one vote on a show of hands.

The company has not issued any options to acquire its ordinary shares.

		2017 $	2016 $
11.	**AUDITORS' REMUNERATION**		
	Fee paid or payable for services provided by the auditors:		
(a)	**Audit services**		
	Audit and review of financial reports under the Corps Act	14,000	10,000
(b)	Other services		
	Preparation of investigating accountants report	-	-
	Total remuneration of auditors	14,000	10,000

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

	2017 $	2016 $
3 INCOME TAX		
(a) Income tax expense in loss	-	-
Current tax expense		
The prima facie income tax on the pre-accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
Reconciliation		
Loss before tax from continuing operations	(5,851,931)	(2,438,570)
Income tax expense calculated at 30%	(1,755,579)	(731,571)
Effect of unused tax losses not recognised as deferred tax assets	(1,755,579)	(731,571)
	-	-
(b) Deferred tax assets comprise		
Deferred tax assets have not been recognised in respect of the following items		
Tax losses	(14,856,636)	(8,991,224)
(c) Unutilised Australian tax losses	(14,856,636)	(8,991,224)

The company has no franking credits to offset against future taxable income.

No income tax expense has been provided in the accounts because the company has an operating loss for the year. No future tax benefit attributable to tax losses has been brought to account as recovery is not certain or assured.

The benefit will only be obtained if the company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised, continues to comply with the conditions for deductibility imposed by taxation legislation and there are no changes in tax legislation adversely affecting the consolidated entity in realising the benefit.

12. RELATED PARTY DISCLOSURES

Related party transactions are summarised below.

(a) Remuneration of key management personnel

Key management personnel (KMP) includes any person having authority and responsibility for planning, directing, and controlling the activities of the company including any director. The totals of remuneration paid or payable to the KMP of the company during the year are as follows:

	2017 $	2016 $
Short-term employee benefits	232,718	197,976
Other remuneration accrued in respect of 2017 and prior years	450,000	-
Directors fees accrued in respect of 2017 and prior year	180,000	-
Post-employment benefits	22,108	18,808
	884,826	216,784

(b) Other related party transactions

Other related parties include close family members of key management personnel and entities that are controlled by those key management personnel, individually or collectively with their close family members. Loans Receivable (as set out in Note 7), Fees and other remuneration payable to directors (Note 8) and Borrowings (as set out in Note 9) are with entities associated with directors or shareholders.

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial instruments comprise receivables, payables and cash which arise directly from its operations.

The company manages its exposure to key financial risks, in accordance with its financial risk management policy. The objective of the policy is to support the delivery of financial targets whilst protecting future financial security.

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Risk Exposures and Responses

Interest rate risk

The company generates income from interest on surplus funds.

At balance date, the company had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

Maturity analysis of financial assets and liabilities based on management's expectation

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. To monitor existing financial assets and liabilities as well as to enable effective control of future risks, the company has established risk reporting processes covering its business units that reflect expectations of management of expected settlement of financial assets and liabilities.

2017	≤6 months $	6-12 months $	1-5 years $	>5 years $	Total $
Financial assets					
Cash and cash equivalents	93,664	-	-	-	93,664
Trade and other receivables	32,596	-	-	-	32,596
Financial liabilities					
Borrowings	-	(191,272)	-	-	(191,272)
Trade and other payables	(3,041,263)	-	-	-	(3,041,263)
Net maturity	(2,915,003)	(191,272)	-	-	(3,106,275)

2016	≤6 months $	6-12 months $	1-5 years $	>5 years $	Total $
Financial assets					
Cash and cash equivalents	813	-	-	-	813
Trade and other receivables	139,640	-	-	-	139,640
Financial liabilities					
Borrowings	-	(230,917)	-	-	(230,917)
Other amounts payable	-	(154,562)	-	-	(154,562)
Trade and other payables	(1,876,510)	-	-	-	(1,876,510)
Net maturity	(1,736,057)	(385,479)	-	-	(2,121,536)

Fair values

Fair values of financial assets and liabilities are equivalent to carrying values due to their short terms to maturity.

14. COMMITMENTS

Farm-in and Joint Venture Agreements

The company has no farm-in joint venture agreements with other entities.

Office Rent

The company has no significant obligations in relation to its future rental arrangements.

Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the company is required to meet rent and rate commitments and perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report. The minimum expenditure obligations for the next 12 months are estimated to be $681,000.

14. COMMITMENTS (continued)

Arrangements with Brokers

On 28 August 2017 the Company entered into a mandate agreement with a broking firm under which the broker agreed to provide capital raising and corporate advisory services to the Company. The Company has agreed to pay the broker a fee of 6% of funds raised. In addition, subject to the Company raising a pre- IPO placement of $4 million, the broker will be issued 10 million fully paid ordinary shares in the Company

15. CONTINGENT LIABILITIES

Royalties

The company has obligations to pay various royalties, based on minerals produced, pursuant to a number of tenement acquisition agreements. The royalties will only become due and payable when and if mining commences.

Option Agreement in Relation to Tenement Acquisition

On 24 November 2010 the company executed an option agreement with Mr Chitty and Devant Pty Ltd ("Grantors") for the acquisition of certain tenements. The tenement acquisition option agreement referred to the above has been extended and varied a number of times. On 15 August 2016 the Company and the Grantors further varied the terms of the Devant/Chitty Tenement Option agreement and Grace Mining Limited agreed to become a party to the agreement. The Grantors and Grace Mining Limited (referred to as the "Sellers") agreed to sell all their rights, title and interest in the Devant/Chitty/Grace tenements. Pursuant to the 15 August 2016 variation the Company's principal obligations are summarised as follows:

- Payment of a variation fee of $125,000;
- Payment of a settlement fee of $196,801 to be paid on settlement;
- The company has agreed to settle certain debt obligations of the Grantor of approximately $1,186,000 via the issue of 5,830,695 fully paid ordinary shares in the company (to be issued to the trustee of a trust established for the benefit of members of the Chitty/Devant Syndicate) and a cash payment of $20,000. If the creditors refuse to accept the shares in settlement then the company has no further obligations to them;
- The Company is required to issue to Mr Chitty 5,000,100 ordinary shares at settlement;
- The Company must use its best endeavours to list on ASX by 31 March 2017. If this is not achieved then the Company must either, provide Devant and Chitty with a transfer in favour of Devant and Charles Chitty, together with the instrument of title and mining information in respect of the tenements, or pay to Charles Chitty a break fee of $750,000, in which case Devant and Charles Chitty will have no further right to be transferred the tenements or the mining information relating to those tenements; and
- On and from the settlement date the Company must pay to Charles Chitty a royalty equally to 2% net smelter return in respect of any revenue received from the sale of gold, nickel, copper and lithium produced from the tenements.

Settlement of the amended and restated option agreement, as referred to above, took place on 27 October 2016 with all obligations bar one having been met. However, the Company is yet to list on ASX hence the related obligation to Devant and Chitty, as noted above, remains unfulfilled at this time.

On 30 March 2017 the Company further varied the above agreement with Chitty/Devant, in terms of the requirement to list on ASX, which was changed to 30 September 2017.

The directors are not aware of any other contingent liabilities that may have arisen from the company's operations as at 30 June 2017.

16. EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end the company has:

Raised Additional Equity

Continued to raise equity by way of the issue of fully paid ordinary shares so as to fund its operations. Since 1 July 2017 the Company has raised approximately $600,000 from the issue of 12 million fully paid ordinary shares at $0.05 per share.

Agreed to issue a further 2,775,417 fully paid ordinary shares to investors from an earlier capital raising to reduce their effective issue price in lieu of options attaching to the original capital raising that were never issued.

Allotted Additional Shares in Satisfaction of Director Remuneration

Allotted or agreed to allot 6 million fully paid ordinary shares in satisfaction of directors fees and other remuneration owing as at 30 June 2017.

Allotted or agreed to allot 4 million fully paid ordinary shares to a director as remuneration in respect of the 2017/2018 financial year

Option Agreement in Relation to Tenement Acquisition

Entered into negotiations with Chitty/Devant to further amend the option agreement to extend the requirement to list on ASX from 30 September 2017 to 31 December 2017

Other than as noted above there have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the company's operations in future years or the results of those operations in future years or the company's state of affairs in future years.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements, notes and additional disclosures included in the directors' report designated as audited, are in accordance with the Corporations Act 2001, including:

   (a) complying with Accounting Standards and the Corporations Regulations 2001; and

   (b) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date.

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. this declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2017.

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

B. Gill

Mr Bradd Granville
Director

Perth, 29th September 2017

GOLDEN EAGLE

MINING LIMITED

ANNUAL REPORT

30 JUNE 2016

GOLDEN EAGLE MINING LIMITED

ABN 53 145 676 900

COMPANY INFORMATION

DIRECTORS

Mr Bradd Granville
Mr Stewart Brown
Mr Paul Jago

COMPANY SECRETARY

Ms Susan Hunter

REGISTERED OFFICE

Unit 21, 5 Hines Road
O'Connor WA 6163

WEBSITE

www.goldeneaglemining.com.au

AUDITORS

Moore Stephens WA
Level 15, 2 The Esplanade
Perth WA 6000

SOLICITORS

Steinepreis Paganin
Level 4, The Read Buildings
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Perth WA 6000

SHARE REGISTER

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009

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DIRECTOR'S
REPORT

03

DIRECTORS' REPORT

Your directors present their report on Golden Eagle Mining Ltd for the year ended 30 June 2016.

