ADITYA BIRLA MINERALS LIMITED

ACN: 37 103 515 037

APPENDIX 4E: PRELIMINARY FINAL REPORT

2015

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This Preliminary Final Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A

Current Reporting Period: 31 March 2015

Previous Corresponding Period: 31 March 2014

For and on behalf of the Directors

PETER TORRE
COMPANY SECRETARY
Dated: 13 May 2015

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue and Net Profit				**AUD $'000's**
Revenue from ordinary activities	down	-81%	to	59,041
Profit (loss) from ordinary activities after tax attributable to members	down	-97,986%	to	(219,712)
Net Profit (Loss) for the period attributable to members	down	-97,986%	to	(219,712)

Dividends

The Board has not declared a dividend in respect to the 2015 Financial Year.

COMMENTARY ON RESULTS AND OTHER SIGNIFICANT INFORMATION

COMMENTARY

The directors report accompany this preliminary final report contains a review of operations and commentary on the results for the year ended 31 March 2015.

NET TANGIBLE ASSET BACKING

	31 Mar 2015 $'000	31 Mar 2014 $'000
Net Assets	**284,538**	**515,262**
Less intangible assets	**-**	**-**
Net tangible assets of the Company	**284,538**	**515,262**
Fully paid ordinary shares on issue at Balance Date	**313,372,551**	**313,372,551**
Net tangible asset backing per issued ordinary share as at Balance Date	**$0.91**	**$1.64**

EARNINGS PER SHARE

Basic Earnings (Loss) Per Share (cents)	(70.11)	(0.07)
Diluted Earnings (Loss) Per Share (cents)	(70.11)	(0.07)

AUDIT DETAILS

The accompanying financial report has been audited.

ADITYA BIRLA MINERALS LIMITED
ABN 37 103 515 037

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
31 MARCH 2015

ADITYA BIRLA MINERALS LIMITED

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ADITYA BIRLA MINERALS LIMITED
DIRECTORS' REPORT

The Directors present their report for the year ended 31 March 2015.

DIRECTORS

The names and details of the Directors of Aditya Birla Minerals Limited in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Debu Bhattacharya (Non-Executive Chairman)
Mr Neela Madhab Patnaik (Chief Executive Officer and Managing Director) (appointed 10 February 2015) (earlier appointed as Non-Executive Director on 15 October 2014)
Dr Sunil Kulwal (Chief Executive Officer and Managing Director until 9 February 2015 - resigned 28 February 2015)
Mr Mysore Prasanna (Independent Non-Executive Director)
Dr Suresh Bhargava (Independent Non-Executive Director)
Mr Maurice Anghie (Independent Non-Executive Director)
Mr Narayan Krishnan (Independent Non-Executive Director)
Mr Dilip Gaur (Non-Executive Director) (resigned 15 October 2014)
Mr Jagdish Chandra Laddha (Non-Executive Director) (appointed 15 October 2014)

Names, qualifications and special responsibilities

Mr Debu Bhattacharya (Non-Executive Chairman)

Qualifications:	Bachelor of Technology with Honours in Chemical Engineering
Experience and other directorships:	Mr Bhattacharya heads Aditya Birla Group's Global metals business having consolidated revenues of over US$17 billion and is the Managing Director of Hindalco Industries Limited (Hindalco) since 2 October 2003, the flagship company of Aditya Birla Group, a 2010 Forbes Asia "Fabulous 50" company. He is also the Vice Chairman of Novelis Inc, the largest aluminium rolled products company in the world, and a wholly owned subsidiary of Hindalco. Prior to assuming charge as the Managing Director of Hindalco, Mr Bhattacharya was the Managing Director of Indo Gulf Corporation Limited. Mr Bhattacharya is also the Chairman of Utkal Alumina International Limited, a wholly owned subsidiary of Hindalco, as well as director of Aditya Birla Management Corporation Limited, Birla Management Centre Services Limited, Dahej Harbour and Infrastructure Limited, another wholly owned subsidiary of Hindalco, Minerals and Minerals Limited, Aditya Birla Power Company Limited and Aditya Birla Science and Technology Company Limited. Prior to joining the Aditya Birla Group, Mr Bhattacharya spent close to 30 years with Unilever, where he held several key responsibilities and worked in several key roles for its Indian & Overseas operations. He led the chemical business of Unilever in India before moving to the Aditya Birla Group in 1998.
Awards / rewards / honors	Mr. Bhattacharya is the recipient of the prestigious "India Business Leader of the Year Award (IBLA) 2005" and the much coveted "The Asia

	Corporate Citizen of the Year Award (ABLA) 2005". Mr. Bhattacharya is the recipient of the LEXI Award 2007 for Strategic & Leadership Excellence. Mr. Bhattacharya is the recipient of the "Corporate Excellence Award 2010" for his outstanding leadership & innovative approach in ensuring global excellence of The Indian Aluminium Industry. 'Hindalco', under Mr. Bhattacharya's leadership, has earned 'Forbes Asia "Fabulous 50' Award"2010. Mr. Bhattacharya is the recipient of the "Qimpro Gold Standard (Business) 2010" for successfully implementing world-class quality practices and achieving outstanding performance results. Mr. Bhattacharya is the recipient of the "IIM-JRD Tata Award 2011" for Excellence in Corporate Leadership in Metallurgical Industries'. Mr. Bhattacharya is the recipient of the "Fray International Sustainability Award 2011" for leadership in developing & applying new innovative business plans & operations for sustainability development of the Company in the environmental economic & social point of view. IIT Kharagpur has conferred upon him the "Distinguished Alumnus Award - 2012" on the occasion of the Institute's Diamond Jubilee completing Foundation Day.
Special Responsibilities:	Member of the Remuneration and Nomination Committee

Dr Sunil Kulwal (Chief Executive Officer and Managing Director until 9 February 2015) – (Resigned w.e.f 28 February 2015)

Qualifications:	Bachelor of Commerce, Doctor of Philosophy (Ph.D.) Chartered Accountant (ICAI), Company Secretary (ICSI)
Experience and other directorships:	Dr Kulwal was CEO and Managing Director of Aditya Birla Minerals Limited until 9 February 2015. He has a wide ranging experience of over 30 years in leadership positions across various industries including metals, mining and chemicals. He has successfully handled various roles spanning from profit centre head responsibility to new project execution, strategy development & deployment for global business growth. Professionally Dr Kulwal is a qualified Doctor of Philosophy (Ph.D.), Chartered Accountant and Company Secretary. He has demonstrated a track record of turning around businesses through participative management culture and providing strategic direction. He has presented various papers in international conferences across the globe. Dr Kulwal was previously Executive President of Grasim Industries Limited, Chemical Division, a company within the Global Aditya Birla Group, where, amongst the general duties imposed upon a chief executive, he was responsible for developing plans for a US$900 million new Chemical Complex. Dr Kulwal is a Chevening Scholar. He is also a recipient of Rajiv Ratna National Award for the Best Chief Executive and Paul Harris Fellow title from the Rotary Foundation of Rotary International. He is a member of Executive Council of The Chamber of Minerals and Energy of Western

	Australia. In the past he has served as Vice President of Alkali Manufacturer's Association of India, member of the Global Mercury Assessment Working Group of United Nations Environment Programme and member of Management and Systems Division Council of Bureau of Indian Standards.
Special Responsibilities:	Chief Executive Officer and Managing Director of Aditya Birla Minerals Limited up to 9 February 2015

Mr Mysore Prasanna (Independent Non-Executive Director)

Qualifications:	Bachelor of Science, Master of Law
Experience and other directorships:	Mr Prasanna commenced his career as an independent counsel and began his corporate career with General Insurance Corporation of India and worked for over 29 years with organizations including Alfa Laval, Brook Bond India Limited and Larsen & Toubro Limited. Mr Prasanna joined the Aditya Birla Group as President, Corporate Legal Cell and was instrumental in establishing the Corporate Legal Cell for the Aditya Birla Group. Mr.Prasanna retired from that position on 30th April 2010. He is currently an Independent Legal Consultant at Bangalore, India. Mr.Prasanna is on the Board of many Companies both in India and abroad. He is also an independent Director on the board of RSB Transmissions (I) Limited, Pune, India. He is on the Advisory Board of OPC Asset Solutions Pvt Limited, Mumbai and Economic Law Practices, a Mumbai based law firm. Mr Prasanna was the Chairman of the Legal Affairs Committee of Bombay Chamber and was the Co-Chairperson of the Legal Affairs Committee of Associated Chambers of Commerce and Industry of India. He is also an arbitrator and is on the Panel of Arbitrators maintained by: 1.The Singapore International Arbitration Centre 2. The Kuala Lumpur Regional Arbitration Centre and 3. The Nani Palkhivala Arbitration Centre, Chennai, India. He is a Councillor on the Souther India User's Council of the London Court of International Arbitration (India). He is also the Vice-President (South) of International ADR Association, Kochi, India. Mr Prasanna is the recipient of the "Best In House Counsel" award by Asia Law, Hong Kong in 2005 and 2007. In November 2006, he was conferred the prestigious "National Law Day" Award by the Honourable Prime Minister of India. In 2011, Mr.Prasanna was conferred the award for outstanding achievement as a general counsel by International Financial Law Review- Asia Law. In March 2014, Mr.Prasanna was conferred the Life Time Achievement Award for a General Counsel by Legal Era, a reputed law magazine. He is a member of the International Bar Association and is on the Editorial Board of India Business Law Journal & Asia IP Magazine both published from Hong Kong
Special Responsibilities:	Member of the Audit, Compliance and Risk Committee

Dr Suresh Bhargava (Independent Non-Executive Director)

Qualifications:	Doctor of Philosophy (Applied Science): D.Sc (RU) & Fellow of Royal Australian Institute of Chemistry, Fellow of Australian Academy of Technological Sciences and Engineering (FTSE), Foreign Fellow Indian National Academy of Engineers
Experience and other directorships:	Dr Bhargava is Professor and Chair of Industrial Chemistry at RMIT University. He is also Director of the Integrated Victorian XRD and Materials Characterization Facility and the RMIT Vibrational Spectroscopy Facility, unique collaborative facilities established in alliance with other Victorian universities and major industry groups and with support from the Australian Research Council. He is also the Director of Centre of Advanced Materials and Industrial Chemistry, A Centre of research excellence at RMIT University, Melbourne. Dr Bhargava has more than 22 years of experience working with many Australian resource companies on various aspects of mineralogy and hydrometallurgy and environmental issues including technology development. He has worked on various projects with Alcoa, BHP Billiton, Mobile Exxon and Rio Tinto. Among many distinguished awards and achievements throughout his career, Dr Bhargava has received the 2006 Vice-Chancellors highest Award for Research Excellence, R K Murphy Award - the most coveted industrial chemistry award in Australia presented by Royal Australian Chemical Institute. Recently he has been elected as a Fellow of one of most prestigious Academies of Australia, the Australian Academy of Technological Sciences and Engineering (ATSE). In 2013, he was awarded one of the most prestigious awards "Applied Science Award" of Royal Australian Chemical Institute.
Special Responsibilities:	Chairman of the Remuneration and Nomination Committee

Mr Maurice Anghie (Independent Non-Executive Director)

Qualifications:	Bachelor of Business, Fellow Chartered Accountant, Fellow Certified Practising Accountant, Member of the Australian Institute of Company Directors
Experience and other directorships:	Mr Anghie is an experienced, qualified professional possessing a range of commercial and financial skills. Having worked extensively in the listed corporate environment, he possesses legal, regulatory and governance expertise. He has been an Audit and Corporate Finance Partner in many Chartered Accounting Firms for many years. He is currently an Independent Corporate consultant and a non-executive director of Wollongong Coal Ltd (formerly known as Gujarat NRE Coking Coal Ltd) from 11 May 2007.
Special Responsibilities:	Chairman of the Audit, Compliance and Risk Committee

Mr Narayan Krishnan (Independent Non-Executive Director)

Qualifications:	Master of Science – Geoscience, Bachelor of Technology – Metallurgy (First Class), Member of the Australasian Institute of Mining and Metallurgy
Experience and other directorships:	Mr Krishnan has amassed an extensive industrial career spanning a period of over 37 years in the field of non ferrous extractive metallurgy

	including operations management, technical development and process design. He has worked in various capacities during his career at MIM Holdings, Pasminco and more recently as the group advisor metallurgy at WMC Resources Ltd, where the role included operations review, operations support, strategy input, technical advice to copper, nickel and fertiliser business and the management of external research projects. Mr Krishnan established a private technical consultancy firm, OM Metals Trust Pty Ltd, in 2004 and has been involved in providing high level technical advice and strategy input to large mining companies.
Special Responsibilities:	Member of the Audit, Compliance and Risk Committee and the Remuneration and Nomination Committee

Mr Dilip Gaur (Non-Executive Director) – resigned on 15 October 2014

Qualifications:	Bachelor of Technology in Chemical Engineering
Experience and other directorships:	Mr Gaur is a chemical engineer with more than 34 years experience in leadership positions in a cross section of Industries spanning Petroleum Refining, Petro chemicals, FMCG, speciality and Industrial chemicals, Fertilisers & Agriproducts, Nonferrous metals, oils and oleochemical etc. in India, Malaysia and Egypt. He heads the Copper Business of Hindalco Industries Limited as a Group Executive President. Prior to joining Aditya Birla Group, Mr. Gaur has worked with Hindustan Unilever (HUL) for 24 years; he was a member of HUL's Foods Management committee. He was Managing Director of Aditya Birla Group's Carbon black business in Egypt – an Indo-Egyptian joint venture, before moving to Hindalco Industries Limited. He is currently a Director of Dahej Harbour and Infrastructure Company, a wholly owned subsidiary of Hindalco Industries Limited. Mr. Gaur has a demonstrated track record of building robust businesses, turning around fledging ones & delivering exceptional results under challenging conditions across geographies.
Special Responsibilities:	Not applicable

Mr Neela Madhab Patnaik (Chief Executive Officer and Managing Director)