DIRECTORS

The following persons were directors of Golden Eagle Mining Ltd during or since the end of the financial year and up to the date of this report:

Mr Bradd Granville
Mr Stewart Brown
Mr Paul Jago
Mr Shaun Melville (from 1st of July, until resigned 27th October 2016)

INFORMATION ON DIRECTORS

Mr Bradd Granville

Bradd has over 25 years of experience in the industry with a specific focus in business management commencing in the Pilbara area of Western Australia. As the operations manager of a north western national service and contracting company, he oversaw the facilitation & support that his company provided to the Oil/Gas and Mining industry throughout the region. The emphasis on gold came when he accepted the position of General Manager of Momentum Australia and thereafter was directly responsible for the acquisition, recommencement and operation, and final divestment of the Minjar Gold Mine. In 2010 Bradd became a founding director of Golden Eagle Mining and at that initial phase simultaneously held the position of Resource Development Manager. This additional role was held until he was elected Managing Director. During this latter period, he has also held Director positions in White Gold Kaolin and Grace Mining.

Mr Stewart Brown

A Ballarat School of Mines mining engineer and an MBA from La Trobe University with over 35 years experience in operations throughout Australia in gold, iron ore, coal and manganese. Stewart has held positions from engineering technical, resident manager and statutory manager roles; through to general manager, together with consultancy work within the area of expertise. Senior operation positions held in gold companies including Sons of Gwalia, Mt Edon Gold Mines, Dominion Mining, Ashton Mining, and Harbour Lights Mining. Gold sector related consultancy roles to Barminco and Sons of Gwalia in Western Australia, Anglo Gold Ashanti in Ghana and Tanzania, and Central Asia Resources in Kazakhstan.

Mr Paul Jago

Studied mining engineering at the WA School of Mines in Kalgoorlie with 25 years experience in the mining industry. Paul has had extensive experience in gold mining focused particularly in Western Australia with a significant period at the Superpit in Kalgoorlie managing all of the mining engineering planning and technical related functions of the organisation. Other gold mines in WA include Ora Banda, Bronzewing and Jundee where the latter two also included involvement in the design and commissioning of the sites. He similarly participated in the design and construction of the Cawse Nickel mine. Paul was the Project Manager in the re-establishment of the Minjar Gold Mine and was also involved in the design and construction of the Penjom gold mine in Malaysia. Consultancy in technical and operational wise have focussed particularly on WA gold mines. Other consultant responsibilities include tendering and project management undertaken on behalf of a number of earthmoving contractors, and while principally in gold has included work in the Pilbara on the Jimblebar iron ore mine.

Mr Shaun Melville

Shaun Melville has extensive experience in global markets, working closely with a range of companies from blue chip down to start ups operating within the Resource and IT sectors to implement corporate strategies. Shaun is a co-founder of Raptor Global Corporation Ltd and also a director of Drilling Resource Partners Pty Ltd, both companies being involved with consulting to the mining sector. Shaun has been influential in assisting in the successful management of ASX listed and unlisted companies. Shaun holds a Bachelor of Psychology degree.

COMPANY SECRETARY

Ms Susan Hunter

Susan Hunter has over 18 years experience in the corporate finance industry. Susan holds a Bachelor of Commerce degree from the University of Western Australia, is a member of the Australian Institute of Chartered Accountants, a fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors. Susan is also a member of the Governance Institute of Australia and is currently Company Secretary for a number of ASX listed companies.

REVIEW OF OPERATIONS

30th June 2016

The Chairman and the Board of Directors of Golden Eagle Mining Limited (GEE) provide the following overview on the company's operations during the financial year from 1st July 2015 to 30th June 2016.

A message from the Managing Director Mr Bradd Granville

"The increase in gold price is providing a solid platform for GEE into the future, I look forward to providing further updates as they come to hand as we rapidly move the company towards gold production and seek quotation onto the ASX."

This year has been an exciting and progressive period for GEE, despite the difficult market conditions experienced in late 2015 by gold exploration companies in general. The dedicated commitment of the company to create value resulted with the company simultaneously withdrawing its prospectus in February 2016 and focusing on the development of the Geko Gold Open Pit Project.

The planned development of the Geko Gold Open Pit Project has had a positive impact on the company with the results of the scoping study being very favourable.
This combined with the improving market sentiment for Gold exploration companies places GEE in good stead moving forward with the following key highlights;

- GEE is now at the advanced stages of developing the Geko Gold Open Pit Project. The Company is currently completing a Bankable Feasability Study on the Geko Gold Project. We expect to be in a position to make the decision to mine by early 2017.

- Two emerging exploration targets at First Find and Endeavour with significant maiden resources expected on each project.

- During the reporting period your company has completed a diamond drilling program of approximately 1,600 metres at the First Find project. This program was designed to provide a clear understanding of the complex geological structures that host the gold mineralisation in the area.

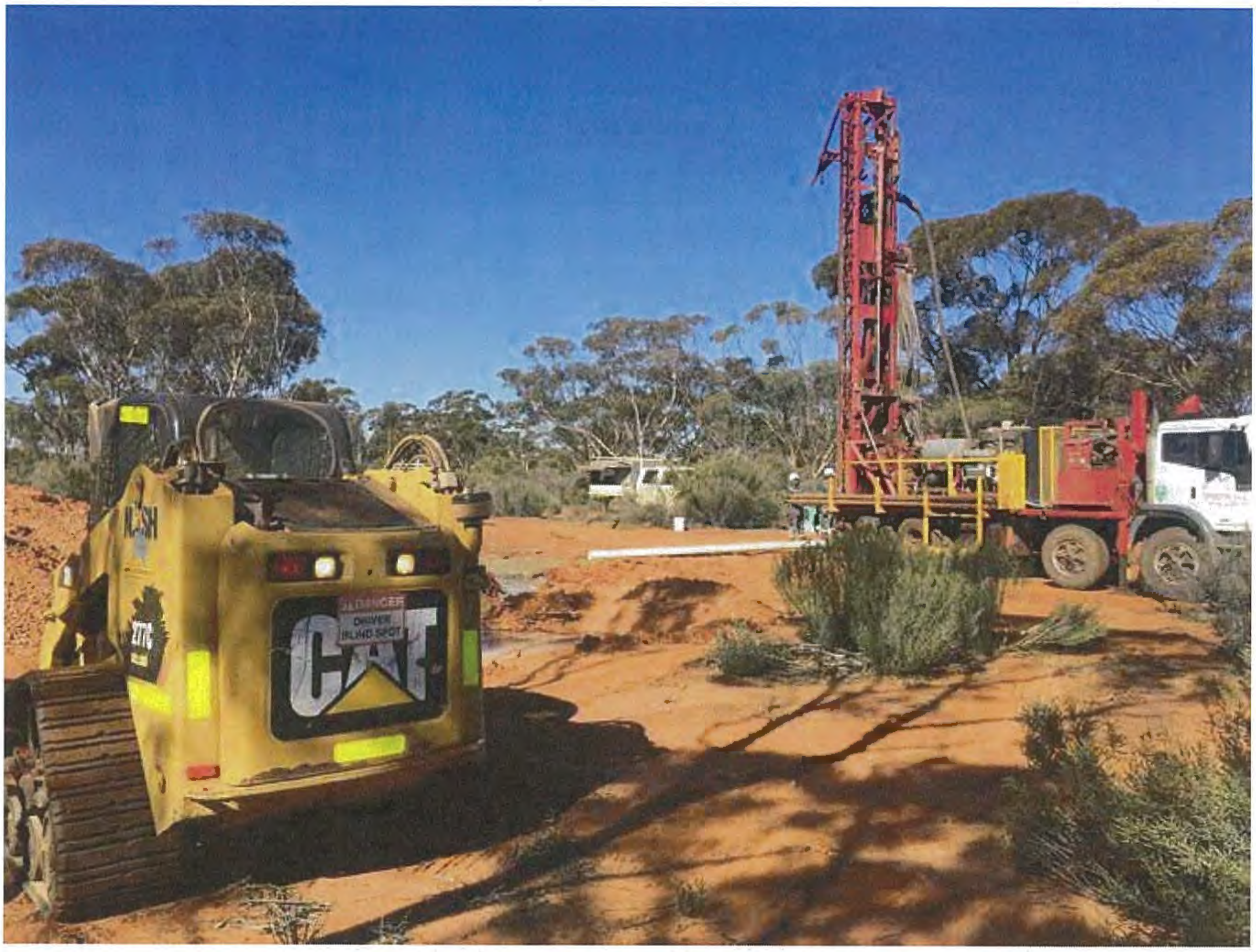
The drill core is undergoing structural analysis prior to assay by an external specialised geological consultant. We look forward to providing the assay results later in the year.

- Several exploration targets identified that are potentially large scale ready to be drill tested.

- Potential to self-fund ongoing Exploration from internally generated cash-flows.

- Experienced WA based management team with a solid track record of bringing gold projects into profitable production on a timely basis.

- The combination of exceptionally high grade gold intersections and the capacity to host large deposits provides GEE with an exciting future of gold production and the next generation of gold discovery.



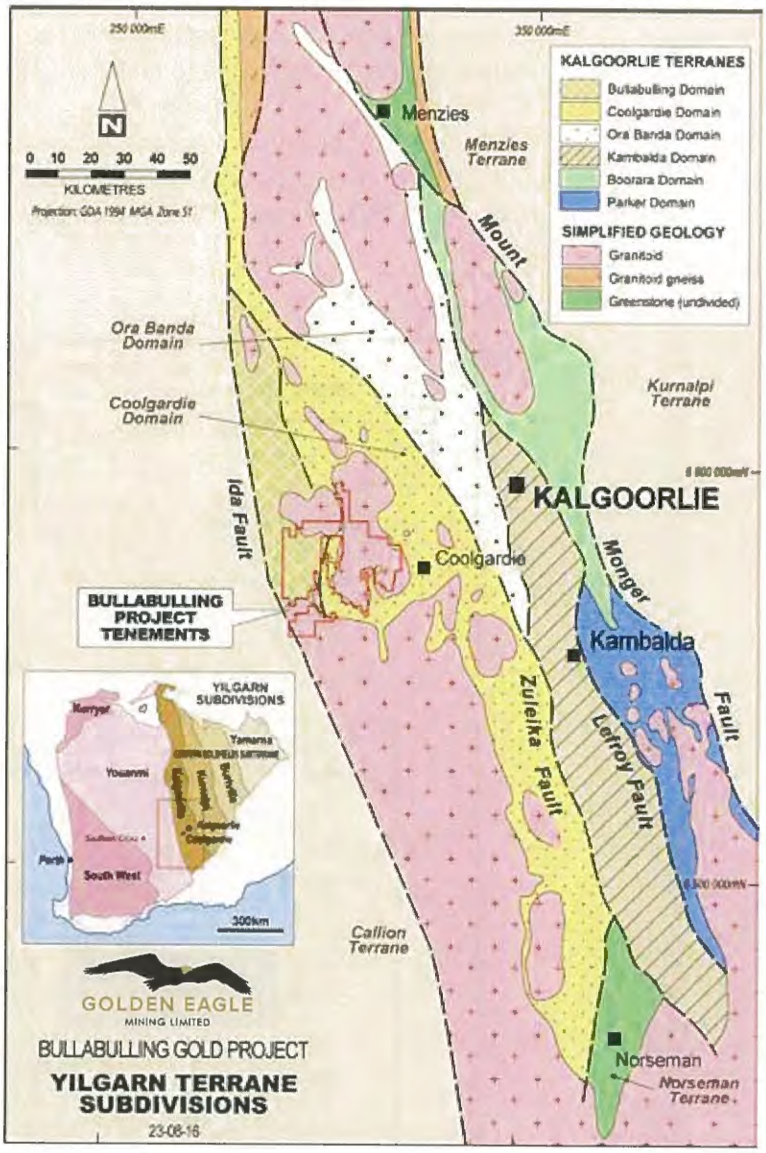
BULLABULLING PROJECT
AREAS

08

BULLABULLING PROJECT AREAS - LOCATION AND TENURE

The Bullabulling North and South projects are located within the Kalgoorlie Terrane of the Yilgarn Craton in Western Australia. The project comprises an alluvium covered Archaean-aged greenstone belt including mafic and ultramafic greenstones and minor felsic volcanic and volcaniclastic sediments that are in contact with intrusive granitic rocks.

Prospect areas include Geko, First Find, Ubini, Bungarra, Sunchaser and Endeavour. In particular, the Geko prospect is hosted within altered mafic and hosts a mineralised zone approximately 50m wide with a strike length of 500m. The First Find prospect comprises a north-south trending thrust with multiple, narrow, high grade gold intercepts within an interpreted dilation zone. The remaining prospects tend to be associated with sheared ultramafic contacts and present good opportunity for further gold discoveries.

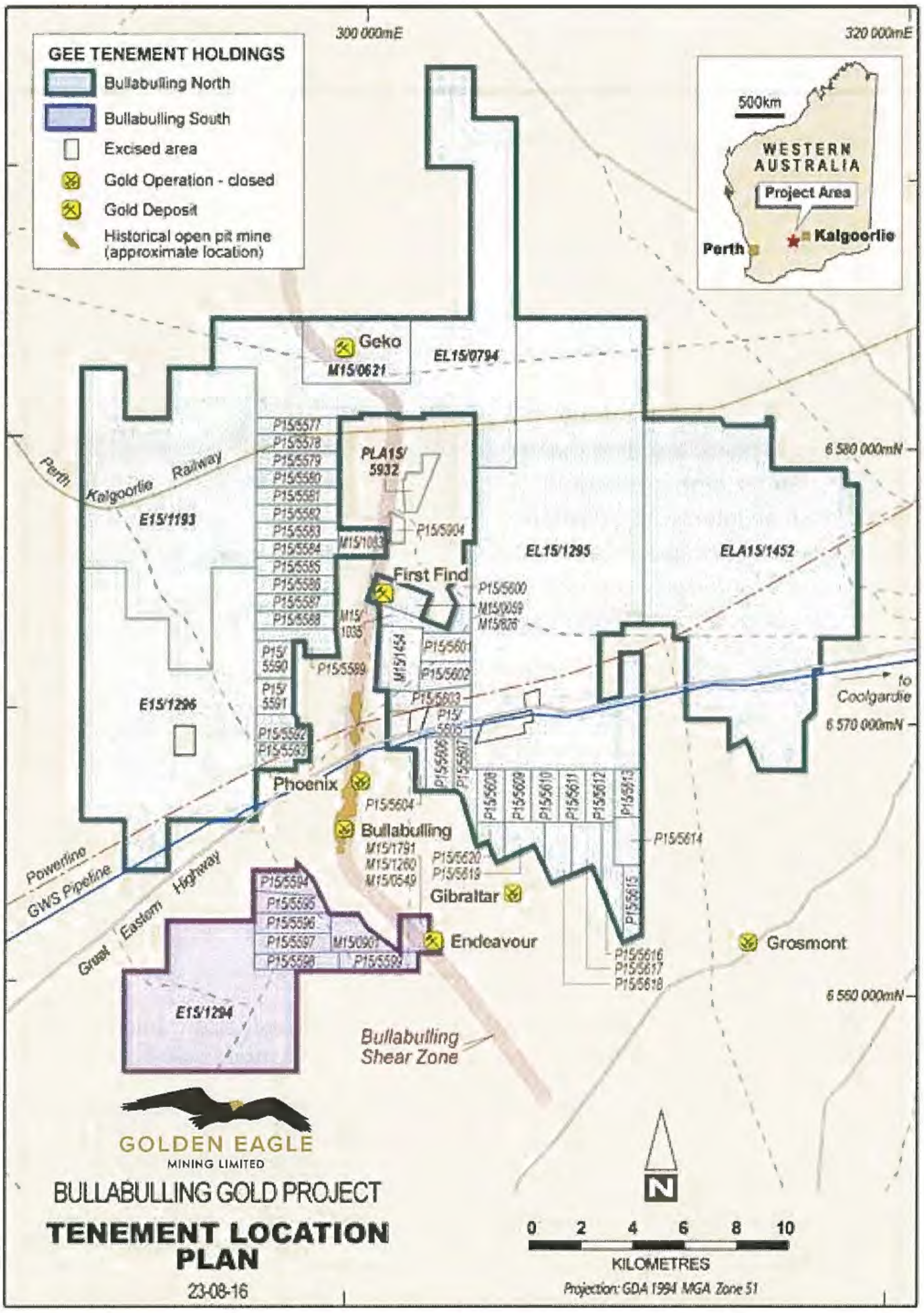


- GEE has strategically consolidated a highly prospective tenement package located within the WA Eastern Goldfields, 70km West of Kalgoorlie.
- Quality asset package of over 463km2 located predominantly in the Bullabulling Domain, a prolific gold province within the Eastern Goldfields.
- The land holding is ideally located close to existing infrastructure including Rail, Great Eastern Highway, Water and serviced via Coolgardie.
- The ground position is rich in gold hosting ultramafic greenstones, felsic and volcanoclastic sediments with extensive soil, colluvium and alluvial cover.

Identifying large targets under the shallow cover is the core focus of GEE's growth strategy.

The Bullabulling Shear hosts the 3.5M oz deposit of which GEE's tenure surrounds, the Python, Reptile & Ida faults are major structures within GEE's tenure.

The total Bullabulling project comprises 62 tenements for a combined total area of 463 km². This includes 5 Exploration Licences ("ELs"), 10 Mining Leases ("MLs") 46 Prospecting Licences ("PLs"), 1 Prospect Licence Application ("PLA") and one Miscellaneous Licence ("L").