Qualifications:	B. Com, F.C.A, A.C.S, PGDM, LLB
Experience and other directorships:	Mr Patnaik has held various roles within the Aditya Birla Group ranging from Finance and Commercial Head of the Copper Smelting operations, Head of Copper Concentrate procurement cell and subsequently Head of the Central Procurement Cell for the Hindalco Group (total purchases -$4 billion/annum). Mr Patnaik has demonstrated a consistent proactive performance during his tenure at Hindalco. He demonstrates a strong 'can do' attitude, bias for action and excellent networking skills with a proven track record of delivering stretched targets against odds. Mr Patnaik has developed relationships in a multi-cultural/multi geographic context which he has leverage very effectively with Global Copper Miners and Traders in his concentrate procurement roles. Before joining the Aditya Birla Group, Mr. Patnaik has worked in the Steel conglomerates like Steel Authority of India, Mittal Steel in Philippines and Jindal Steel in India.
Special Responsibilities:	Chief Executive Officer and Managing Director of Aditya Birla Minerals Limited effective from 10 February 2015

Mr Jagdish Chandra Laddha (Non-Executive Director)

Qualifications:	C.A.
Experience and other directorships:	Mr Laddha has a Chartered Accountant qualification and over three decades of experience of which two and a half have been with the Aditya Birla Group, a USD 40 billion global Group with operations in 36 countries across the globe. Mr Laddha joined the Aditya Birla Group in 1991 as the Head of Finance and Commercial for Mangalore Refineries and Petrochemicals Ltd (MRPL) based at Mumbai/Mangalore and moved back to the Aditya Birla Group in 2004. Prior to this he held various roles at Hindustan Lever Ltd, Indian Rayon Corp Ltd, and National Rayon Corporation Ltd. As a CFO of MRPL, Mr Laddha led successful financial restructuring of MRPL which was the largest financial restructuring in corporate India at that time. As the head of the Management Services Division (MSD) he steered a new direction to the function which resulted in the realisation of the synergies across the Group's businesses. He also effectively facilitated the Group wipe Collaborate and Scale Higher (CASH) initiative leading to substantial cost savings. Mr Laddha has served as internal consultant across the Aditya Birla Group in commercial areas. Mr Laddha's experience extends across various industry sectors of Viscose Filament Yarn (VFY), Nylon tyre cord, Heavy Chemicals, Aluminium, Oil & Gas to Fertilizers and insulators. As a CEO of the insulators and fertilizers business of Aditya Birla Nuvo Ltd, Mr Laddha was responsible for providing direction and leadership to these businesses. He has successfully held this position from June 2010 until the present time. Mr Laddha has recently been appointed to Hindalco Industries Limited as Head of its Copper Business as a Group Executive President, to replace Mr Dilip Gaur. Mr Laddha brings a wealth of experience to the Company and will add significantly to the existing skill set of the Board
Special Responsibilities:	Not Applicable

COMPANY SECRETARY

Mr Peter Patrick Torre

Mr. Torre is the principal of the corporate advisory firm, Torre Corporate, which provides corporate secretarial services to a range of listed companies. Prior to establishing Torre Corporate, Mr Torre was a partner and Chairman of the National Corporate Services Committee of an internationally affiliated firm of Chartered Accountants working within its corporate services division for over nine years. Mr Torre is the company secretary of several ASX-listed companies and a director of Mineral Commodities Ltd and is one of the founding directors of the charity organisation, "A Better Life Foundation WA".

Mr Torre holds a Bachelor of Business, is a Chartered Accountant, a Chartered Secretary and is a member of the Institute of Company Directors.

INTERESTS IN THE SHARES OF THE COMPANY

The relevant interests of directors either directly or through entities controlled by the directors in the share capital of the Company as at the date of this report are:

Director	Ordinary Shares
Mr Debu Bhattacharya	-
Mr Neela Madhab Patnaik	-
Dr Sunil Kulwal	-
Mr Mysore Prasanna	-
Dr Suresh Bhargava	-
Mr Maurice Anghie	-
Mr Narayan Krishnan	-
Mr Dilip Gaur	-
Mr Jagdish Chandra Laddha	-

DIVIDENDS

No dividends were declared or paid with respect to the current financial year ended 31 March 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries ("the Group") during the course of the financial year were the exploration, mining, processing and sale of copper concentrate. There has been no change in these activities during the financial year.

OPERATING AND FINANCIAL REVIEW

The Group's net loss from continuing operations after income tax for the year is $219.712 million (2014: Net loss of $0.224 million).

Particulars		**FY15**	**FY14**	**% Variation**
Concentrate Operations:				
Mining				
Ore Mined	Tonnes	954,861	2,299,247	-58%
Grade	%	1.56%	2.1%	
Cu Contained	Tonnes	14,922	47,952	-69%
Processing				
Ore Processed	Tonnes	917,176	2,317,752	-60%
Grade	%	1.56%	2.1%	
Cu Contained in Ore Processed	Tonnes	14,359	48,611	-70%
Recovery	%	88.43%	91.7%	
Concentrate produced	Dry Tonnes	57,439	185,535	-69%
Concentrate grade	%	22.10%	24.02%	
Cu in Concentrate Produced	**Tonnes**	**12,698**	**44,565**	**-72%**
Total Copper Sales	**Tonnes**	**9,338**	**46,029**	**-80%**
Financial Results:				
Sale of Product	A$ 000's	57,148	315,424	-82%
Net realisation rate per tonne (net of Tc/Rc charges)	A$	6,120	6,853	-11%
Nifty C1 cost (excl. suspension period cost) *	A$/lb	4.12	2.63	-57%
(Loss)/Earnings Before Interest and Tax	A$ 000's	(271,917)	(942)	
(Loss)/Earnings Before Tax	A$ 000's	(273,342)	(4,267)	
(Loss)/Profit After Tax	A$ 000's	(219,712)	(224)	

***NON IFRS MEASURE**

RECONCILIATION OF C1 COST OF PRODUCTION TO COST OF SALE (unaudited)

	UoM	FY 2015	FY 2014
Cost of production (C1) per lbs *	A$	4.12	2.63
Cost of production (C1)	'000	111,310	259,962
Less : TCRC	'000	6,539	24,059
Add :Depreciation & amortisation	'000	20,065	54,804
Add :Royalties	'000	2,953	13,714
Inventory movement	'000	(22,266)	7,301
Cost of sales	**'000**	**105,523**	**311,722**

C1 cost, which is a non-IFRS measure, is a widely used 'industry standard' term. We use this measure as a meaningful way to compare our performance from period to period. We believe that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate our performance. C1 cost information (unaudited) has been extracted from the financial statements.

*C1 cost for FY 2015 is exactly not comparable with that of FY 2014 due to operations were in ramp up phase after re-start up post sinkhole and the mining and processing volumes were much lower compared to FY 2014

Nifty Copper Operations

Nifty Sulphide Project

On 20 March 2014, the Group observed a sinkhole at the open pit of the Nifty mine. Subsequently a Prohibition Notice (NP-512-161924) was issued by the Government of Western Australia's Department of Mines and Petroleum suspending all mining operations to undertake the investigation by an experienced geotechnical expert to establish the cause of the sinkhole and any safety implications from the sinkhole which may affect underground mining operations. The sinkhole event was then investigated by the Company with the help of an external experience geotechnical expert.

The investigation into the sinkhole, accomplished through diamond drilling between May and June 2014, had the key objectives to:

- Establish the extent of the sinkhole.
- Confirm the extent and status of the aquifer.
- Identify voids near or above open stopes that could potentially self-propagate into new sinkholes.

The following conclusions were made at the completion of the investigations:

- The absence of groundwater in the probe holes intersecting the sinkhole and open stope voids significantly reduced the risk of inrush of water.
- The plunge of the acquifer layer is generally shallower towards the east than the earlier 2008 model. The indication on the plunge and higher aquifer elevation mitigates favourably the risk of its proximity to underground workings.
- The continued absence of remnant voids in the sinkhole cone means that the risk of air blast from the sinkhole is minimal.
- The intersection of void above localised stopes, which have propagated vertically, indicated a likelihood of certain voids may have coalesced and may be a potential risk/s for the development of another chimney cave/s.

The cause of the sinkhole at Nifty was due to a chimney cave. The actual trigger for the initiation of the chimney cave at Nifty cannot be determined, although it is noted that rockmass quality progressively deteriorates above the orebody. It is interpreted that a slowly propagating hangingwall failure, insufficient in itself to raise concerns about future instability, eventually reached weaker material, which then led to the rapid development of the chimney cave.

Having completed the risk assessment associated with the sinkhole, new and additional management and monitoring systems were implemented, and the DMP allowed for the resumption of operations in July 2014. An amended production schedule was derived with assistance and advice of external experts.

Ore mined was 954,861 tonnes, representing a decrease of 58% on the previous year, having operated for two thirds of the year as a result of the sinkhole.

The Nifty Copper Sulphide Concentrator produced 12,698 metric tonnes of copper in concentrate as compared to 44,071 metric tonnes of contained copper the previous year, a decrease of 71%. The mill throughput, decreased by approximately 60 % year on year, with 917,176 tonnes being treated on a campaign milling strategy of 2 weeks on and 1 week off.

Similarly, the paste plant production decreased by 59% to 341,394 m3 compared to the previous year's paste filling of 828,645 m3 in line with reduced volume of ore mined.

The Company reviewed the carrying value of its assets and impaired the Cash Generating Unit (CGU) by A$117.19 million. The impairment is mainly attributable to:

i. a reduction in Reserves by ~75kt of contained copper resulting from the geological impact, a change in mining methodology and change in resource to reserve conversion, as a result of the sinkhole incident and change in macro economic conditions (copper price and AUD/USD exchange rate).
ii. A change in production profile of the Nifty mine due to constraints resulted from the sinkhole incident, having an adverse impact on LOM costs, annual revenues and NPV.

Nifty Oxide

The Nifty Oxide operations continued to be under care and maintenance. Work continued to evaluate the status of the current infrastructure and suitable alternative treatment processes for Oxide ore. The drilling of the heap material was undertaken in the first half of the year to gather bulk samples for metallurgical work and further evaluation. Accordingly an ASX release for Heap Leach Pad ("Pad") resource estimation was made on 20 November 2014 to announce a Resource of 3.13Mt of ore in the Pad at average grade of 0.74% Cu containing 23,155 tonnes of copper in the resource at a cut-off grade of 0.5% Cu.

A further RC drilling programme was conducted on the Nifty Heap Leach Pad during the January to March 2015 quarter. A total of 41 holes were drilled (50X50m) on the 2007 drilled surface area. The 2007 drilling programme collected single samples representing the entire hole and the 2015 drilling programme sampled and assayed 1m intervals over the full length of all holes in the 2007 drilled out area.

The Company has received results of drill sample testing on the Heap Leach Pad resource in March 2015. Accordingly an updated resource estimation as at 31 March 2015 was announced on 28 April 2015 for the in-situ Mineral Resource for the Heap Leach Pad ("Pad"), at a cut-off of 0.5% Cu, of 3.31Mt @ 0.73% Cu containing 24,163 tonnes of copper in the resource. Subsequently, composite samples were taken for metallurgical test work. The metallurgical test work will be carried out in the next financial year. As per the results of drilling samples and after evaluation of various technical options to recover the copper from the heaps in an economical manner, the Company re-worked the impairment model based on selective reclaim of high grade material only and processing it through the existing concentrator plant. As per the revised methodology, the impairment of the Oxide ore inventory is A$72.53 million (for the half year ended 30

September 2014, the impairment was $68.51 million and this increased to $72.53 million due primarily to a change in copper price assumptions). As the Company will use the existing concentrator plant to process oxide ore inventory, it has impaired the value of the SX/EW plant and related spares by A$8.19 million (for the half year ended 30 September 2014, the impairment was $6.19 million).

Mount Gordon Operations

As previously reported, the company engaged the Corporate Advisory division of the ANZ bank to undertake a strategic review of the Mt Gordon Operations. ANZ submitted their recommendations to management.The Company was engaged in negotiations with a potential acquirer for a 100% divestment of shares in Birla Mt Gordon Pty Ltd who subsequently withdrew the offer. Based on a valuation carried out by an independent expert, the Company has impaired the assets of Mt Gordon by A$21.12 million (for the half year ended 30 September 2014, this amount was A$31.04 million based on the best offer provided by a potential acquirer at the time).

The Mt Gordon mine is under care and maintenance in the current period. Currently, underground dewatering and work to comply with the environmental court order are being carried out. However, due to heavy rains during the first half of January 2015, the water level in the pit increased significantly making compliance with the court order extremely difficult by 31 March 2015. The Company has submitted a detailed report to DEHP on all reasonable steps taken to meet the court order requirement and made a request to DEHP to consider the January 2015 rain event as an extra ordinary event which resulted in the Company not being able to meet the water reduction target. The response from DEHP is still awaited.

The Environment Authority (EA) amendment application to change the Mandatory Reporting Level (MRL) in the Esperanza Pit submitted to DEHP in Queensland was approved by DEHP as previously reported in the ASX release dated 31 July 2014, however there were objections by the stakeholders and the matter was referred to the Land Court. The Company has recently reached to an agreement with the stakeholders and the objections have been withdrawn by the stakeholders and the case has been removed by the Land Court. Accordingly, DEHP has issued revised EA on 8 May 2015 changing the MRL from 184RL to 217.5RL.

Maroochydore Operations

A maiden primary sulphide in-situ Inferred Mineral Resource of 5.43Mt @1.66% Cu, 292ppm Co above a cut-off grade of 1.10% Cu, containing approximately 90,000 tonnes of copper was released to the ASX dated 30 April 2014. This is most notable as comprising the first primary copper sulphide resource to be identified in the Great Sandy Desert since the discovery of Nifty.

Geophysical modelling of high resolution aeromagnetic data suggests that the Maroochydore deposit lies within a north-trending structural corridor and that a possibility exists for a structural repetition of the mineralised horizon to occur to the west of the resource area. Primary copper sulphide mineralisation remains open along strike and down dip.

A programme of 8,500m of Diamond, Reverse Circulation and Air Core drilling, planned to test for extensions to known mineralisation and to the west of the resource area during FY15, could not be undertaken as a consequence of the sinkhole incident at the Nifty mine site in March 2014.

Three Exploration licences, E45/1840, 1841 and 3011, were granted during the year.