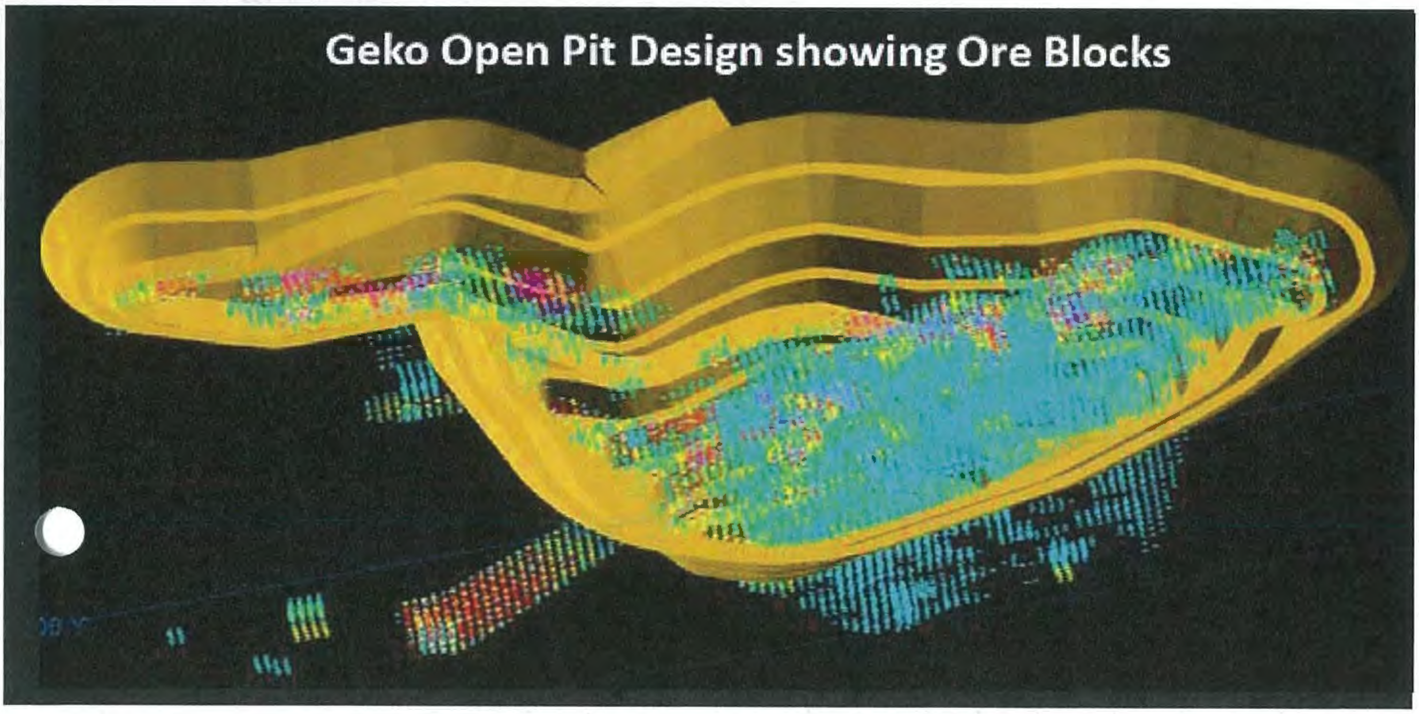


Total area under licences is approximately 463 km2

OPERATIONAL HIGHLIGHTS – ADVANCING TOWARDS GOLD PRODUCTION

Geko Gold Open Pit Project

- GAP Analysis commissioned on the Geko Gold Open Pit Project in October 2015 and completed in March 2016 by Mining Plus.
- Mining Plus commissioned in March 2016 to undertake the operational readiness program and scoping study on the Geko Gold Project.
- MWH appointed in April 2016 to prepare and submit the Geko Gold Open Pit Mining proposal to the Department of Minerals and Energy.
- Geko Gold Mineral Resource upgrade completed in May 2016 reported in accordance with the JORC Code (2012).
- Scoping Study completed in May 2016 with favourable project economics, commissioned Mining Plus to prepare a Bankable Feasibility Study for the development of the Geko Gold Open Pit Project.



Ordinary Kriging and Inverse Distance Weighted estimation techniques have been used for a total of 2.7 Mt @ 1.7 g/t for 145 koz gold. A breakdown of Mineral Resource by resource category is listed in the table below.

	Indicated Resource			Inferred Resource		
Commodity	Tonnes (kT)	Grade (g/t)	Ounces (Koz)	Tonnes (kT)	Grade (g/t)	Ounces (Koz)
Gold	2,515	1.6	127	175	3.1	18

Mineral Resources of the Geko gold deposit

ADVANCED EXPLORATION PROJECTS

First Find

The First Find prospect is interpreted as a north-south striking, west dipping thrust repeated sequence of komatiite rocks overlain by felsic to intermediate metasedimentary rocks. The area is further intruded by pegmatites. Amphibolites and dolerite/gabbro occur locally within the deformation sequence including north-south thrusting followed by folding, faulting and granitoid intrusion. The north-south striking shear corridor is considered to represent a dilation zone of variable thickness up to approximately 50 m wide. Where the corridor is intercepted by a second northeast trending structure high grade gold mineralisation has been intersected. The corridor has a near-vertical dip to the west and underlies historic mine workings that include the South, Hat and Main Shafts.

Drilling has intersected multiple, narrow, high-grade gold shoots within shear zones with further low-grade gold mineralisation within deformation zones. Recent drilling shows that the main gold shoot intersected to date plunges north at about 45° near the South Shaft. The potential for gold mineralised zones occurring at depths in excess of 200 m has been confirmed by the presence of gold-mineralised quartz veins intersected in deep drilling.

In December 2015 Golden Eagle Mining was successful in being granted a co-funded exploration grant for the First Find area from the Western Australian Governments Exploration Incentive Scheme. The funding was for a Stratigraphic Diamond Drilling Programme designed to help better understand the geological structure in the First Find area related to the Bullabulling Shear.

ADVANCED EXPLORATION PROJECTS

First Find

Hole ID	From m	To m	Width m	Grade g/t Au
FFFRC04	92	107	15	13.5
FFFRC01	90	97	7	19.7
PDH0029	67	72	5	26.1
PDH0026	51	54	3	33.5
FFC0006	71	77	6	11.7
FF917-3	6	15	9	6.9
PDH0021	75	83	8	4.8
FFRC13	96	99	3	11.1
PDH0021	36	39	4	11
HNF0016	0	3	3	10.9
FF910-5	42	46	4	6.8

The 4 Diamond Holes were drilled to a depth ranging from 180m to 760m and were completed by 30th June 2016 with assay results pending.

First Find Prospect Cross Sections

ADVANCED EXPLORATION PROJECTS

Endeavour

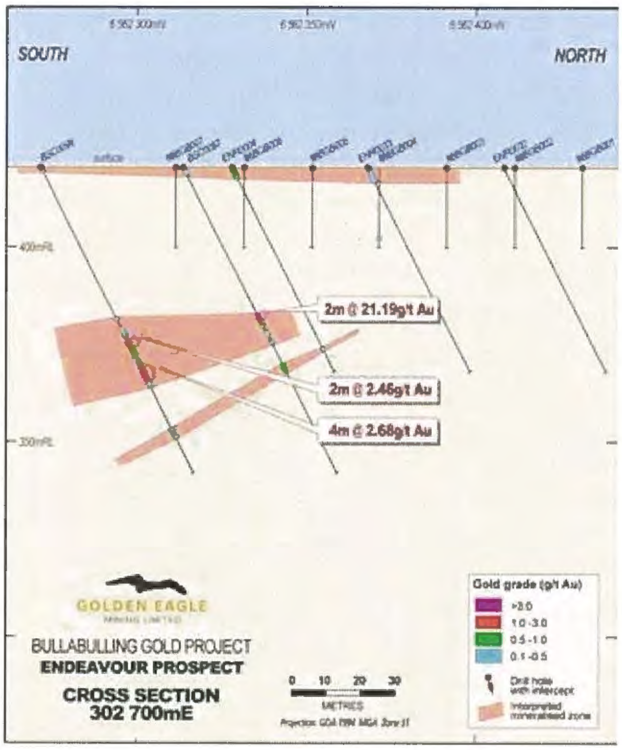
The Endeavour prospect is located within the Bullabulling South project area. The prospect area represents the southern extension of the Bullabulling ultramafic mineralised trend which becomes folded to the east and flattens through M15/1791. Geological mapping in the area has identified northwest trending quartz and quartz-pegmatite veining suggesting possible northwest mineralised structural trends. This is in line with the structures controlling mineralisation at the Lloyd George and Gibraltar open pits owned by Norton.

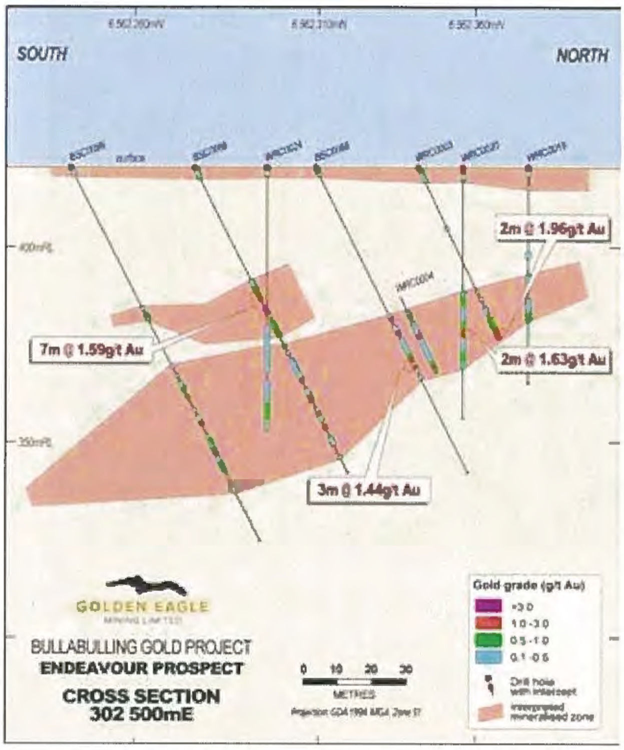
A Rotary Air Blast drilling programme was completed in September 2015 at the Endeavour project with assays confirming extended Gold Mineralisation continuing 300 metres to the west of the existing drilling. The Endeavour project will continue to be explored with a Reverse Circulation drilling program being planned for the 1st quarter 2017.

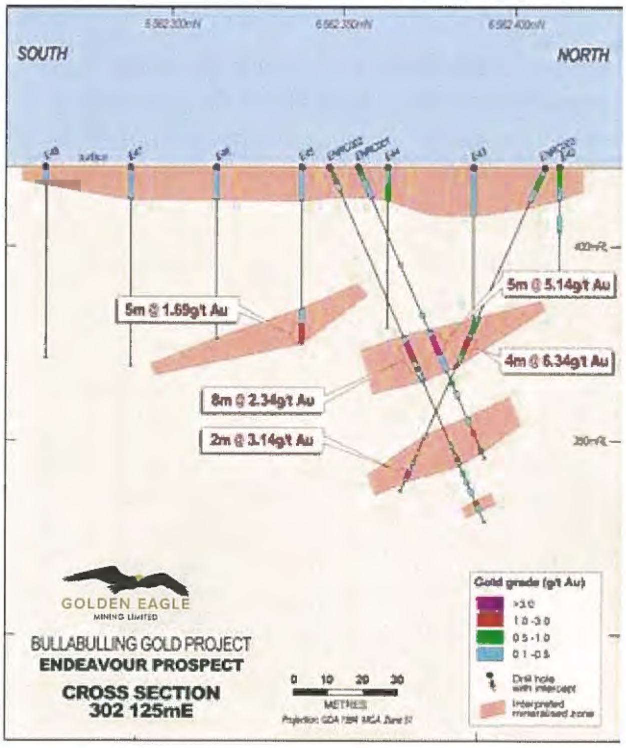
Hole ID	From m	To m	Width m	g/t Au
BSC0097	43	45	2	21.2
ENRC001	50	55	5	5.1
ENRC003	50	54	4	6.3
ENR0037	45	47	2	9.97
ENRC002	52	60	8	2.3
ENRC006	35	39	4	4.6
ENRC005	62	67	5	2.8
BSC0066	88	90	2	7.1
BSC0069	36	43	7	1.6
BSC0098	59	63	4	2.7

ADVANCED EXPLORATION PROJECTS

Endeavour







Endeavour Prospect Cross Sections

OPERATIONAL HIGHLIGHTS - GREENFIELDS EXPLORATION

Continuing the search for Large Exploration Targets (under shallow colluvium cover)

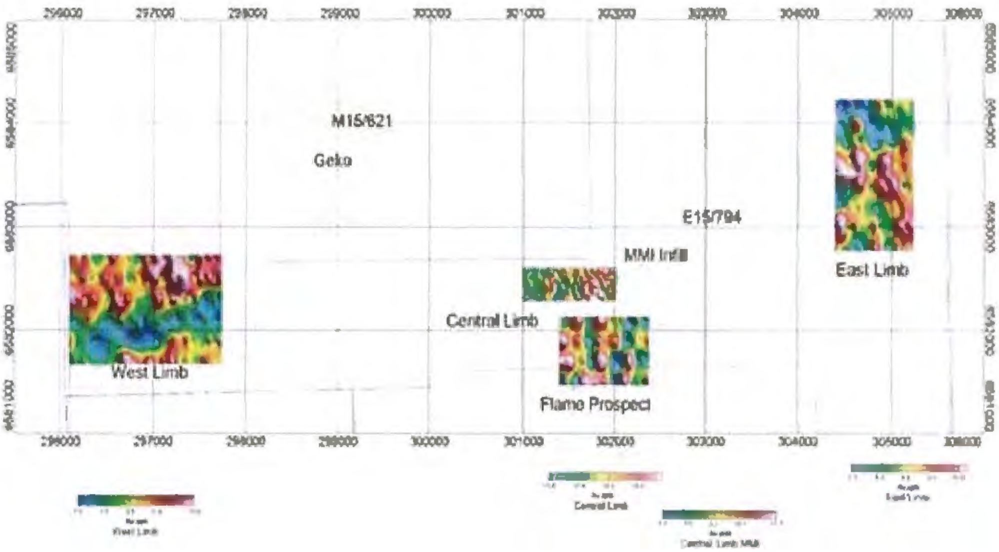
"GEE has progressed well during the year with its commitment of exploring the expansive landholding in search of large new mineral deposits. In no particular order of priority and although not exhaustive the following provides a snapshot of the ongoing Greenfield's exploration activities completed during FY 2016"

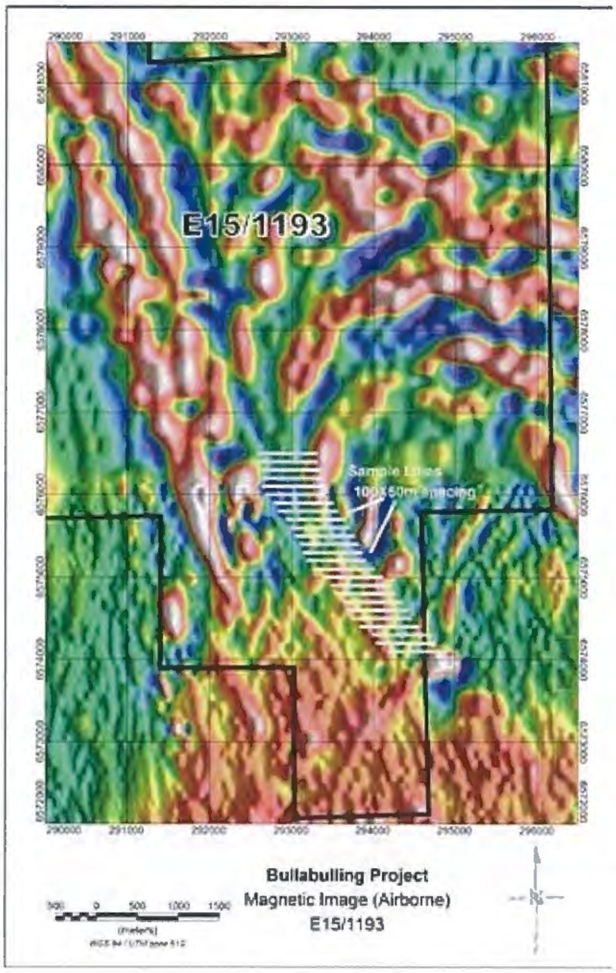
BUNGARRA

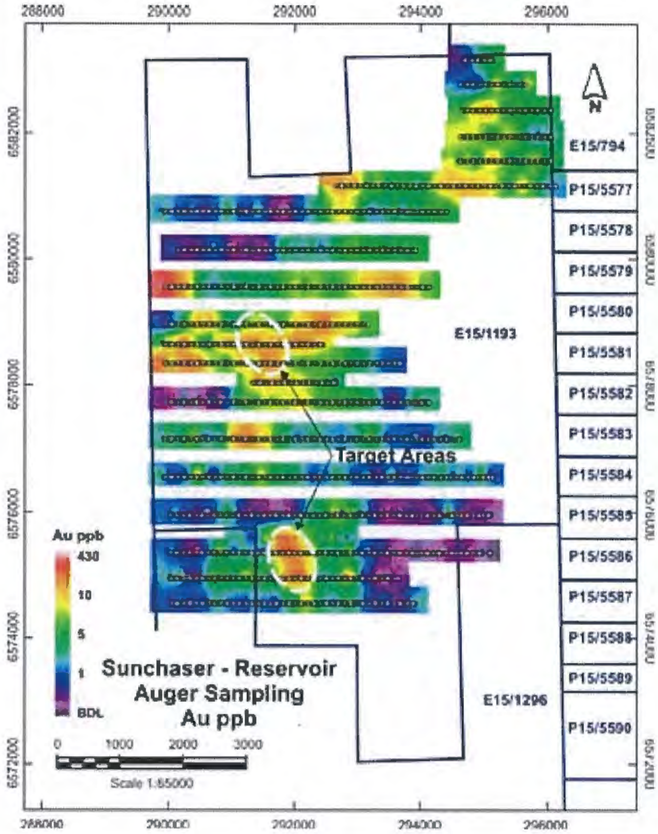
The Bungarra prospect is located to the south and southeast of the Geko Gold Project. The geology comprises a complex west plunging, synclinal fold comprising mafic and ultramafic stratigraphy. The central limb area covers an interpreted folded mafic-ultramafic sequence consistent with the stratigraphy and structure of the Geko gold deposit located 2 km to the northwest. Previous drilling in this area has returned anomalous gold similar to supergene mineralisation encountered at Geko.