To mitigate additional cash outflows whilst the Nifty operations are in the process of being ramped up the company has elected to cease all exploration activities across each of its tenement holdings other than meeting regulatory exploration requirements. This will be reviewed in the future upon improvement of business conditions.

ANALYSIS

Operations

The company's copper production decreased by 72% mainly due to the sinkhole incident followed by the Prohibition Notice issued by the DMP. Correspondingly, the sales volume also declined by 80% compared to the previous year.

The profitability during the year was adversely affected and lower than the previous year mainly due to the following factors:

1. The copper production at Nifty was lower by 71% during the FY14-15 at 12,698 tonnes compared to the previous year FY14 production of 44,071 tonnes. The ore mined was 0.95 million tonnes representing a decrease of 58% compared to the previous year ore mined of 2.28 million tonnes mainly due to the sinkhole incident. The average head grade reduced to 1.56% (2.08% in FY14).
2. The company incurred $22.113 million of costs while operations were suspended post the sinkhole incident.
3. The realisation rate per tonne of copper (net of Tc/Rc charge) reduced by 11% from A$6,853/t in FY14 to A$6,120/t in FY15 due to the sharp fall in LME copper prices despite the depreciation of AUD vis-à-vis USD.
4. The C1 cost per pound of copper increased to A$4.12 /lb in FY15 compared to A$2.63/lb in FY14 due to lower copper production in spite of the significant reduction in absolute costs achieved through various cost optimization measures.
5. The Mt Gordon operations have been put under Care and Maintenance since April 2013 due to high unit cost of production per tonne of copper on account of lower production rates coupled with lower LME Copper prices. Overall care and maintenance costs have been reduced by 44% at $7.8 million in FY15 compared to $13.9 million incurred in FY14.
6. The Company received a gain of $16.87 million on cancellation of derivative contracts for copper and currency due to uncertainity of the production from Nifty post sinkhole. The company also received a net foreign exchange gain of $11.90 million ($15.48 million in FY14) mainly on USD term deposits due to the depreciation of the Australian dollar.

Financial position

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Performance Measures	**FY11**	**FY12**	**FY13**	**FY14**	**FY15**
Net fixed assets	381,747	364,258	360,493	355,024	215,815
Net working capital (Excluding cash)	8,555	50,917	56,375	51,062	29,368
Cash	143,969	117,709	100,413	136,776	55,226
Issued capital	450,663	450,663	450,663	450,663	450,663
Retained earnings/(Accumulated losses)	79,427	77,787	53,811	53,587	(166,125)

Total capital expenditure for the year was $16.164 million on mine development, exploration and general sustenance capex against previous year's capital expenditure of $33.774 million. The Company critically reviews its capital expenditure in the light of its cash flow generation.

Net working capital decreased by 42% as at 31 March 2015 compared to 31 March 2014. The Company has cash and cash equivalents of $55.226 million as at 31 March 2015 as compared to $136.776 million as at 31 March 2014. The following are the major reasons for the sharp decrease in the Group's cash balance –

1. A$22.113 million of expenses during the suspension period at Nifty post sinkhole incident
2. Costs incurred for Mt Gordon C&M to the extent of $7.8 million.

3. Lower production during the period August 2014 to March 2015 due to restricted access to Nifty ore body, ramp up of production from unrestricted areas and high employees turnover post re-start up of operations adversely affected the Nifty's profitability
4. Shipment planned in March 2015 was delayed due to delayed arrival of the vessel which finally left in first half of April 2015 resulting in a deferment of the cashflow of ~A$20 million to FY 2016.
5. Security deposit of $19.023 million was given to the bank in compliance of the finance facility

Due to uncertainty of the production from Nifty post sinkhole incident, the Group cancelled the derivative contracts which it entered into to minimise the market risk for future copper production and USD currency exposure which resulted in a net gain of A$16.87 million.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Nifty

On the basis of the new reserve statement after taking into account the sinkhole impact and current economical conditions, the remaining mine life of Nifty is estimated at ~5 years based on current Life of Mine Plan (LOMP).

The amended mining approach has been constrained by the adopted retreat sequence from south to the north. Mid-level stope accesses and slowly deteriorating ground conditions have proven challenging for the past year and will constrain the coming year. A comprehensive production schedule, which mitigates the key challenges, provides improved contingency and promises to deliver positive cash flows for the mine, has been completed and execution has commenced.

The cost optimization will continue to be a focus area going forward with various initiatives already implemented and others scheduled for the future. The estimated site cost for FY16 is A$ 135-145 million for the full year.

The Company will focus on returning to planned Nifty production in the Checker Board area targeting high grade stopes for the coming year. The forecast production from Nifty for FY 2016 is in the range of 27-29 kt.

The Company will continue to rationalise the capex spending. The estimate for capex spending for FY16 is A$14-19 million.

The Company's Board of Directors has resolved to undertake a review of the Company's strategic options with a view to maximising value for all shareholders **(Strategic Review)**. The Strategic Review will consider corporate and operational strategies, and include a review of ownership options available to the Company.

The Company has also decided to cease all exploration activities for the coming year except meeting regulatory exploration requirements, which will be reviewed in the future when business conditions improve.

Mt Gordon

The company will continue to evaluate non binding offers/other strategic alternatives for Birla Mt Gordon to maximize shareholders value.

Maroochydore

To mitigate additional cash outflows whilst the Nifty operations are in the process of being ramped up the Company has elected to cease all exploration activities across each of its tenement holdings other than meeting regulatory exploration requirements. This will be reviewed in the future upon improvement of business conditions.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors there are no significant changes in the state of affairs of the Company or of the Group that occurred during the financial year not already disclosed in this report, the financial statements or notes attached thereto.

SIGNIFICANT EVENTS AFTER BALANCE DATE

In the opinion of the Directors there are no significant events after balance date of the Company or of the Group that occurred during the financial year not already disclosed in this report, the financial statements or notes attached thereto.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company's operations are subject to strict environmental regulations under Western Australia and Queensland legislation in relation to its mining activities. The Company undertakes regular monitoring of licence requirements, with performance against licence conditions reported to regulators on a regular basis. The Company also monitors progress of the operations towards meeting the requirements of the mining industry code for environmental management.

Nifty successfully submitted all annual reporting on time in order to meet compliance with the operating license and regulations. For mine closure planning, Nifty set up additional vegetation trials on the waste dump, continued seed collection and weed control, and began a cover trial to investigate the long term performance of future waste dump covers. Nifty received approval from the regulators for the discharge of excess mine water which gives the site flexibility in managing a positive water balance.

All the actions required under Transitional Environment Program at Mt Gordon were completed in a timely manner. The Environment Authority (EA) amendment application to change the Mandatory Reporting Level (MRL) in the Esperanza Pit submitted to DEHP in Queensland was approved by DEHP as previously reported in the ASX release dated 31 July 2014, however there were objections by the stakeholders and the matter was referred to the Land Court. The Company has recently reached an agreement with the stakeholders and the objections have been withdrawn by the stakeholders and the case has been removed by the Land Court. Accordingly, DEHP has issued revised EA on 8 May 2015 changing the MRL from 184RL to 217.5RL.

All reasonable actions to reduce water from the Esperanza Pit was taken to meet the court order target of 311ML net reduction. However, in the month of January 2015, a substantial amount of rainfall took place and the court order targets were not met. The Company has submitted a detailed report to DEHP on all reasonable steps taken to meet the court order requirement and made a request to DEHP to consider the January 2015 rain event as an extra ordinary event which resulted in the Company not being able to meet the water reduction target. The response from DEHP is still awaited.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company's parent, Hindalco Industries Limited, has taken a policy under which all Directors and Officers of Hindalco and all its subsidiary companies (worldwide) are both indemnified and insured to the extent permitted under the Corporations Act 2001. The policy in turn serves to cover all Directors and Officers of Aditya Birla Minerals Limited and its subsidiary companies in Australia. Due to a confidentiality clause in the policy, the amount of the premium and the nature of the cover have not been disclosed.

REMUNERATION REPORT (AUDITED)
This remuneration report for the year ended 31 March 2015 outlines the remuneration arrangements in place for Directors and other key management personnel of Aditya Birla Minerals Limited and its subsidiaries, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

For the purposes of this report, Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director of the Company.

a) Compensation of Key Management Personnel

It is the Company's objective to attract and retain high quality Directors and executive officers. One aspect to achieve this is by remunerating Directors and executive officers in a manner consistent with employment market conditions. To assist in achieving this object, the Company may link the nature and amount of executive Directors' and officers' emoluments to the Company's financial and operational performance.

The Remuneration and Nomination Committee is delegated the task of reviewing packages to attract and retain Directors and executives of the calibre necessary to ensure the success of Aditya Birla Minerals Limited. However, the Committee will avoid paying more than is necessary or deemed reasonable to achieve this aim. To this end, the Committee has the power to use the services of an external remuneration consultant. No external remuneration consultants have been used in the current financial year. The Committee may from time to time recommend to the Board for its approval, the creation or amendment of executive incentive schemes.

The CEO and Managing Directors salary package is reviewed annually based upon a recommendation from Hindaclo Industries Limited, with the objective of making it competitive relative to industry measures.

Non-Executive Directors
Independent non-executive Directors will receive a set fee per year and be reimbursed for out-of-pocket expenses incurred as a result of their directorship or in connection with the business of Aditya Birla Minerals Limited.

The annual fee of each independent non-executive Director is $88,550. The fee represents the total reward arrangement inclusive of superannuation contributions. Independent non-executive Directors will not receive any other retirement benefits.

Additionally, the independent non-executive Directors receive an annual fee of $7,500 for being a member of a Board Committee or an annual fee of $17,500 for being a Chairman of the Audit, Compliance and Risk Committee or $12,500 for being Chairman of the Remuneration and Nomination Committee (each of these additional fees being exclusive of superannuation contributions).

Hindalco-nominated non-executive Directors will be reimbursed for out-of-pocket expenses incurred as a result of their directorship or in connection with the business of Aditya Birla Minerals Limited. The Hindalco nominated non-executive Directors have voluntarily elected not to receive an annual fee at this time. However, if it were later proposed that they be paid an annual fee, any such fees would need to be approved in accordance with the Company's Constitution. The aggregate of the fees paid to non-executive Directors must be fixed by ordinary resolution of shareholders and any subsequent fees must not exceed that amount without shareholder approval. The maximum aggregate has currently been set at $500,000 per annum. During the current and previous years, Mr N Krishnan provided consulting services to the Group outside their normal Board and Committee duties, for which fees were paid at normal commercial terms.

REMUNERATION REPORT (AUDITED) (continued)

a) Compensation of Key Management Personnel (continued)

Senior Management
In accordance with the Company's Constitution and subject to any contract with the Company and to the ASX Listing Rules, the Board may fix the remuneration of any executive Director. Such remuneration may consist of salary, bonuses or any other element but must not be a commission on or percentage of profits or operating revenue.

Executive Directors
The employment arrangements for Dr S Kulwal, as the sole executive Director and Chief Executive Officer and Managing Director (up to 28 February 2015), provide for remuneration comprising salary, cash allowances and superannuation totalling $487,031.

Additionally, benefits including housing, car, medical and education allowances are provided which are valued up to approximately $305,000 inclusive of fringe benefits tax. Dr S Kulwal's employment arrangements cover a four year tenure that commenced from 9 June 2008, with the option of extension on one year basis at the discretion of the Board which option has been exercised by the Board. The Board further extended Dr Kulwal's contract in December 2013, to 30 June 2014 and then further extended to 31 December 2014. Dr S Kulwal's employment arrangements were terminated with effect from 28 February 2015.

The employment arrangements for Mr N M Patnaik, as the sole executive Director and Chief Executive Officer and Managing Director effective 10 February 2015, provide for remuneration comprising salary, cash allowances and superannuation totalling $422,400.

Additionally, benefits including housing, car, medical and education allowances are provided which are valued up to approximately $291,000 inclusive of fringe benefits tax. Mr N M Patnaik's employment arrangements cover approximately three years tenure that commenced from 10 February 2015, with the option of extension on one year basis at the discretion of the Board. Mr N M Patnaik's employment arrangements may be terminated by either party with three month's notice.

Short-Term Incentives
Short-term incentives are delivered under the Employee Incentive Scheme, which rewards individuals for meeting or exceeding various performance factors that are set at the beginning of each financial year and are aligned to Aditya Birla Minerals Limited's budget. Performance factors include Group, Cash Generating Unit (CGU) and personal objectives and measures. The setting of performance factors and the relative weightings given to the different categories of performance factors effectively incentivises short-term performance.

There are certain performance conditions at CGU and Group level that need to be satisfied before the individual performance. Those performance conditions and reason for selection are:

a) Production – A target copper production is set for each CGU at the beginning of each financial year. The financial performance of a company is dependent on the production and the price of its product in the market. The Company does not have any control on the price of copper however copper production can be optimised by better planning and operational controls.
b) Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA) – The Company's policy is to pay incentives only out of profits. At the beginning of each financial year, the Company sets a target EBITDA for each CGU as well as for the Company. The Company does not have any control on the price of copper however cost of production can be optimised.
c) Cost per ton of ore mined and processed - A target cost per ton is set for each CGU at the beginning of each financial year. The financial performance of a company is also dependent on the cost efficiency. Costs can be optimised by better planning and operational controls.

d) Free Cash flow – It shows the company's ability to generate cash which is available for servicing the debt and shareholders.

The performance level achieved against each performance factor is measured and awards are calculated and paid according to the level of performance, subject to the discretion of the Board.

The table below summarises details of the Group's earnings (shown in the form of earnings per share and (Loss)/Earnings Before Tax), copper production, free cash flow and the consequences of that performance on shareholder value for the financial year and the previous four financial years in the form of dividends and changes in share price.

Performance Measures	FY11	FY12	FY13	FY14	FY15
(Loss)/Earnings Before Tax ($'000)	81,013	27,820	(14,461)	(4,267)	(273,342)
Copper Production (Metric Tonnes)	59,661	59,707	69,291	44,565	12,698
Free Cash Flow ($'000)	143,626	7,845	(354)	36,363	(82,179)
Dividends per share (cents)	9	5*	-	-	-
Closing share price ($ as at 31 March)	1.48	0.72	0.44	0.30	0.185
(Loss)/Earnings per share (cents)	18.32	8.48	(2.66)	(0.07)	(70.11)

**Dividend for FY12 is unfranked*

No provision has been made for the financial year ended 31 March 2015 for short-term incentives as it is dependant on an individual's personal performance which has not yet been assessed. The bonus, which ranges from 0% to 40% of base salary, will be determined and paid in the following financial year.