" During the 2016 FY an Air Core Drilling programme comprising of 1,400m was completed at the Bungarra Prospect with assays pending. The programme was designed to test mineralisation for Gold and Nickel at the three drill locations. The drilling programme provided valuable information with follow-up drilling plans being prepared".

At the southern tenement boundary of the central limb area, previous drilling intersected anomalous gold at the confluence of two structural trends. The eastern limb area covers a mafic-ultramafic sequence which host quartz reefs, aplite and pegmatite dykes in a peridotitic host rock.







SUNCHASER-RESERVOIR

The interpretation of magnetic imagery, with follow-up soil and auger sampling has delineated two significant north-northwest trending faults that run through the project area – the northern Python Fault and the southern Reptile Fault.

The faults are interpreted as relatively shallow angled thrust faults. Both faults are known to be mineralised; the Python Fault near Stewarts Siding in the north and the Reptile Fault where it trends towards the Bacchus/Phoenix open pits to the southeast of GEE's tenure.

GEE completed a ground magnetic survey over the majority of the prospect area to better define the structures likely to contain gold mineralisation. Targets were generated for an auger sampling programme and included areas with historical geochemical anomalies and areas of geological and structural complexity. Targets were identified near the intersections of known faults and an interpreted north-northeast lineation.

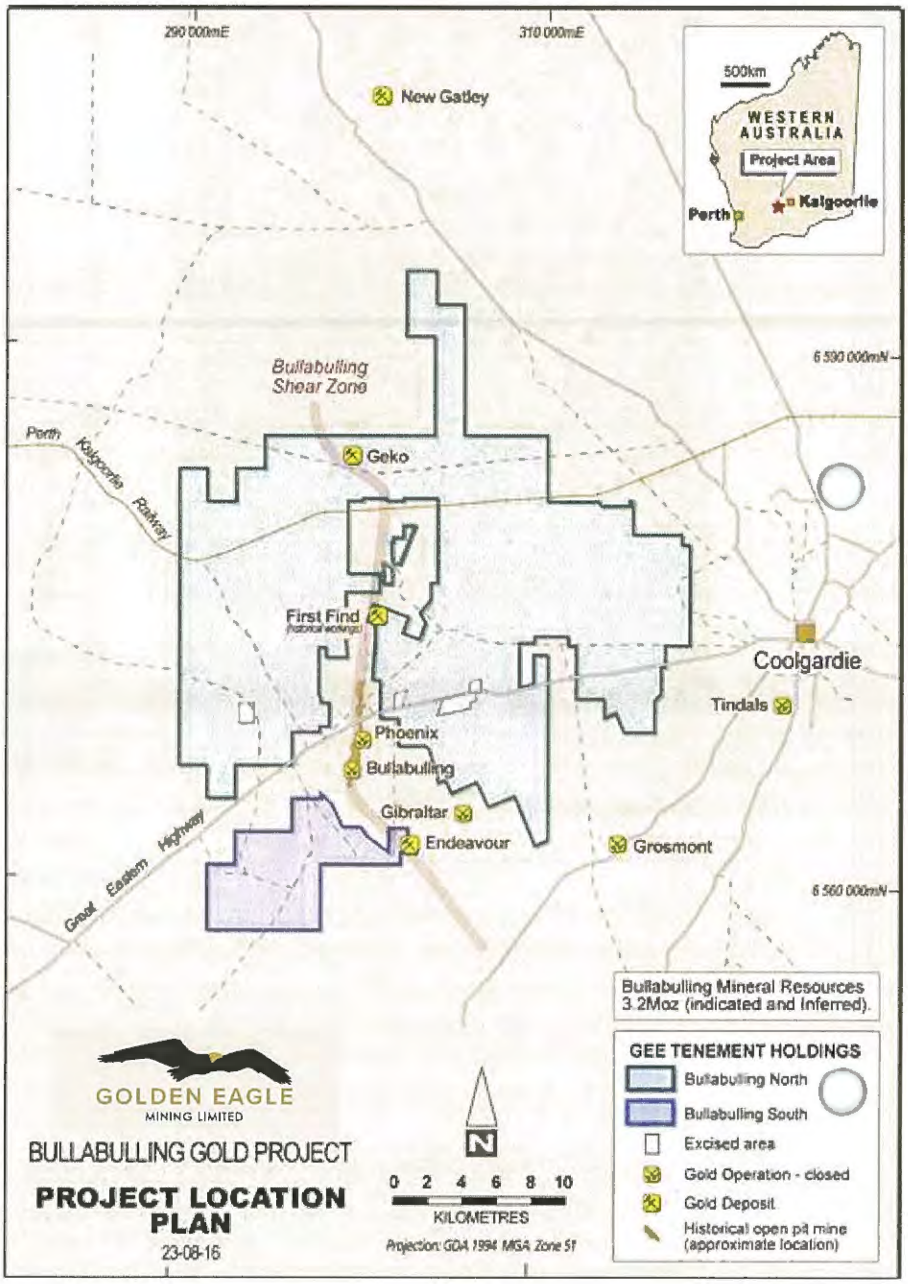
On tenements E15/1193 and E15/1296 there are a number of other soil geochemical anomalies and isolated discrete magnetic highs that warrant further investigation. On E15/1193, the intersection of quartz vein structures and a magnetic high immediately to the north constitutes a target of some 2 by 1.5 km in area. On E15/1296, the extension of the north-northeast lineament, its proximity to the Reptile Fault and the interpreted amphibolite/basalt contact constitutes a target area covering 1.5 by 2.5 km in area. The southern target was tested by a total of 338 auger holes. These samples are due to be analysed.

UBINI

The Ubini prospect is located north and south of the Great Eastern Highway within E15/1295 and the adjacent prospecting licences to the west and south. The prospect comprises a mineralised corridor which extends along the north-south contact with the Bali and Calooli Monzogranite and mafic greenstone units. This area represents a separate corridor located to the east of the Bullabulling Shear Zone.

Whilst it is analogous to the Bullabulling Shear Zone it remains relatively poorly tested by drilling. The contact continues to the southeast where it is folded into the southern portion of P15/5618 and dips shallowly to the southwest. The ultramafic contact in this area presents a conceptual exploration target similar to the Lloyd George mine owned by Norton.

To the north, the corridor continues to the historic Helen's Find and Lady Evelyn mines. Total strike length of the corridor and ultramafic contact within GEE's tenure is over 5 km.



Interpreted northeast fault trends continue to the southwest into the Endeavour prospect area and may influence mineralisation in this area. The northeast faults may have dragged the prospective ultramafic contact into the Bali Monzogranite to the northeast. GEE considers this to be a conceptual target that requires further testing in the future.

UBINI LITHIUM PROJECT

Licence E15/1295 contains a pegmatite which hosts an abandoned amblygonite lithium mine. The pegmatite was discovered in 1910 during prospecting for tin. At the time, the pegmatite was of interest for lithium, phosphorous and fluorine with a trial lot sent to London to test the market. The mine was reportedly operated until 1913 when it was abandoned after mining approximately six tonnes of amblygonite material of unknown grade.

The lithium mineralisation is hosted within a weathered quartz-albite-muscovite pegmatite. The grade, size and quality of lithium mineralisation at Ubini are currently unknown. GEE considers the project to be of interest and worthy of follow-up work considering the buoyant nature of the lithium market at present.

DIRECTOR'S
REPORT (CONT)

DIRECTORS' INTERESTS

The interests of the directors in securities of the company at the date of this report are:

Director	Fully Paid Ordinary Shares
Mr Bradd Granville	1,784,877
Mr Stewart Brown	547,112
Mr Paul Jago	487,672
Mr Shaun Melville	700,000

PRINCIPAL ACTIVITIES

The principal activity of the entity during the course of the financial year was to seek appropriate investment opportunities in exploration assets within Australia, offering investors excellent exposure to a range of commodities. There were no significant changes in the nature of the entity's principal activities during the year.

RESULTS

The loss of the company for the financial year was $2,438,570.

FINANCIAL POSITION AND SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The net liabilities of the company at 30 June 2016 were $1,964,458.

Cash on hand at 30 June 2016 totalled $813.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The company will continue to carry on its current business being the exploration of its mineral assets.

DIVIDENDS

No dividends have been provided for or paid by the entity in respect of the year ended 30 June 2016.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Other than as disclosed in Note 16 there have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect:

- the company's operations in future years; or
- the results of those operations in future years; or
- the company's state of affairs in future years

DIRECTORS' MEETINGS

The number of meetings attended by each director during the year is as follows:

Director	Number of meetings held while in office	Number of meetings attended
Mr Bradd Granville	1	1
Mr Stewart Brown	1	1
Mr Paul Jago	1	1
Mr Shaun Melville	1	1

PROCEEDINGS OF THE COMPANY

No person has applied to the Court to bring proceedings on behalf of the company or 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.