Employment Contracts
Except as disclosed above with respect to Mr Neela Madhab Patnaik, all other executives are employed under contracts of employment with standard commercial terms, such as having no fixed term of expiry, notice period of one month unless otherwise indicated in the table below and termination payments in lieu of notice.

b) Details of Key Management Personnel

Directors

Name	Position	Date of Appointment	Date of Resignation
Mr D Bhattacharya	Non-Executive Chairman	18 April 2003	-
Mr N M Patnaik*	CEO and Managing Director	10 February 2015	-
Dr S Kulwal*	CEO and Managing Director	9 June 2008	28 February 2015
Mr M Prasanna	Independent Non-Executive Director	20 January 2003	-
Dr S Bhargava	Independent Non-Executive Director	21 August 2007	-
Mr M Anghie	Independent Non-Executive Director	21 November 2007	-
Mr N Krishnan	Independent Non-Executive Director	21 November 2007	-
Mr D Gaur**	Non-Executive Director	6 October 2010	15 October 2014
Mr J C Laddha**	Non-Executive Director	15 October 2014	-

Executives

Name	Position	Date of Appointment	Date of Resignation
Mr S L Dugar***	Chief Financial Officer	1 August 2012	-
Mr S Dugar	Corporate Finance Manager	1 August 2006	-
Mr G Hota	Group Chief Mining Engineer	26 July 2004	-
Mr V Phan***	Head of Engineering & Projects	12 December 2011	-
Mr V Utete***	General Manager – Birla Nifty Pty Ltd	1 November 2011	-

* Mr N M Patnaik was appointed as Non-Executive Director on 15 October 2014 and became the CEO & Managing Director of the Group on 10 February 2015 in lieu of Dr. S Kulwal.

** Mr J C Laddha was appointed as Non-Executive Director on 15 October 2014 upon resignation from Mr D Gaur.

*** Notice period of 3 months have to be given.

There were no other changes of the key management personnel after reporting date and before the date the financial report was authorised for issue.

REMUNERATION REPORT (AUDITED) (continued)

c) Compensation of Key Management Personnel

Remuneration of Directors and other Key Management Personnel for the year ended 31 March 2015

	Short Term				Long term benefits	Post Employment	Total	Performance Related
	Salary and Fees	Incentive Bonus [1]	Non-Monetary Benefits	Consulting Fees		Super-annuation		
	$	$	$	$		$	$	
Directors								
Mr D Bhattacharya	-	-	-	-	-	-	-	-
Dr S Kulwal[2]	402,080	-	266,649	-	48,464	52,764	769,957	-
Mr M Prasanna	103,679	-	-	-	-	-	103,679	-
Dr S Bhargava	93,116	-	-	-	-	9,312	102,428	-
Mr M Anghie	98,123	-	-	-	-	9,812	107,935	-
Mr N Krishnan	95,619	-	-	29,450	-	9,562	134,631	-
Mr D Gaur[4]	-	-	-	-	-	-	-	-
Mr N M Patnaik[3]	74,400	-	45,540	-	4,488	7,440	131,868	-
Mr J C Laddha[4]	-	-	-	-	-	-	-	-
Subtotal	**867,017**	**-**	**312,189**	**29,450**	**52,952**	**88,890**	**1,350,498**	**-**
Executives								
Mr S L Dugar	149,652	-	191,985	-	23,670	17,624	382,931	-
Mr S Dugar	103,061	-	190,795	-	13,990	12,314	320,160	-
Mr G Hota	152,514	-	158,649	-	19,889	16,632	347,684	-
Mr V Phan	238,546	-	-	-	26,204	24,745	289,495	-
Mr V Utete	307,692	-	-	-	40,192	35,382	383,266	-
Subtotal	**951,465**	**-**	**541,429**	**-**	**123,945**	**106,697**	**1,723,536**	**-**
Total	**1,818,482**	**-**	**853,618**	**29,450**	**176,897**	**195,587**	**3,074,034**	**-**

[1] Amounts relate to short-term incentives arising from meeting or exceeding various performance factors set for the Group for the year ended 31 March 2014. No short term incentives were paid for the year ended 31 March 2014 as some of the performance factors set for the Group were not met.
[2] Resigned as Chief Executive Officer & Managing Director on 28 February 2015. No bonus is payable for FY 2015 as he will not be employed by the Group at the date of determination of the bonus.
[3] Appointed as Non-executive Director on 15 October 2014 and became Chief Executive Officer & Managing Director on 10 February 2015.
[4] Appointed as Non-Executive Director on 15 October 2014 after resignation from Mr D Gaur

REMUNERATION REPORT (AUDITED) (continued)

c) Compensation of Key Management Personnel (continued)

Remuneration of Directors and other Key Management Personnel for the year ended 31 March 2014

	Short Term				Long term benefits	Post Employment	Total	Performance Related
	Salary and Fees $	Incentive Bonus [1] $	Non-Monetary Benefits $	Consulting Fees $		Super-annuation $	$	
Directors								
Mr D Bhattacharya	-	-	-	-	-	-	-	-
Dr S Kulwal	458,922	-	288,365	-	109,687	52,337	909,311	-
Mr M Prasanna	103,679	-	-	-	-	-	103,679	-
Dr S Bhargava	93,116	-	-	-	-	9,312	102,428	-
Mr M Anghie	98,123	-	-	-	-	9,812	107,935	-
Mr N Krishnan	95,619	-	-	24,200	-	9,562	129,381	-
Mr D Gaur	-	-	-	-	-	-	-	-
Subtotal	**849,460**	**-**	**288,365**	**24,200**	**109,687**	**81,023**	**1,352,734**	**-**
Executives								
Mr S L Dugar	162,742	-	208,453	-	25,165	17,403	413,763	-
Mr S Dugar	109,865	-	172,506	-	15,104	10,738	308,213	-
Mr G Hota	144,946	-	202,239	-	20,808	15,555	383,548	-
Mr A Patrikios [2]	82,592	-	-	-	8,531	11,034	102,157	-
Mr S Roesler[3]	176,279	-	-	-	35,832	25,580	237,691	-
Mr V Phan	247,343	-	-	-	31,047	25,621	304,011	-
Mr V Utete[4]	289,375	-	-	-	48,184	28,665	366,224	-
Subtotal	**1,213,142**	**-**	**583,198**	**-**	**184,671**	**134,596**	**2,115,607**	**-**
Total	**2,062,602**	**-**	**871,563**	**24,200**	**294,358**	**215,619**	**3,468,341**	**-**

[1] Amounts relate to short-term incentives arising from meeting or exceeding various performance factors set for the Group for the year ended 31 March 2013. No short term incentives were paid for the year ended 31 March 2013 as some of the performance factors set for the Group were not met.
[2] Resigned on 26 June 2013, No bonus is payable for FY 2014 as he will not be employed by the Group at the date of determination of the bonus.
[3] Resigned on 2 December 2013, No bonus is payable for FY 2014 as he will not be employed by the Group at the date of determination of the bonus.
[4] Appointed as General Manager 1 December 2013

Apart from the amounts disclosed in this report, there are no other payments made to the key management personnel.

End of Remuneration Report

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

Name	Directors' Meetings		Audit Committee Meeting		Remuneration Committee Meeting	
Number of meetings held *A being total of meetings eligible to attend* *B being total of meetings actually attended*	A	B	A	B	A	B
Mr D Bhattacharya	7	7	0	0	3	3
Dr S Kulwal	7	6	0	0	0	0
Mr M Prasanna	7	7	7	7	0	0
Dr S Bhargava	7	6	0	0	3	3
Mr M Anghie	7	7	7	7	0	0
Mr N Krishnan	7	5	7	5	3	3
Mr D Gaur	7	5	0	0	0	0
Mr Neela Madhab Patnaik	2	2	0	0	0	0
Mr Jagdish Chandra Laddha	2	2	0	0	0	0

Committee Membership

As at the date of this report the Company had an Audit, Risk and Compliance Committee and a Remuneration and Nomination Committee of the Board of Directors.

Members acting on the committees of the Board are:

Audit, Risk and Compliance	Remuneration and Nomination
Mr M Anghie (Chairman)	Dr S Bhargava (Chairman)
Mr M Prasanna	Mr D Bhattacharya
Mr N Krishnan	Mr N Krishnan

PROCEEDINGS ON BEHALF OF THE COMPANY

There are no proceedings on behalf of the Company under section 237 of the Corporations Act 2001 in the financial year or at the date of this report.

ROUNDING

The Company is a company of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in this report and the accompanying financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

INCLUSION OF PARENT ENTITY FINANCIAL STATEMENTS

The Company has taken advantage of the relief referred to in ASIC Class Order 10/654 dated 26 July 2010 and in accordance with that Class Order, the Company has included its parent entity financial statements as part of the accompanying financial report.

NON-AUDIT SERVICES

The Auditors have not provided any non-audit services during the financial year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Aditya Birla Minerals Limited support and have adhered to the principles of corporate governance. The Company's Corporate Governance Statement will be included in the Annual Report distributed to Shareholders.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Company's auditors, Ernst & Young, to provide the directors with a written Independence Declaration in relation to their audit of the financial report for the year ended 31 March 2015. This written Auditor's Independence Declaration is included on page 78 of this report.

Signed in accordance with a resolution of the Directors.

Debu Bhattacharya
Chairman

Neela Madhab Patnaik
CEO and Managing Director

Perth, 13 May 2015

ADITYA BIRLA MINERALS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015

	Notes	CONSOLIDATED 2015 $'000	CONSOLIDATED 2014 $'000	PARENT 2015 $'000	PARENT 2014 $'000
Sale of product	3(a)	57,148	315,424	-	-
Other revenue	3(a)	1,893	1,993	2,741	3,195
Total revenue		59,041	317,417	2,741	3,195
Cost of sales		(105,523)	(311,722)	-	-
Gross profit/ (loss)		(46,482)	5,695	2,741	3,195
Other income	3(b)	31,620	18,366	-	-
Exploration and evaluation expenditure		(143)	(1,735)	-	-
Administration expenses		(7,121)	(8,214)	(233)	(792)
Care and maintenance expenses		(8,092)	(14,664)	-	-
Suspension period expenses (Nifty)		(22,113)	-	-	-
Impairment of assets	26	(219,022)	-	-	-
Impairment of inter company receivables and investments	3(e)	-	-	(193,394)	-
Other expenses	3(c)	(564)	(390)	(693)	(505)
(Loss)/Profit before income tax and finance costs		(271,917)	(942)	(191,579)	1,898
Finance costs	3(d)	(1,425)	(3,325)	(1,696)	(1,963)
(Loss)/Profit before income tax		(273,342)	(4,267)	(193,275)	(65)
Income tax benefit/(expense)	5	53,630	4,043	(11,685)	18
Net (loss)/profit for the year		(219,712)	(224)	(204,960)	(47)

		Cents	Cents
(Loss)/Earnings per share:			
Basic and diluted for (loss)/profit for the year attributable to ordinary equity holders of the parent	6	(70.11)	(0.07)

The above income statement should be read in conjunction with the accompanying notes.

ADITYA BIRLA MINERALS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015

		CONSOLIDATED		PARENT	
		2015	2014	2015	2014
	Notes	$'000	$'000	$'000	$'000
Net (loss)/profit for the year		(219,712)	(224)	(204,960)	(47)
Other comprehensive income					
Other comprehensive income which may be reclassified to profit or loss in subsequent periods:					
Cash flow hedges					
Gain/ (loss) taken to equity		(1,298)	25,866	-	-
Transferred to income statement		(14,434)	(17,739)	-	-
Tax effect		4,720	(2,438)	-	-
Other comprehensive income/(loss) for the year, net of tax		(11,012)	5,689	-	-
Total comprehensive income/(loss) for the year, net of tax		(230,724)	5,465	(204,960)	(47)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

ADITYA BIRLA MINERALS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015

		CONSOLIDATED		PARENT	
		2015	2014	2015	2014
	Notes	$'000	$'000	$'000	$'000
ASSETS					
Current Assets					
Cash and cash equivalents	8	55,226	136,776	45,619	134,071
Trade and other receivables	9	20,962	12,349	292	6,081
Inventories	10	55,929	44,152	-	-
Income tax receivable		-	1,536	-	1,535
Derivative financial instruments	12	755	25,070	755	18,544
Other	11	2,104	2,235	63	67
Total Current Assets		134,976	222,118	46,729	160,298
Non-Current Assets					
Trade and other receivables	9	-	-	39,928	204,134
Inventories	10	10,830	76,441	-	-
Property, plant and equipment	13	215,815	355,024	-	-
Deferred exploration and evaluation expenditure	14	15,545	15,545	-	-
Deferred tax assets	5	14,860	-	-	4,725
Investment in controlled entities	15	-	-	211,955	229,750
Others	11	286	305	-	-
Total Non-Current Assets		257,336	447,315	251,883	438,609
TOTAL ASSETS		392,312	669,433	298,612	598,907
LIABILITIES					
Current Liabilities					
Trade and other payables	16	22,505	24,562	27,902	105,840
Interest-bearing liabilities	17	1,279	650	650	650
Provisions	18	3,675	9,068	-	-
Derivative financial instruments	12	3,900	-	755	18,152
Total Current Liabilities		31,359	34,280	29,307	124,642
Non-Current Liabilities					
Deferred tax liabilities	5	-	50,677	-	-
Provisions	18	76,415	69,214	-	-
Total Non-Current Liabilities		76,415	119,891	-	-
TOTAL LIABILITIES		107,774	154,171	29,307	124,642
NET ASSETS		284,538	515,262	269,305	474,265
EQUITY					
Issued capital	19	450,663	450,663	450,663	450,663
(Accumulated losses)/Retained profits		(166,125)	53,587	(181,358)	23,602
Cash flow hedge reserve		-	11,012	-	-
TOTAL EQUITY		284,538	515,262	269,305	474,265

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

ADITYA BIRLA MINERALS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015

	Notes	CONSOLIDATED 2015 $'000	CONSOLIDATED 2014 $'000	PARENT 2015 $'000	PARENT 2014 $'000
Cash flows from/(used in) operating activities					
Receipts from customers (inclusive of GST)		81,493	344,238	-	-
Payments to suppliers and employees (inclusive of GST)		(155,738)	(295,049)	(1,061)	(1,602)
Payments for exploration and evaluation		(143)	(1,735)	-	-
Interest received		2,419	1,182	2,230	1,918
Finance charges		(505)	(911)	(1,696)	(1,963)
Receipts from close out of derivative contracts		16,873	-	-	-
Income Tax received/(paid)		(5,652)	5,898	(5,652)	5,898
Net cash flows from/(used in) operating activities	25(a)	(61,253)	53,623	(6,179)	4,251
Cash flows from/(used in) investing activities					
Payments for plant and equipment		(1,960)	(10,268)	-	-
Payments for mine development		(14,204)	(23,506)	-	-
Security deposits		(19,023)	-	-	-
Proceeds from disposal of plant and equipment		-	77	-	-
Dividends received from subsidiaries		-	-	-	-
Advances (to)/from subsidiaries		-	-	(88,451)	31,933
Net cash flows (used in)/from investing activities		(35,187)	(33,697)	(88,451)	31,933
Cash flows from/(used in) financing activities					
Dividends paid		-	-	-	-
Net cash flows (used in)/ from financing activities		-	-	-	-
Net (decrease)/ increase in cash and cash equivalents		(96,440)	19,926	(94,630)	36,184
Foreign exchange differences		14,261	16,437	6,178	414
Cash and cash equivalents at the beginning of the year		136,776	100,413	134,071	97,473
Cash and cash equivalents at the end of the year	25(b)	54,597	136,776	45,619	134,071

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

ADITYA BIRLA MINERALS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

	Note	Issued Capital $'000	Retained Profits / (Accumulated Losses) $'000	Cash Flow Hedge Reserve $'000	Total Equity $'000
CONSOLIDATED					
At 1 April 2013		450,663	53,811	5,323	509,797
Net (loss)/profit for the year		-	(224)	-	(224)
Other comprehensive income – Cash flow hedge		-	-	5,689	5,689
Total comprehensive income for the year, net of tax		-	(224)	5,689	5,465
Dividends		-	-	-	-
At 31 March 2014		450,663	53,587	11,012	515,262
Net (loss)/profit for the year		-	(219,712)	-	(219,712)
Other comprehensive income – Cash flow hedge		-	-	(11,012)	(11,012)
Total comprehensive income for the year, net of tax		-	(219,712)	(11,012)	(230,724)
Dividends		-	-	-	-
At 31 March 2015		450,663	(166,125)	-	284,538
PARENT					
At 1 April 2013		450,663	23,649	-	474,312
Net profit for the year		-	(47)	-	(47)
Other comprehensive income – Cash flow hedge		-	-	-	-
Total comprehensive income for the year, net of tax		-	(47)	-	(47)
Dividends		-	-	-	-
At 31 March 2014		450,663	23,602	-	474,265
Net profit/(loss) for the year		-	(204,960)	-	(204,960)
Other comprehensive income – Cash flow hedge		-	-	-	-
Total comprehensive income for the year, net of tax		-	(204,960)	-	(204,960)
Dividends		-	-	-	-
At 31 March 2015		450,663	(181,358)	-	269,305

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

1. Summary of Significant Accounting Policies

(a) Corporate Information

The financial report of Aditya Birla Minerals Limited for the year ended 31 March 2015 was authorised for issue in accordance with a resolution of the directors on 13 May 2015.

Aditya Birla Minerals Limited (the parent) is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange with effect from 12 May 2006.

The address of the registered office is Level 3, 256 Adelaide Terrace, Perth, WA, 6000.

(b) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards and other mandatory professional reporting requirements.

The financial report has been prepared on a historical cost basis, except for trade receivables and derivative financial instruments which have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (‘000s) unless otherwise stated under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the class order applies.

The Company has taken advantage of the relief referred to in ASIC Class Order 10/654 dated 26 July 2010 and in accordance with that Class Order, the Company has included its parent entity financial statements as part of the accompanying financial report.

Except as noted below, the accounting policies adopted are consistent with those of the previous financial year.

For the purpose of preparation of the financial report, the Company is a for-profit entity.

Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(c) New Accounting Standards and Interpretations

(i) Changes in Accounting Policies and Disclosures

From 1 April 2014, the Group has adopted all new and amended Accounting Standards and Interpretations effective as of 1 April 2014, including:-

Reference	Title	Summary	Impact on Group financial report
AASB 2012-3	Amendments to Australian Accounting Standards -Offsetting Financial Assets and Financial Liabilities	AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	No impact
Interpretation 21	Levies	This Interpretation confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation.	No impact
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.	Additional disclosure - Refer to note 26
AASB 2013-4	Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]	AASB 2013-4 amends AASB 139 to permit the continuation of hedge accounting in specified circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counter party to a central counterparty as a consequence of laws or regulations.	No impact

(ii) Accounting Standards and Interpretations Issued But Not Yet Effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ended 31 March 2015. The Group is currently assessing the overall impact of the standards that are issued but not yet effective. These are outlined as below:

a. **AASB 9 Financial Instruments**

AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking ‘expected loss’ impairment model and a substantially-reformed approach to hedge accounting.

AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments.

The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.

Amendments to AASB 9 (December 2009 & 2010 editions)(AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.

AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The main changes are described below.

a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.
b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.
d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:
    - The change attributable to changes in credit risk are presented in other comprehensive income (OCI)
    - The remaining change is presented in profit or loss

AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity’s own credit risk on such liabilities are no longer recognised in profit or loss.

Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E.

AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014.

AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.

The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to AASB 9 Mandatory Effective Date of AASB 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to 1 January 2018.

b. AASB 15 Revenue from Contracts with Customers

In December 2014, the AASB issued AASB 15 Revenue from Contracts with Customers, which replaces AASB 111 Construction Contracts, AASB 118 Revenue and related Interpretations (Interpretation 13 Customer Loyalty Programmes, Interpretation 15 Agreements for the Construction of Real Estate, Interpretation 18 Transfers of Assets from Customers and Interpretation -131 Revenue—Barter Transactions Involving Advertising Services).

The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

(a) Step 1: Identify the contract(s) with a customer

(b) Step 2: Identify the performance obligations in the contract

(c) Step 3: Determine the transaction price

(d) Step 4: Allocate the transaction price to the performance obligations in the contract

(e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Early application of this standard is permitted.

AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.

c. AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)

AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.

The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

d. Amendments to IAS 1

As part of the IASB's Disclosure Initiative projects, the IASB issued Amendments to IAS 1 in December 2014. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.

(d) Principles of Consolidation

The consolidated financial statements comprise the financial statements of Aditya Birla Minerals Limited (the parent entity) and its subsidiaries, referred to collectively throughout these financial statements as the "Group".

Subsidiaries are all those entities on which Group not only has power over and exposure or rights to variable returns from its involvement, but also has the ability to use its power to affect the subsidiary's returns from its involvement.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses, and profit and losses resulting from intra-group transactions have been eliminated.

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. Investments in subsidiaries are accounted for by the parent at cost less any allowance for impairment.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separate from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquire. The identifiable assets required and the liabilities assumed are measured at their acquisition date fair values.

(e) Revenue Recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Group and revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Product

Revenue from sales of copper concentrate and copper cathode is recognised upon shipment or discharge when there has been a passing of the significant risks and rewards of ownership, which means the following:

- The product is in a form suitable for delivery and no further processing is required by, or on behalf of the Group;
- The quantity and quality (grade) of the product can be determined with reasonable accuracy;
- The selling price can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sales revenue is subject to adjustment based on final assay results. In addition, the terms of the sales contracts for copper concentrate contain provisional pricing arrangements. Adjustments to the sales price are based on movements in metal prices up to the date of final pricing. Final settlement is between 3 and 4 months after the date of delivery (the "quotational period") with pricing based on the average LME copper price for the month of settlement. The revenue adjustment mechanism embedded within the sales contract has the characteristics of a commodity derivative which significantly modifies the cash flows under the contract. The Group has decided to designate the trade receivables arising on initial recognition of the sales transaction as a financial asset at fair value through profit and loss (see note 1(k)) and not separately account for the embedded derivative. Accordingly the fair value of the receivable is re-estimated continuously and changes in fair value recognised as an adjustment to revenue in the income statement**.**

Interest income

Revenue is recognised as 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).

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

(f) Foreign Currency Transactions

Both the functional and the presentation currency of the parent entity and its controlled entities are Australian dollars ($).

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the statement of financial position date.

All differences in the financial report are taken to the income statement.

(g) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

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

Effective from incorporation, for the purposes of income taxation, Aditya Birla Minerals Limited and its 100% owned subsidiaries have formed a tax consolidated group. Aditya Birla Minerals Limited is the head entity of the tax consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using the group allocation approach. Members of the Group have entered into a tax sharing agreement which provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote.

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (“GST”), except where the amount of GST incurred is not recoverable from the Australian Tax Office (“ATO”). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the ATO.

(i) Derivative Financial Instruments and Hedging

The Group benefits from the use of derivative financial instruments to manage commodity price, interest rates and foreign currency exposures.

Instruments used to manage natural exposures to commodity prices, exchange rates and interest rates include put and call options, swaps and foreign exchange contracts.

Derivative financial instruments are initially recognised in the statement of financial position at fair value and are subsequently re-measured at their fair values.

For the purposes of hedge accounting, hedges are classified as either fair value hedges when the Group hedges the exposure to changes in the fair value of a recognised asset or liability; or cash flow hedges where the Group hedges the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or an expected transaction.

The method of recognising the resultant gain or loss is dependent on the nature of the item being hedged.

At the inception of the transaction, the Group documents the relationship between the hedging instrument and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives designated as hedges to resultant cash flows from specific quotational periods.

Changes in the fair value of derivatives that are designated against future sales qualify as cash flow hedges and if deemed highly effective, are recognised in equity to the extent of the hedge's effectiveness. Any ineffectiveness in the hedge relationship is taken immediately to the income statement. Amounts deferred in equity are transferred to the income statement and classified as revenue in the same periods during which the designated hedged sales are recognised.

Certain derivative instruments do not qualify for hedge accounting under the specific rules in the accounting standards. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting under the accounting standards, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the commitment or expected transaction occurs.

However, if the committed or expected transaction is no longer expected to occur, the cumulative gain or loss reported in equity is immediately transferred to the income statement.

(j) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(k) Trade and Other Receivables

On initial recognition trade debtors are designated at fair value through profit and loss, accordingly trade debtors are measured at fair value as at reporting date. Credit balances are reclassified to trade and other payables.

The majority of sales revenue is invoiced and received in US dollars.

Generally 100% of the copper cathode sales invoice value is to be settled within 10 days of presentation of delivery documents.

In the case of copper concentrate, on presentation of documents the customer settles 90% of the provisional invoice value within 3-5 days of receipt of consignment and the remaining 10% is settled within 3-5 days of presentation of the final invoice at the end of the quotational period.

Other receivables are recognised and carried at original invoiced amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Financial difficulties of the debtor or default payments are considered objective evidence of impairment. Bad debts are written off when identified. No interest is charged on overdue accounts.

(l) Inventories

Inventories comprise broken ore, copper in ore and under leach, concentrate and cathode which are carried at the lower of weighted average cost and net realisable value.

Cost comprises direct material, labour and other expenditure together with an appropriate portion of fixed and variable overhead expenditure based on the weighted average costs incurred during the period in which such inventories were produced.

Inventories of consumable supplies and spare parts expected to be used in production are valued at the lower of weighted average cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(m) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Items of property, plant and equipment are depreciated as outlined below.

- **mining plant & equipment:** unit of production based on economically recoverable reserves.
- **other plant and equipment:** straight line depreciation at a rate of 10% to 50% per annum, depending on the item of plant.

The cost of property, plant and equipment constructed by the Group includes the costs of all materials used in construction, direct labour, borrowing costs incurred during construction and an allocation of overheads.

Borrowing costs included in the cost of property, plant and equipment are those costs, which are directly attributable to the construction, or production of qualifying assets and that would have been avoided if the expenditure on the construction of the property, plant and equipment had not been made.

Assets are depreciated or amortised from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and available for use.

Mining Properties in Production, Under Care & Maintenance or Under Development

Mine properties in production (including exploration, evaluation and development expenditure) are accumulated and brought to account at cost less accumulated amortisation in respect of each identifiable area of interest. Amortisation of capitalised costs is provided on a production output basis, proportional to the depletion of the mineral resource of each area of interest expected to be ultimately economically recoverable.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation that area of interest. Should the carrying value of expenditure not yet amortised exceed its estimated recoverable amount in any year, the excess is written off to the income statement.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash flows the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating unit are written down to their recoverable amount through the Income Statement.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset or group of assets being assessed.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit). A reversal of impairment loss is recognised in profit and loss immediately.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

(n) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is charged against earnings as incurred.

Exploration and evaluation expenditure is allocated separately to specific areas of interest. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure directly related to activities in the area of interest.

Costs related to the acquisition of properties that contain mineral resources are allocated separately to specific areas of interest. These costs are capitalised until viability of the area of interest is determined. If no mineral ore body is discovered, capitalised acquisition costs are expensed in the period in which it is determined that the area of interest has no future economic value. When a decision to proceed to development is made, all costs subsequently incurred to develop a mine prior to the start of mining operations within the area of interest are capitalised and carried at cost. These costs include expenditure incurred to develop new ore bodies within the area of interest, to define further mineralisation in existing areas of interest, to expand the capacity of a mine and to maintain production.

(o) Rehabilitation, Restoration and Environmental Costs

Long-term environmental obligations are based on the Group’s environmental management plans, in compliance with current environmental and regulatory requirements.

The costs include obligations relating to reclamation, waste site closure, plant closure, and other costs associated with the restoration of the site.

Full provision is made based on the net present value of the estimated cost of restoring the environmental disturbance (to the extent that it relates to the development of an asset) that has been incurred as at the statement of financial position date. Increases due to additional environmental disturbances are capitalised and amortised over the remaining lives of the mines. These increases are accounted for on a net present value basis.