The company was not a party to any such proceedings during the year.

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on the next page and forms part of the Directors' Report for the year ended 30 June 2016.

Signed in accordance with a resolution of the directors:

Mr Bradd Granville
Director

Perth, 31 October 2016

INDEPENDENT AUDITOR'S
REPORT

MOORE STEPHENS

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF GOLDEN EAGLE MINING LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Neil Pace

Neil Pace
Partner

Moore Stephens

Moore Stephens
Chartered Accountants

Signed at Perth this 31 day of October 2016

MOORE STEPHENS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDEN EAGLE MINING LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Golden Eagle Mining Limited, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if provided to the directors as at the time of this auditor's report.

MOORE STEPHENS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDEN EAGLE MINING LIMITED *(continued)*

Auditor's Opinion

In our opinion:

a. the financial report of Golden Eagle Mining Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Inherent Uncertainty Regarding Going Concern

We draw attention to note 1(a) of the financial statements which states that the financial statements have been prepared on a going concern basis. The ability of the company to continue as a going concern for at least the next 12 months from the date of our reprot will require it to undertake further capital raisings during this period. Based on prior experience the directors of the company are confident of obtaining the necessary shareholder support if and when required. Notwithstanding this there is some uncertainty of the company achieving these outcomes and consequently we have significant uncertainty as to whether the company will continue as a going concern for a minimum period of the next 12 months. 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 other than as stated in the financial report.

Neil Pace

Moore Stephens

Neil Pace
Partner

Moore Stephens
Chartered Accountants

Signed at Perth this 31 day of October 2016

FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2016

	Note	2016 $	2015 $
Continuing operations			
Other income		114,382	377,394
		114,382	377,394
Expenses			
Administration expenses		(831,692)	(768,684)
Exploration and evaluation expenses		(1,323,285)	(363,198)
Tenement acquisition costs		(62,500)	(245,005)
Fundraising expenses		(209,403)	(27,382)
Other expenses		(126,072)	(15,372)
		(2,552,952)	(1,419,641)
Loss before income tax expense		(2,438,570)	(1,042,247)
Income tax expense	3	-	-
Total comprehensive loss for the year		(2,438,570)	(1,042,247)

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
as at 30 June 2016

	Note	2016 $	2015 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	813	3,808
Trade and other receivables	5	139,640	-
Loans receivable	7	-	10,000
Total Current Assets		140,453	13,808
Non-Current Assets			
Plant and equipment	6	157,078	40,567
Total Non-Current Assets		157,078	40,567
TOTAL ASSETS		297,531	54,375
LIABILITIES			
Current Liabilities			
Trade and other payables	8	1,876,510	716,873
Other amounts payable		154,562	140,562
Borrowings	9	230,917	9,500
Total Current Liabilities		2,261,989	866,935
TOTAL LIABILITIES		2,261,989	866,935
NET LIABILITIES		(1,964,458)	(812,560)
EQUITY			
Issued capital	10	7,522,642	6,235,971
Accumulated losses		(9,487,100)	(7,048,531)
TOTAL EQUITY		(1,964,458)	(812,560)

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2016

	Note	Issued Capital	Accumulated Losses	Total
		$	$	$
Balance at beginning of year		6,235,971	(7,048,531)	(812,560)
Total comprehensive income for the year		-	(2,438,569)	(2,438,569)
Issue of shares	10	1,306,603	-	1,306,603
Share issue costs	10	(19,932)	-	(19,932)
Balance at end of year		7,522,642	(9,487,100)	(1,964,458)

for the year ended 30 June 2015

	Note	Issued Capital	Accumulated Losses	Total
		$	$	$
Balance at beginning of year		5,220,150	(6,006,284)	(786,134)
Total comprehensive income for the year		-	(1,042,247)	(1,042,247)
Issue of shares	10	1,129,837	-	1,129,837
Share issue costs	10	(114,016)	-	(114,016)
Balance at end of year		6,235,971	(7,048,531)	(812,560)

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Cash receipts in the course of operations		11,982	115,504
Payments to suppliers and employees		(1,440,149)	(935,055)
Net cash outflow from operating activities	4	(1,428,167)	(819,551)
Cash flows from investing activities			
Payments for plant and equipment		(60,000)	(15,973)
Net cash outflow from investing activities		(60,000)	(15,973)
Cash flows from financing activities			
Proceeds from issue of shares		1,279,603	963,170
Payments for share issue costs		(19,932)	(113,943)
Proceeds from borrowings		215,501	-
Short-term loan	7	10,000	(10,000)
Net cash inflow from finaneing activities		1,485,172	839,227
Net increase (decrease) in cash and cash equivalents		(2,995)	3,703
Cash and cash equivalents at the beginning of the financial year		3,808	105
Cash at the end of the financial year	4	813	3,808

This statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The ability of the company to continue as a going concern is dependent on the company raising additional funding when required over the 12 months from the date of approval of this report and/or the commercial development or sale of its exploration assets.

Should the company not achieve the matters set out above, the company may not be able to continue as a going concern or may have to dispose of assets other than in the normal course of business. No adjustments related to the recoverability and classification of recorded assets or liabilities related to the above have been made in the financial report.

(b) New and amended accounting policies adopted by the company

The company has adopted all new and revised accounting standards and interpretations that are relevant to its operations and effective for reporting periods beginning 1 July 2015. None of the new and revised standards and interpretations adopted during the year had a material impact.

(c) New accounting standards for application in future periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the company are not expected to impact significantly on the company when adopted in future periods.

(d) Exploration and evaluation assets

Exploration and evaluation expenditure in relation to the company's mineral tenements is expensed as incurred. When the Directors decide to progress the development of an area of interest all further expenditure incurred relating to the area will be capitalised. Projects are advanced to development status and classified as mine development when it is expected that further expenditure can be recouped through sale or successful development and exploitation of the area of interest. Such expenditure is carried forward up to commencement of production at which time it is amortised over the life of the economically recoverable reserves. All projects are subject to detailed review on an annual basis and accumulated costs written off to the extent that they will not be recoverable in the future.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

(e) Cash and cash equivalents

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

(f) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset during their expected useful life of 3 to 5 years.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not shown in the accounts at a value in excess of the recoverable amount from assets.

(g) Fair value estimation

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

The fair value of financial instruments traded in active markets (such as shares in listed companies) is based on quoted market prices at 30 June 2016.

The nominal value, less any estimated credit adjustments, of trade receivables and payables are assumed to approximate their fair value.

(h) Impairment of assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

(i) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed over an ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to note 1(h) for further discussion on the determination of impairment losses.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

(j) Trade and other payables

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(k) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(l) 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 notional income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

A deferred tax asset for unused tax losses is recognised only if it is probable that future taxable amounts will be available to utilise losses.

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 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 assets and settle the liability simultaneously.

(m) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

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

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

The company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments other then loans receivables and financial liabilities, the entity does not currently hold any other classification of financial assets.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(n) Contributed equity

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

(o) Employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

		2016 $	2015 $
3.	**INCOME TAX**		
(a)	**Income tax expense in loss**		
	Current tax expense	-	-
	The prima facie income tax on the pre-accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
	Reconciliation		
	Loss before tax from continuing operations	(2,438,570)	(1,042,247)
	Income tax expense calculated at 30%	(731,571)	(312,674)
	Effect of unused tax losses not recognised as deferred tax assets	(731,571)	(312,674)
		-	-
(b)	**Deferred tax assets comprise:**		
	Deferred tax assets have not been recognised in respect of the following items:		
	Tax losses	(8,991,224)	(6,719,043)
(c)	**Unutilised Australian tax losses**	(8,991,224)	(6,719,043)

The company has no franking credits to offset against future taxable income.

No income tax expense has been provided in the accounts because the company has an operating loss for the year. No future tax benefit attributable to tax losses has been brought to account as recovery is not certain or assured.

The benefit will only be obtained if the company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised, continues to comply with the conditions for deductibility imposed by taxation legislation and there are no changes in tax legislation adversely affecting the consolidated entity in realising the benefit.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

		2016 $	2015 $
4.	**CASH AND CASH EQUIVALENTS**		
	Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
	Cash at bank	810	3,710
	Cash on hand	3	98
	Balance per statement of cash flows	813	3,808
(a)	**Reconciliation of the loss for the year to net cash flows from operating activities**		
	Operating loss	(2,438,570)	(1,042,247)
	Depreciation and amortisation	23,480	6,851
	Decrease/increase in operating assets and liabilities:		
	Trade and other receivables	(139,640)	139,699
	Trade and other payables	1,126,563	76,146
	Net cash outflow from operating activities	(1,428,167)	(819,551)
5.	**TRADE AND OTHER RECEIVABLES**		
	Trade receivables	112,640	-
	Share application funds receivable	27,000	-
	Current tax assets	-	-
		139,640	-
6.	**PLANT AND EQUIPMENT**		
	Plant & equipment – at cost	221,906	81,915
	Accumulated depreciation	(64,828)	(41,348)
		157,078	40,567
7.	**LOANS RECEIVABLE**		
	Loans to related parties	-	-
	Loans to unrelated parties	-	10,000
		-	10,000
	The loans are payable on demand and are non interest bearing		
8.	**TRADE AND OTHER PAYABLES**		
	Trade creditors	1,421,368	385,562
	Current tax liabilities	-	38,226
	Payroll liabilities	455,142	293,085
		1,876,510	716,873

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

		2016 $	2015 $
9.	**BORROWINGS**		
	Loans from associated parties and sharholders	230,917	9,500
		230,917	9,500

The loans are for a fixed period and subect to fixed rates of interest.