Annual increases in the provision relating to the change in the net present value of the provision are accounted for in the income statement as finance costs.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean-up at closure.

(p) Deferred Mining Costs

Certain post-commissioning mining costs, principally those that relate to the development of stopes to access the ore and which relate to future economically recoverable ore to be mined, have been capitalised and included in the statement of financial position as deferred mining in mine properties.

These costs are deferred or taken to the cost of production as the case may be, so that each tonne of ore mined bears the average cost of development per tonne of ore. The remaining life of the mine based on latest mine plan is regularly assessed by the Directors and senior management to ensure the carrying value of deferral is appropriate.

(q) Recoverable Amount of Non- Financial Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs of disposal and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset or group of assets being assessed.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit and loss unless the asset is carried at its revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(r) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. Trade accounts are normally settled in accordance with the terms of trade.

Payables are initially recognised at their fair value and subsequently measured at amortised cost.

(s) Interest-Bearing Liabilities

All loans and borrowings are initially recognised at the fair value of the consideration received net of transaction costs associated with the borrowing.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any transaction costs, and any discount or premium on settlement.

Gains and losses are recognised in the income statement when the liabilities are derecognised and as well as through the amortisation process.

(t) Leased Assets

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

Finance leases

Leases which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the income statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

The cost of improvements to or on leasehold property is capitalised, disclosed as leasehold improvements and amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is shorter.

Operating leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term.

(u) Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages, salaries and any other employee benefits expected to be wholly settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Obligations for contributions to defined contribution superannuation plans are expensed as incurred.

(v) Borrowing Costs

Borrowing costs are recognised as an expense when incurred, except where the borrowing costs incurred are directly associated with the construction, purchase or acquisition of a qualifying asset, in which case the borrowing costs are capitalised as part of the cost of the asset.

(w) Provisions

A provision is recognised when a legal or constructive obligation exists as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(x) Investments in Controlled Entities

Interests in controlled entities are carried by the parent entity at the lower of cost and recoverable amount.

(y) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the proceeds received.

(z) Earnings per Share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earning per share is calculated as net profit attributable to members of the company, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(aa) Significant Accounting Judgements, Estimates and Assumptions

(i) Mine rehabilitation provision

The Group assesses its mine rehabilitation provision annually in accordance with the accounting policy stated in note 1(o). Significant judgement is required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine site. The rehabilitation provision represents management's best estimate of the Group's obligations using assumptions that represent the expected outcomes of the uncertainties. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time.Furthermore, the timing of rehabilitation will ultimately depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future copper prices, which are inherently uncertain.

The discount rates used in the calculation of the provisions for Nifty and Mt Gordon as at 31 March 2015 is 2.05% (2014: 3.84%), the inflation rate is 2.48% (2014 : 2.50%). Life of mine for Nifty and Mt Gordon is taken as 4.75 years and 6 years respectively for discounting of rehab provision.

(ii) Units of production method of depreciation

The Group applies the units of production method of depreciation of its mine assets based on ore tonnes mined. These calculations require the use of estimates, future development costs and assumptions. Significant judgement is required in assessing the available reserves, future development costs and the production capacity of the plants to be depreciated under this method. Factors that are considered in determining reserves and resources and production capacity are the company's history of converting resources to reserves and the relevant time frames, the complexity of metallurgy, markets and future developments. When these factors change or become known in the future, such differences will impact pre tax profit and carrying values of assets.

(iii) Ore under Leach

The Group carries copper in ore under leach at the lower of weighted average cost and net realisable value. This assessment requires an estimation of the recoverable tonnes of copper under leach, the future copper price and exchange rate and future processing cost to extract the copper under leach.

Changes in the above assumption could have a material impact on the assessed net realisable value of copper in ore and under leach.

(iv) Impairment of Property, Plant and Equipment

The Group assesses each asset or cash generating unit (CGU) at the end of each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and Value In Use (VIU).

Future cash flows
VIU calculation use pre-tax free cash flows inclusive of working capital requirements based on financial projections approved by the Company. The key operating assumptions and their basis of estimation are:

- Future copper production based on latest mine plan available and using historical recovery factor
- Commodity price forecast derived from a range of external global commodity forecasters
- Future cost of production and future capital expenditure

Discount rate
The discount rate applied to the cash flow projections has been assessed to reflect the time value of money and the perceived risk profile of the industry in which each CGU operates. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs. Refer note 26 for further details.

(v) Deferred Tax Assets

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies which is dependent on the Group's ability to earn taxable income from its ongoing operations. This in turn is dependent on a number of future estimates but not limited to future assumptions as to the copper price, exchange rates, operating and capital costs. Refer to note 26 which sets out a number of sensitivities relating to these operations. The recovery of recognised tax assets is to an extent also sensitive to these assumptions.

The Group has recognised a deferred tax asset of $14.860 million as at 31 March 2015 on the basis the Group consider it probable that it will earn sufficient taxable income in the future to realise these assets. This assessment is based on a detailed profitability forecast for the next 3 years.

(vi) Assets held for sale

The accounting standards require management to assess whether it is highly probable that they will realise the value of the assets via a sale process within a 12 month period to classify the asset as a disposal Group as at balance date.

The Group has received non binding offers from potential acquirers for Mt Gordon and is in negotiation with them. Mt Gordon has not been disclosed as a disposal group at 31 March 2015 as management is not sure that any of these non binding offers for sale of Mt Gordon will consummate within 12 months and was not satisfied that the sale was highly probable as at the balance sheet date.

(ab) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year's disclosures. During the year an Intercompany Payable of $26.870 million (2014: $105.027 million) in the Parent entity was reclassified to Trade and other payables from Trade and other receivables. In the prior period, intercompany accounts were erroneously presented on a net basis.

2. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise receivables, payables, cash and derivatives.

The main risks arising from the Group's financial instruments are foreign currency risk, commodity price risk, interest rate risk, credit risk and liquidity risk. The Group manages its exposure to financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

To manage exposure to commodity prices, exchange rates and interest rates, the Group uses derivative instruments, principally put and call options, swaps and forward contracts. The purpose is to manage the commodity price, currency and interest rate risks arising from the Group's operations and its sources of finance. The extent of derivatives used by the Group is based on limits set by the Board. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to commodity prices, interest rate and foreign exchange risk and assessments of market forecasts for commodity prices, interest rate and foreign exchange. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Audit, Compliance and Risk Committee under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in derivatives, hedging cover of commodity prices, foreign currency and interest rate risk, credit allowances, and future cash flow forecast projections.

Risk Exposures and Responses

Foreign currency risk

The Group has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency. Approximately 100% of the Group's sales are denominated in United States dollar (US$), whilst most of the costs are denominated in the entity's functional currency. The functional currency of the parent and its controlled entities is determined to be Australian dollar (A$).

The Group's income statement and statement of financial position can be affected significantly by movements in the US$/A$ exchange rates. The Group seeks to mitigate the effect of its net foreign currency exposure by using derivative instruments, principally put and call options and forward foreign currency contracts.

It is the Group's policy to enter into derivative instruments to manage foreign currency exposure once likelihood of such exposure is highly probable and to negotiate the terms of the derivatives to exactly match the terms of the underlying item to maximise effectiveness. The Group’s policy is to cover exposure up to 90% of revenues in US$ of material already sold, up to 80% of revenues in US$ to be sold in next 12 months and 60% of revenues in US$ to be sold in 13-24 months. However, the exposure for capital projects must be 100% covered.

2. Financial Risk Management Objectives and Policies (continued)

Risk Exposures and Responses (continued)

Foreign currency risk (continued)

At balance date, the Group had the following exposure to US$ foreign currency:

	Consolidated		Parent	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Financial Assets				
Cash and cash equivalents	45,609	134,180	45,605	134,048
Trade and other receivables	269	7,870	269	2,842
Derivative foreign exchange contracts	-	6,918	-	391
Derivative commodity contracts	755	18,152	755	18,152
Financial Liabilities				
Payable to customer– related parties	(2,066)	-	-	-
Trade and other payables – others	(482)	-	-	-
Inter company balance denominated in US dollars	-	-	(45,869)	(137,275)
Interest bearing liabilities – bank overdraft in US dollars	(629)	-	-	-
Derivative commodity contracts	-	-	(755)	(18,152)
Derivative foreign exchange contracts	(3,900)	-	-	-
	39,556	167,120	5	6

At 31 March 2015, the Group has entered into forward exchange derivatives of approximately US$31.90 million to manage foreign currency exposure on cash and cash equivalents, extending to June 2015.

The following table sets out the gross value of US dollars sold under foreign exchange contracts, the weighted average contracted exchange rates and the settlement periods of outstanding contracts for the Group:

	Weighted Average Rate	Consolidated	Weighted Average Rate	Consolidated
	2015	2015 US$'000	2014	2014 US$'000
US Dollars – Forward				
Not later than one year	0.8393	31,900	0.8768	158,950

The net fair value of the above contracts as at 31 March 2015 is a net liability of $3,900 million (2014: asset $6.918 million).

2. Financial Risk Management Objectives and Policies (continued)

Risk Exposures and Responses (continued)

Foreign currency risk (continued)

The following sensitivity is based on the foreign currency risk exposures in existence at the balance date:

At 31 March 2015, had the US dollar moved, as illustrated in the table below, with all other variables held constant, post tax profit and other comprehensive income would have been affected as follows:

Judgements of reasonably possible movements:	Post Tax Profit Higher/(Lower)		Other Comprehensive Income Higher/(Lower)	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Consolidated				
A$/US$ +6% (2014: +6%)	(1,741)	(6,348)	-	6,444
A$/US$ -6% (2014: -6%)	1,963	7,158	-	(7,267)
Parent				
A$/US$ +6% (2014: +6%)	-	-	-	-
A$/US$ -6% (2014: -6%)	-	-	-	-

Management believe the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

Commodity price risk

The Group's exposure to copper prices is very high as approximately 100% of the revenue comes from sale of copper concentrate and cathode. Revenue is determined with reference to copper prices quoted on the London Metal Exchange (LME).

The Group's income statement and statement of financial position can be affected significantly by movements in the copper prices on the LME. The Group seeks to mitigate the effect of its copper prices exposure by using derivative instruments, principally put and call options and swaps.

To manage copper price risk the Group deals in copper swap contracts and put and call option contracts for the purposes of mitigating the effect of movement in copper prices. The limits of hedging are set by the Board.

It is the Group's policy to enter into derivative instruments to manage copper price exposure once likelihood of such exposure is highly probable and to negotiate the terms to maximise hedge effectiveness. The group has a current policy on covering copper price exposure. The policy permits covering up to 100% of the dispatched quantity, up to 80% of forward rolling 12 months of expected copper sales quantity and up to 60% of forward rolling 13-24 months of expected copper sales quantity. However, the cover percentage may be higher than 80% for new projects.

2. Financial Risk Management Objectives and Policies (continued)

Risk Exposures and Responses (continued)

Commodity price risk (continued)

At balance date, the Group had the following items exposed to commodity price risk:

	Consolidated		Parent	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Financial Assets				
Trade and other receivables (i)	28,215	88,628	-	-
Derivative commodity contracts	755	18,152	755	18,152
Financial Liabilities				
Derivative commodity contracts	-	-	(755)	(18,152)
	28,970	106,780	-	-

(i) Refer to note 9 for remaining tonnes open to price adjustments (Gross sales).

At 31 March 2015, details of outstanding external commodity contracts are:

	Tonnes	Average Price	Tonnes	Average Price
	2015	**2015 US$**	**2014**	**2014 US$**
Copper – Sell Call Options				
Not later than one year	-	-	-	-
Copper – Buy Put Options				
Not later than one year	-	-	-	-
Copper – Swap				
Not later than one year	3,500	6,229	25,600	7,241
Between one and two years	-	-	-	-

The net fair value of the above contracts as at 31 March 2015 is a net asset of $0.755 million (2014: $18.152 million).

2. Financial Risk Management Objectives and Policies (continued)

Risk Exposures and Responses (continued)

Commodity price risk (continued)

The following sensitivity is based on the copper price risk exposures in existence at the balance date:

At 31 March 2015, had the LME copper prices moved, as illustrated in the table below, with all other variables held constant, post tax profit and other comprehensive income would have been affected as follows:

Judgements of reasonably possible movements:	**Post Tax Profit Higher/(Lower)**		**Other Comprehensive Income Higher/(Lower)**	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Consolidated				
Copper Prices +10% (2014: +10%)	29	21	-	(6,737)
Copper Prices -10% (2014: -10%)	(29)	(21)	-	6,737
Parent				
Copper Prices +10% (2014: +10%)	-	-	-	-
Copper Prices -10% (2014: -10%)	-	-	-	-

Management believe the balance date risk exposures are representative of the risk exposure inherent in the financial instruments. The drop in sensitivity for 2015 is due to the fact that remaining tonnes, open to price adjustments are almost fully hedged.

Interest rate risk

The Group's exposure to market interest rates relates primarily to the Group's debt obligations. At balance date, the impact of interest rate risk is not material. The level of debt is disclosed in note 17.

Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and derivative instruments.

The Group's maximum exposures to credit risk at the balance date in relation to each class of recognised financial assets, other than derivatives, is the carrying amount of these assets as indicated in the statement of financial position.

In relation to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Group's maximum credit risk exposure in relation to these is the total mark to market gain, should the counterparties not honour their obligations.

The Group does not hold any credit derivatives to offset its credit exposure. The Group trades with recognised and credit worthy third parties only, and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

2. Financial Risk Management Objectives and Policies (continued)

Risk Exposures and Responses (continued)

The majority of the Group's sales are to its ultimate parent company, Hindalco Industries Limited. Considering Hindalco Industries Limited's standing and credit worthiness, the Group believes credit risk is almost negligible. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

There are no significant concentrations of credit risk, other than receivables from Hindalco Industries Limited and financial instruments including cash and cash equivalents and the security deposit. Cash and cash equivalents and the security deposit are with various financial institutions with credit ratings from BBB- to A+ (S&P) to minimise the risk of default of counterparties.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and committed available credit lines.

The Group monitors on a regular basis rolling forecasts of liquidity on the basis of expected cash flow. It is the Group's policy to renew bank loan facilities well before the renewal dates to avoid any inherent liquidity issues when the facilities expire.

The table below details the liquidity risk arising from the financial liabilities held by the Group at balance date.

	Maturity Analysis							
	2015				**2014**			
Consolidated	**Within 1 year $'000**	**1 to 5 years $'000**	**After 5 years $'000**	**Total $'000**	**Within 1 year $'000**	**1 to 5 years $'000**	**After 5 years $'000**	**Total $'000**
Financial Liabilities								
Trade and other payables	(22,505)	-	-	(22,505)	(24,562)	-	-	(24,562)
Interest-bearing liabilities								
- Bank loans and overdraft	(629)	-	-	(629)	-	-	-	-
- Payables to related entities	(689)	-	-	(689)	(690)	-	-	(690)
Hedge foreign exchange contracts (gross settled)								
- inflow	34,107	-	-	34,107	-	-	-	-
- (outflow)	(38,007)	-	-	(38,007)	-	-	-	-
	(27,723)	-	-	(27,723)	(25,252)	-	-	(25,252)

2. Financial risk management objectives and policies (continued)

Risk Exposures and Responses (continued)

Liquidity risk (continued)

	Maturity Analysis							
	2015				2014			
	Within 1 year $'000	1 to 5 years $'000	After 5 years $'000	Total $'000	Within 1 year $'000	1 to 5 years $'000	After 5 years $'000	Total $'000
Parent								
Financial Liabilities								
Trade and other payables	(27,902)	-	-	(27,902)	(105,840)	-	-	(105,840)
Interest-bearing liabilities								
- Bank loans and overdraft	-	-	-	-	-	-	-	-
- Payables to related entities	(689)	-	-	(689)	(690)	-	-	(690)
Derivatives	(755)	-	-	(755)	(18,152)	-	-	(18,152)
	(29,346)	-	-	(29,346)	(124,682)	-	-	(124,682)

The corresponding prior year amounts have been reclassified for comparative purposes

Fair value

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets;
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability; and
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair values of all other financial assets and liabilities approximate their carrying amounts

2. Financial risk management objectives and policies (continued)

Risk Exposures and Responses (continued)

Fair value (continued)

The fair values of financial instruments carried at fair value and the methods used to estimate their fair values are as follows:

	2015				2014			
	Quoted market price (Level 1)	Valuation technique – market observable inputs (Level 2)	Valuation technique – non market observable inputs (Level 3)	Total	Quoted market price (Level 1)	Valuation technique – market observable inputs (Level 2)	Valuation technique – non market observable inputs (Level 3)	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Consolidated								
Financial Assets								
Trade receivables – related parties	-	-	-	-	-	3,591	-	3,591
Derivatives:								
- Foreign exchange contracts	-	-	-	-	-	6,918	-	6,918
- Commodity contracts	-	755	-	755	-	18,152	-	18,152
	-	755	-	755	-	28,661	-	28,661
Financial Liabilities								
Payable to customer – related parties	-	(2,066)	-	(2,066)	-	-	-	-
Derivatives:								
- Foreign exchange contracts	-	(3,900)	-	(3,900)	-	-	-	-
	-	(5,966)	-	(5,966)	-	-	-	-
Parent								
Financial Assets								
Derivatives:								
- Commodity contracts	-	755	-	755	-	18,152	-	18,152
	-	755	-	755	-	18,152	-	18,152
Financial Liabilities								
Derivatives:								
- Commodity contracts	-	(755)	-	(755)	-	(18,152)	-	(18,152)
	-	(755)	-	(755)	-	(18,152)	-	(18,152)

2. Financial risk management objectives and policies (continued)

Risk Exposures and Responses (continued)

Fair value (continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

The fair values of receivables from or payables to customers are calculated using a discounted cash flow analysis which is performed using the applicable forward LME prices and current market interest rates.

There were no transfers between Level 1 and Level 2 and no movement in Level 3 during the year. For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Off-setting financial instruments

The Group presents its financial assets and liabilities on a gross basis.

Derivative financial instruments entered into by the Group are subject to enforceable master netting arrangements such as International Swaps and Derivatives Associations (ISDA) master netting agreement. In certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under an ISDA agreement are terminated. The termination value is assessed and only a single net amount is payable in settlement of all transactions.

A Security Deposit amounting to $19.023 million (see note 9) is subject to a Set Off Agreement to secure the Group’s obligations under a finance facility established with a bank (see note 17 (b). In the case of a default event, the bank may set off any amount the bank owes in connection with the deposit against any amounts owing to the bank.

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000

3. Revenues and Expenses

(a) Revenue

	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Sale of product (i)	57,148	315,424	-	-
Other revenue				
Interest	1,893	1,993	2,741	3,195
	1,893	1,993	2,741	3,195
Total revenue	59,041	317,417	2,741	3,195

(i) Total copper sales for the period was 9,338 tonnes, out of which 3,552 tonnes of copper, provisionally sold at the reporting date, has been revalued at a weighted average price of US$ 6,064 (US$2.75/lb). The net movement in trade receivables due to fair value adjustments is a decrease of $6.611 million (2014: increase of $4.872 million) which has been included in revenue from the sale of product.

(b) Other income

	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Net gain on disposal of plant and equipment	-	77	-	-
Net gain/(loss) on foreign exchange	11,897	15,476	-	-
Gain on close-out of derivative contracts	16,873	-	-	-
Other*	2,850	2,813	-	-
Total other income	31,620	18,366	-	-

* includes an amount of $ 2.525 million received from Louminco and Factor for an out of court full and final settlement of a litigation for faulty design of the backfill plant at Nifty

(c) Other expenses

	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Net loss on foreign exchange	-	-	129	115
Business development expenses	564	390	564	390
	564	390	693	505

(d) Finance costs

	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Facilities and guarantee fees	467	845	8	5
Finance costs payable to related entities	39	67	1,688	1,958
Finance cost payable to suppliers *	(596)	673	-	-
	(90)	1,585	1,696	1,963
Unwinding of discount on rehabilitation provision	1,515	1,740	-	-
Total finance costs	1,425	3,325	1,696	1,963

*The interest provision for a possible payment to a supplier for Mt Gordon Operations was not necessary as the dispute with the supplier was settled out of the court during the current financial year for a lump sum payment.

(e) Expenses included in income statement

	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Depreciation of plant and equipment	10,918	25,466	-	-
Amortisation of mine properties and deferred mining	9,146	29,338	-	-
Government royalties	2,953	13,714	-	-
Minimum lease payments – operating lease	4,421	4,111	-	-
Net realisable value write down of concentrate and ore inventories**	15,120	713	-	-
Impairment of receivables	250	-	175,234	-
Impairment of investments in subsidiaries	-	-	18,160	-
Provision for obsolete store inventory	-	500	-	-

	CONSOLIDATED		PARENT	
	2015 $	2014 $	2015 $	2014 $
- Wages and salaries	31,799	62,670	-	-
- Defined contribution superannuation expense	3,095	5,806	-	-
- Other employee benefits expense	2,010	2,925	-	-
Total employee benefits expense	36,904	71,401	-	-

** included in the Cost of Sales

4. Auditor's Remuneration

The auditor of Aditya Birla Minerals Limited is Ernst & Young (Australia).

	CONSOLIDATED		PARENT	
	2015 $	2014 $	2015 $	2014 $
Amounts received or due and receivable by Ernst & Young (Australia) for:				
- an audit or review of the financial report of the entity and any other entity in the consolidated group	354,500	292,500	354,500	292,500
	354,500	292,500	354,500	292,500

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
5. Income Tax				
(a) Income tax expense/(benefit)				
The major components of income tax are:				
Income statement				
Current income tax				
Current income tax charge	-	-	-	-
Adjustment in respect of income tax	7,187	(1,591)	7,187	-
Adjustment in respect of R&D tax benefit	-	(1,535)	-	-
Deferred income tax				
Relating to origination and reversal of temporary differences	(53,630)	(1,300)	11,685	(18)
Adjustment in respect of R&D tax benefit	-	(1,233)	-	-
Adjustment in respect of deferred income tax	(7,187)	1,616	(7,187)	-
Income tax expense/(benefit) reported in the income statement	(53,630)	(4,043)	11,685	(18)
(b) Amounts charged/(credited) directly to equity				
Deferred income tax related to items charged/ (credited) directly to equity				
Net movement on cash flow hedges	(4,720)	2,438	-	-
Income tax expense/(benefit) reported in the statement of comprehensive income	(4,720)	2,438	-	-
(c) A reconciliation between tax expense/(benefit) and the product of accounting result before income tax multiplied by the Group's applicable income tax rate is as follows:				
Accounting (loss)/profit before income tax	(273,342)	(4,267)	(193,275)	(65)
At the statutory income tax rate of 30% (2014: 30%)	(82,003)	(1,280)	(57,983)	(20)
Add:				
- non-deductible expenses	3,770	2	58,019	2
- non- assessable income	-	(21)	-	-
- Deferred Tax Asset not recognised	24,603	-	11,649	-
- adjustments in respect of deferred Income tax	(7,187)	-	(7,187)	-
- adjustments in respect of Income tax	7,187	(2,744)	7,187	-
Income tax (benefit)/Expense	(53,630)	(4,043)	11,685	(18)

5. Income Tax (continued)

(d) Recognised deferred tax assets and liabilities

	2015 Deferred Income Tax $'000	2014 Deferred Income Tax $'000
CONSOLIDATED		
Opening balance	(50,677)	(49,155)
Charged to income	53,630	1,300
Adjustment in respect of deferred income tax	7,187	(384)
Charged to equity	4,720	(2,438)
Closing balance	14,860	(50,677)
PARENT		
Opening balance	4,725	134
Charged to income	(11,685)	18
Adjustment in respect of deferred income	7,187	-
Other movements	(227)	-
Transfer of tax losses (net)	-	4,573
Closing balance	-	4,725

	STATEMENT OF FINANCIAL POSITION	
	2015 $'000	2014 $'000
Deferred income tax at 31 March relates to the following:		
CONSOLIDATED		
Deferred tax liabilities		
Deferred exploration and evaluation expenditure	(4,451)	(4,663)
Diesel fuel rebate	(25)	(39)
Prepayments	2	(23)
Foreign exchange	(2,081)	(202)
Derivative contracts	(227)	(7,404)
Property, plant and equipment	-	(9,578)
Mine properties	(46,233)	(62,959)
Trading stock	-	(9,763)
Gross deferred income tax liabilities	(53,015)	(94,631)
Deferred tax assets		
Accrued liabilities	311	623
Borrowing costs	-	2
Share issue costs	-	4
Accrued revenue	2,557	1,779
Employee provision	1,472	3,280
Other future deductible amount	-	3
Provision for rehabilitation	22,555	20,468
Project pool	13,143	13,305
R&D tax offsets	-	1,233
Tax losses	14,227	3,257
Trading stock	28,487	-
Property, plant and equipment	9,726	-
Gross deferred income tax assets	92,478	43,954
Less : Deferred Tax Asset not recognised	24,603	-

Income Tax (continued)

Net Deferred income tax assets recognised	67,875	-
Net deferred tax asset / (liabilities)	14,860	(50,677)

(d) Recognised deferred tax assets and liabilities (continued)

	STATEMENT OF FINANCIAL POSITION	
	2015 $'000	**2014 $'000**
PARENT		
Deferred tax liabilities		
Foreign exchange	(204)	-
Derivative contracts	(227)	
Prepayments	-	2
Gross deferred income tax liabilities	(431)	2
Deferred tax assets		
Borrowing costs	-	2
Share issue costs	-	4
Accrued liabilities	144	224
Other future deductible amounts	-	3
R&D tax offsets	-	1,233
Tax losses	14,227	3,257
Gross deferred income tax assets	14,371	4,723
Less: Deferred tax asset not recognised	(13,940)	-
Net deferred income tax assets recognised	431	
Net deferred tax (liabilities)/assets	-	4,725

(e) Unrecognised Tax Assets

The Group has Australian capital tax losses for which no deferred tax asset is recognised on the statement of financial position of $585,000 (2014: $585,000) which are available indefinitely for offset against future capital gains subject to continuing to meet relevant statutory tests.

The deferred tax asset applicable to carry forward tax losses and deductible temporary differences, calculated at a tax rate of 30%, amounting to $14.227 million (2014: nil) and $10.376 million (2014: nil) respectively, has not been brought to account at 31 March 2015 on the basis that managements' current best estimate of future taxable income indicates that it is not probable they will be realised.

(f) Tax Consolidation

Effective from incorporation, for the purposes of income taxation, Aditya Birla Minerals Limited and its 100% owned subsidiaries have formed a tax consolidated group under Australian tax law. Aditya Birla Minerals Limited ("ABML") is the head entity of the tax consolidated group. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax consolidated group are recognised by the Company (as head entity in the tax-consolidated group). Entities within the tax consolidated group have entered into a tax sharing agreement with the head entity. Except as described below, there are no tax funding arrangements between the entities in the tax consolidated group. Tax consolidation transactions are accounted for as equity transactions. In the head entity, the carrying amount of investments in subsidiaries is adjusted by tax consolidation adjustments. However, where the equity interest is reduced to nil, consideration is payable for any further tax losses assumed by the head entity and where appropriate any loan receivable from the applicable subsidiary is reduced accordingly. This is the case for Birla Mt Gordon Pty Ltd in the current year.

Tax consolidation contributions/(distributions)

The Group has recognised the following amounts as tax consolidation contribution adjustments –

	PARENT	
	2015 $'000	2014 $'000
Total increase / (reduction) in subsidiaries accounts of the Group	228	(6,108)

6. Earnings Per Share

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

	CONSOLIDATED	
	2015 $'000	2014 $'000
Net (loss)/profit attributable to ordinary equity holders of the parent	(219,712)	(224)
	2015 '000	2014 '000
Weighted average number of ordinary shares for basic and diluted earnings per share	313,373	313,373

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
7. Dividends Paid and Proposed				
Dividends declared and paid during the year on ordinary shares:				
Nil dividend for the financial year ended 31 March 2015 (2014: Nil)	-	-	-	-
8. Cash and Cash Equivalents				
Cash at bank and in hand – denominated in AUD	1,516	1,396	14	24
Cash at bank and in hand – denominated in USD	3,942	138	3,938	5
Short-term deposits – denominated in AUD	8,101	1,200	-	-
Short-term deposits – denominated in USD	41,667	134,042	41,667	134,042
	55,226	136,776	45,619	134,071
Bank Overdrafts	(629)	-	-	-
	54,597	136,776	45,619	134,071

Terms and conditions

Cash at bank and short-term deposits earn interest at floating rates based on bank deposit rates ranging between 1.31% to 2.30% p.a.