10.	**ISSUED CAPITAL**		
	Ordinary and Convertible Preference Shares		
(a)	**Issued and Fully Paid**	7,522.642	6,235,971
(b)	**Movement in ordinary shares on issue**		
	40,576,701 fully paid ordinary shares at the beginning of the year	6,235,971	5,220,150
	Issued during the year:		
	13,066,035 fully paid ordinary shares issued throughout the financial year.	1,286,671	1,015,821
	53,642,736 fully paid ordinary shares at the end of the year	7,522,642	6,235,971

(c) **Rights attaching to ordinary shares and convertible performance shares**

Ordinary shares

i. Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

ii. At shareholder meetings, when a poll is called, each ordinary share is entitled to one vote otherwise each shareholder has one vote on a show of hands.

The company has not issued any options to acquire its ordinary shares.

		2016 $	2015 $
11.	**AUDITORS' REMUNERATION**		
	Fee paid or payable for services provided by the auditors:		
(a)	**Audit services**		
	Audit and review of financial reports under the Corps Act	10,000	14,000
(b)	**Other services**		
	Preparation of investigating accountants report	-	6,000
	Total remuneration of auditors	10,000	20,000

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

12. RELATED PARTY DISCLOSURES

Related party transactions are summarised below.

(a) Remuneration of key management personnel

Key management personnel (KMP) includes any person having authority and responsibility for planning, directing, and controlling the activities of the company including any director. The totals of remuneration paid or payable to the KMP of the company during the year are as follows:

	2016 $	2015 $
Short-term employee benefits	197,976	192,024
Post-employment benefits	18,808	18,242
	216,784	210,266

(b) Other related party transactions

Other related parties include close family members of key management personnel and entities that are controlled by those key management personnel, individually or collectively with their close family members. Loans Receivable (as set out in Note 7) and Borrowings (as set out in Note 9) are with entities associated with directors or shareholders.

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial instruments comprise receivables, payables and cash which arise directly from its operations.

The company manages its exposure to key financial risks, in accordance with its financial risk management policy. The objective of the policy is to support the delivery of financial targets whilst protecting future financial security.

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Risk Exposures and Responses

Interest rate risk

The company generates income from interest on surplus funds.

At balance date, the company had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

	2016 $	2015 $
Financial assets		
Cash and cash equivalents	813	3,808
Other amounts payable	(154,562)	(140,562)
Net exposure	153,749	136,754

The company periodically analyses its interest rate exposure. Within this analysis consideration is given to alternative financing, hedging positions and the mix of fixed and variable interest rates.

At 30 June 2016, if interest rates had moved, up or downwards by 10%, with all other variables held constant, post tax loss and equity would not have been significantly affected.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the company. The company's potential concentration of credit risk consists mainly of cash deposits with banks. The company's short term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the balance sheet date. The company considers the credit standing of counterparties when making deposits to manage the credit risk.

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The company holds the majority of its financial assets as cash deposits and has significant liabilities hence it does not have material liquidity risk at year end.

The remaining contractual maturities of the company's financial liabilities are:

	2016 $	2015 $
12 months or less	2,261,989	866,935
	2,261,989	866,935

Maturity analysis of financial assets and liabilities based on management's expectation

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. To monitor existing financial assets and liabilities as well as to enable effective control of future risks, the company has established risk reporting processes covering its business units that reflect expectations of management of expected settlement of financial assets and liabilities.

2016	≤6 months	6-12 months	1-5 years	>5 years	Total
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	813	-	-	-	813
Trade and other receivables	139,640	-	-	-	139,640
Financial liabilities					
Borrowings	-	(230,917)	-	-	(230,917)
Other amounts payable	-	(154,562)	-	-	(154,562)
Trade and other payables	(1,876,510)	-	-	-	(1,876,510)
Net maturity	(1,736,057)	(385,479)	-	-	(2,121,536)

2015	≤6 months	6-12 months	1-5 years	>5 years	Total
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	3,808	-	-	-	3,808
Trade and other receivables	10,000	-	-	-	10,000
Financial liabilities					
Borrowings	-	(9,500)	-	-	(9,500)
Other amounts payable	-	(140,562)	-	-	(140,562)
Trade and other payables	(726,373)	-	-	-	(726,373)
Net maturity	(712,565)	(150,062)	-	-	(862,627)

Fair values

Fair values of financial assets and liabilities are equivalent to carrying values due to their short terms to maturity.

14. COMMITMENTS

Farm-in and Joint Venture Agreements

The company has no farm-in joint venture agreements with other entities.

Office Rent

The company has no significant obligations in relation to its future rental arrangements.

Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the company is required to meet rent and rate commitments and perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report. The minimum expenditure obligations for the next 12 months are estimated to be $890,290.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

14. COMMITMENTS (continued)

Arrangements with Brokers

On 20 June 2016 the Company entered into a mandate agreement with a broking firm under which the broker has agreed to provide capital raising and corporate advisory services to the Company. The Company has agreed to pay the broker a placement fee of 6% of amounts raised. The broker will also receive a monthly fee of $8,000 for up to 12 months in consideration for advisory services provided. In addition the Company will pay a success fee of 2% of the market capitalisation of the Company on the closing day of listing, to be paid via the issue of fully paid ordinary shares (estimated to be 2,482,469) and 5,000,000 three year 30 cent options.

15. CONTINGENT LIABILITIES

The company has obligations to pay various royalties, based on minerals produced, pursuant to a number of tenement acquisition agreements. The royalties will only become due and payable when and if mining commences.

The directors are not aware of any other contingent liabilities that may have arisen from the company's operations as at 30 June 2016.

16. EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end the company has:

Raised Additional Equity

The Company has continued to raise equity by way of the issue of ordinary fully paid shares so as to fund its operations. Since 1 July 2016 the Company has raised approximately $2.463 million in new equity.

Option Agreement in Relation to Tenement Acquisiton

On 24 November 2010 the company executed an option agreement with Mr Chitty and Devant Pty Ltd ("Grantors") for the acquisition of certain tenements. The tenement acquistion option agreement referred to the above has been extended and varied a number of times (the last variation was dated 25 August 2015). On 15 August 2016 the Company and the Grantors further varied the terms of the Devant/Chitty Tenement Option agreement and Grace Mining Limited agreed to become a party to the agreement. The Grantors and Grace Mining Limited (referred to as the "Sellers") agreed to sell all their rights, title and interest in the Devant/Chitty/Grace tenements. Pursuant to the latest variation the Company's principal obligations are summarised as follows:

- Payment of a variation fee of $125,000;
- Payment of a settlement fee of $196,801 to be paid on settlement;
- The company has agreed to settle certain debt obligations of the Grantor of approximately $1,186,000 via the issue of 5,830,695 fully paid ordinary shares in the company (to be issued to the trustee of a trust established for the benefit of members of the Chitty/Devant Syndicate) and a cash payment of $20,000. If the creditors refuse to accept the shares in settlement then the company has no further obligations to them;
- The Company is required to issue to Mr Chitty 5,000,100 ordinary shares at settlement;
- The Company must use its best endeavours to list on ASX by 31 March 2017. If this is not achieved then the Company must either, provide Devant and Chitty with a transfer in favour of Devant and Charles Chitty, together with the instrument of title and mining information in respect of E15/1193, or pay to Charles Chitty a break fee of $750,000, in which case Devant and Charles Chitty will have no further right to be transferred E15/1193 or the mining information relating to that tenement; and
- On and from the settlement date the Company must pay to Charles Chitty a royalty equally to 2% net smelter return in respect of any revenue received from the sale of gold, nickel, copper and lithium produced from E15/1193.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. EVENTS AFTER THE REPORTING PERIOD (Continued)

Settlement of the amended and restated option agreement, as referred to above, took place on 27 October 2016

Repayment of Other Amounts Payable

On 30 September 2016 these amounts were repaid by way of a cash payment of $157,652 (recorded at 30 June 2016 at a value of $154,562).

Agreement with Raptor Global Corporation Limited

The company had previously engaged Raptor Global Corporation Limited (RGC) to provide consulting services relating to the Offer and proposed ASX listing. The agreement was terminated on 6 September 2016, with effect from 30 June 2016, with the Company required to immediately pay a cash amount of $28,892 and to issue 363,000 fully paid ordinary shares, and to agree on listing on ASX to pay a further amount of $72,600.

Other than as noted above there have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the company's operations in future years or the results of those operations in future years or the company's state of affairs in future years.

DIRECTOR'S DECLARATION

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements, notes and additional disclosures included in the directors' report designated as audited, are in accordance with the Corporations Act 2001, including:

    (a) complying with Accounting Standards and the Corporations Regulations 2001; and

    (b) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date.

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. this declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2016.

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

B. Gil

Mr Bradd Granville
Director

Perth, 31 October 2016