9. Trade and Other Receivables

Current

Other debtors at amortised cost	2,356	8,927	269	6,060

Less: Allowance for impairment loss	(440)	(190)	-	-
	1,916	8,737	269	6,060
Trade debtors at fair value - related entities (a), 20(b)	-	3,591	-	-
Security deposit to bank (b)	19,023	-	-	-
Receivable from related entities	23	21	23	21
	20,962	12,349	292	6,081
Non-Current				
Loans to controlled entities	-	-	215,162	204,134
Less : Allowance for impairment loss	-	-	(175,234)	-
	-	-	39,928	204,134

(a) As at 31 March 2015, sales totalling 3,552 tonnes remained open to price adjustment (2014: 12,291 tonnes). As at 31 March 2015, the Trade debtors balance was in credit, refer to note 16.

(b) The Security Deposit amounting to $19.023 million is subject to a Set Off Agreement to secure the Group's obligations under a finance facility established with a bank (see note 17 (b). In the case of a default event, the bank may set off any amount the bank owes in connection with the deposit against any amounts owing to the bank (see note 2). The deposit has a maturity period of 3 months and earns interest at 2.26% p.a.

Terms and conditions

Terms and conditions relating to the above financial instruments

(i) Details of the terms and conditions of credit sales are set out in note 1(k).

(ii) Details of the terms and conditions of loans to controlled entities are set out in note 20(e).

10. Inventories

	CONSOLIDATED		PARENT	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Current				
Copper at cost	-	-	-	-
Copper at net realisable value	30,051	9,547	-	-
Copper in ore at cost	-	8	-	-
Copper in ore at net realisable value	1,771	-	-	-
Copper in ore and under leach	-	-	-	-
Consumable stocks at cost	35,475	34,174	-	-
Less: Allowance for obsolescence on consumables and stores	(1,346)	(1,346)	-	-
Less: Impairment of consumables & stores during the year (see note 26)	(11,600)	-	-	-
Gas inventory	1,578	1,769	-	-
	55,929	44,152	-	-
Non-Current				
Copper in ore and under leach	76,441	76,441	-	-
Less: Impairment during the year (see note 26)	(65,611)	-		
	10,830	76,441	-	-

11. Other Assets

Current				
Prepayments	2,104	2,235	63	67
Non-Current				
Prepayments	286	305	-	-

12. Derivative Financial Instruments

Commodity Contracts

The contracts outstanding at the reporting dates were:

	Tonnes Hedged 31 Mar 15	Average Price 31 Mar 15 US$	Tonnes Hedged 31 Mar 14	Average Price 31 Mar 14 US$
Copper – Swap				
Not later than one year	3,500	6,229	25,600	7,241
Between one and two years	-	-	-	-

The net fair value of the above contracts as at 31 March 2015 is a net asset of $ 0.755 million (31 March 2014: $ 18.152 million).

The unrealised gain on the 3,500 tonnes of copper sold has been taken to the income statement as the underlying sales transactions have been recognised.

Forward currency contracts

The following table sets out the gross value of US dollars sold under foreign exchange contracts, the weighted average contracted exchange rates and the settlement periods of outstanding contracts for the Group:

	Weighted Average Rate 31 Mar 15	Consolidated 31 Mar 15 US $'000	Weighted Average Rate 31 Mar 14	Consolidated 31 Mar 14 US $'000
US Dollars - Forward				
Not later than one year	0.8393	31,900	0.8773	158,950

The net fair value of the above contracts as at 31 March 2015 is a net liability of $3.900 million (31 March 2014: Net asset of $ 6.918 million).

The unrealised loss of $3.900 million on the USD 31.90 million of forward currency contracts to manage foreign exchange exposure on term deposits have been taken to the income statement.

13. Property, Plant and Equipment

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Plant and Equipment				
Plant and equipment, at cost	322,585	318,517	-	-
Less: Accumulated Depreciation and Impairment during the year	(251,256)	(176,084)	-	-
	71,329	142,433	-	-
Mine Properties				
Mine properties, at cost	512,007	493,381	-	-
Less: Accumulated amortisation and Impairment during the year	(371,102)	(284,397)	-	-
	140,905	208,984	-	-
Capital Work in Progress				
Capital work in progress, at cost	3,581	3,607	-	-
Total Property, Plant & Equipment	215,815	355,024	-	-

Reconciliation
Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below:

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Plant and Equipment				
Carrying amount at beginning of the year	142,433	156,184	-	-
Additions	875	470	-	-
Transfer from capital works in progress	3,191	11,245	-	-
Impairment during the year (see note 26)	(64,252)	-	-	-
Depreciation	(10,918)	(25,466)	-	-
Carrying amount at end of the year	71,329	142,433	-	-

13. Property, Plant and Equipment (continued)

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Reconciliation (continued)				
Mine Properties (in production or Under Care & Maintenance)				
Carrying amount at beginning of the year	172,518	156,457	-	-
Expenditure incurred/Additions during the year	2,984	10,231	-	-
Increase in rehabilitation costs	6,505	17,051	-	-
Transfer from capital works in progress	683	4,554	-	-
Impairment during the year	(59,372)	-	-	-
Amortisation	(4,789)	(15,775)	-	-
Carrying amount at end of the year	118,529	172,518	-	-
Deferred Mining				
Carrying amount at beginning of the year	36,466	36,755	-	-
Expenditure incurred during the year	8,455	13,274	-	-
Impairment during the year	(18,188)	-	-	-
Amortisation	(4,357)	(13,563)	-	-
Carrying amount at the end of the year	22,376	36,466	-	-
Total carrying amount of mine properties at the end of the year	140,905	208,984	-	-
Capital Work In Progress				
Carrying amount at beginning of the year	3,607	11,097	-	-
Additions	3,848	9,799	-	-
Transfer to plant and equipment	(3,191)	(11,245)	-	-
Transfer to mine properties	(683)	(4,554)	-	-
Write Off & Impairment during the year	-	(1,490)	-	-
Carrying amount at end of the year	3,581	3,607	-	-

Assets are encumbered to the extent as detailed in note 17. Refer to note 26 for details on impairment of assets

14. Deferred Exploration and Evaluation Expenditure

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Exploration and evaluation costs carried forward in respect of mining areas of interest				
Pre-production - Exploration and evaluation phases				
Carrying amount at beginning of the year	15,545	15,545	-	-
Carrying amount at end of the year	15,545	15,545	-	-

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

15. Investment in Controlled Entities

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Non-Current - at cost less impairment				
Birla Maroochydore Pty Ltd	-	-	964	1,360
Birla Nifty Pty Ltd	-	-	229,151	228,390
Less: Allowance for impairment loss	-	-	(18,160)	-
Birla Mt Gordon Pty Ltd	-	-	-	-
	-	-	211,955	229,750

Further details of investments in controlled entities are set out in note 20(a). Refer to note 5(f) for further details on tax consolidation adjustments.

16. Trade and Other Payables

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Current				
Trade creditors	10,397	10,494	-	27
Payables to related entities	-	-	26,870	105,027
Other creditors and accruals	10,042	14,068	1,032	786
Payable to customer - related parties	2,066	-	-	-
	22,505	24,562	27,902	105,840

Terms and conditions

Trade and other creditors are normally settled in accordance with the terms of trade.

Payable to customers are on account of 3MAMA movement in Copper prices post shipment (Also refer to note 9(a) for open quantity).

17. Interest-Bearing Liabilities

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Current				
Bank overdraft	629	-	-	-
Payables to related entities – (a) (i)	650	650	650	650
	1,279	650	650	650

17. Interest-Bearing Liabilities (continued)

(b) Financing facilities

	CONSOLIDATED	
	2015 $'000	**2014 $'000**
The Group had access to the following financing facilities at balance date:		
Total facilities available:		
- Multiple advance, overdraft, bank guarantees, letter of credit line - (i)	59,000	67,000
	59,000	67,000
Facilities utilised at balance date:		
- Multiple advance, overdraft, bank guarantees, letter of credit line - (i)	50,111	50,003
	50,111	50,003
Facilities not utilised at balance date:		
- Multiple advance, overdraft, bank guarantees, letter of credit line - (i)	8,889	16,997
	8,889	16,997

The financing facilities are available to the Group as combined facilities.

(i) Multiple advance, overdraft, bank guarantees and/or letter of credit line

The multiple advance and overdraft line is to facilitate the Group's working capital requirements.

Bank guarantees to the amount of $50.111 million have been provided mainly to the following parties:

- Queensland and West Australian regulatory bodies for mining leases of Birla Mt Gordon Pty Ltd and Birla Nifty Pty Ltd; and
- Electricity, gas, logistic and other service providers.

All the bank guarantees are secured against the total assets of the Group. The guarantees provided to regulatory bodies do not have an expiry date. The guarantees provided to other suppliers ($3.289 million) have expiry dates falling between 5-36 months from the date of this report.

(c) Defaults and breaches

There were no defaults or breaches on any of the loans during the current and previous years.

18. Provisions

	CONSOLIDATED		PARENT	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Current				
Employee entitlements	3,675	7,767	-	-
Carbon tax	-	1,301	-	
	3,675	9,068	-	-
Non-Current				
Employee entitlements	1,232	1,867	-	-
Rehabilitation	75,183	67,347	-	-
	76,415	69,214	-	-

The nature of the provisions is described in note 1(o), 1(u) and 1(w).

The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred over the life of the mines. However, the timing of rehabilitation expenditure is dependant on the life of the mines which may vary in the future. Refer note 1 (aa) (i) for details.

Movements in Provisions

	Carbon tax $'000	Rehabilitation $'000
Consolidated		
Carrying amount at the beginning of the year	1,301	67,347
Additional provision recognised during the year (net)	336	6,505
Amount utilised during the year	(1,637)	(184)
Increase in value due to time passage	-	1,515
Carrying amount at the end of the year	-	75,183

19. Contributed Equity and Reserves

	2015 $'000	2014 $'000
Issued and Paid Up Capital		
313,372,551 Ordinary shares (2014: 313,372,551 Ordinary shares)	450,663	450,663

	Shares	Shares
Movement in ordinary shares on issue		
At 31 March 2015 and 31 March 2014	313,372,551	313,372,551

Terms and conditions

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Effective from 1 July 1998, the Corporation legislation in place abolished the concept of authorised capital and par value shares. Accordingly, the Company does not have authorised capital nor par value in respect of its issued shares.

Capital Management

The primary objective of the Company's capital management is to seek to maximise cash returns to shareholders whilst having regard to ensuring a solid financial structure for the Company and providing for value accretive development and exploration activities and targeted growth opportunities. Management also aims to maintain a capital structure through a combination of debt and equity that ensures the lowest cost of capital available to the Company.

The payment of dividends by the Company in the future will be at the complete discretion of the Directors and will depend upon the Company's available distributable earnings, franking credit balance, operating results, available cash flow, financial condition, outlook, taxation position and future capital requirements, as well as general business and financial conditions, the Directors' view of the appropriate payout ratio from time to time and any other factors the Directors may consider relevant.

The Group is not subject to any externally imposed capital requirements.

Nature and purpose of reserve
Cash flow hedge reserve
This reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge.

20. Related Parties

(a) Interests in Controlled Entities

Aditya Birla Minerals Limited	Country of Incorporation	% Shares Held 2015	% Shares Held 2014
Birla Nifty Pty Ltd	Australia	100%	100%
Birla Maroochydore Pty Ltd	Australia	100%	100%
Birla Mt Gordon Pty Ltd	Australia	100%	100%

(b) Ultimate Holding Company - Hindalco Industries Limited

The Group has a secure, long-term relationship with its ultimate parent entity, Hindalco Industries Limited, a company incorporated in India. The Group's copper in concentrate production is sold to Hindalco Industries Limited under contract at arm's length terms. These contractual arrangements extend to the life of mine of the Nifty operations and the Mt Gordon operation (the Nifty Concentrate Sales Agreement and the Mt Gordon Concentrate Sales Agreement). The price for the copper sold to Hindalco is based on the average LME copper price for the Quotational Period (refer to note 27). Treatment and Refining Charges (Tc/Rc) are negotiated annually with reference to the published benchmark set by major Japanese smelters and include standard industry Price Participation (PP) levels. For the year ended 31 March 2015, Tc was averaged at US$92 (2014: US$76) per dry metric tonne of copper concentrate and Rc was averaged at US$0.092 (2014: US$0.076) per pound of payable copper, which is 95.67 % of contained copper in copper concentrate for FY2015 (2014 : 96.5%). The percentage of payable copper is dependant upon the concentrate grade which varies each year. There were no price participation charges in the current and previous year.

During the year ended 31 March 2015, transactions between the Group and Hindalco Industries Limited consist of sales and advances made as per the terms and conditions under the concentrate offtake agreement as disclosed in note 27.

The value of transactions with Hindalco Industries Limited during the year and the balances outstanding at the balance date has been set out in the table below:

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Trade and other receivables/(payable)	(2,066)	3,591	-	-
Transactions during the year:				
- Sales of copper concentrate *	57,888	296,946	-	-

* During the year ended 31 March 2015, the Group sold 9,338 tonnes of copper contained in concentrate to Hindalco (2014: 45,893 tonnes). Sales of copper concentrate have been reported net of Tc/Rc charges of $6.539 million (2014: $24.059 million).

(c) Key Management Personnel

Details relating to Key Management Personnel, including remuneration paid, are included in note 21.

(d) Related Entity - Birla Resources Pty Ltd

Aditya Birla Minerals Limited also holds a loan of $650,000 (2014: $650,000) payable to Birla Resources Pty Ltd, a subsidiary of Hindalco Industries Limited. This loan is interest-bearing with no security and is repayable in 2016.

(e) Wholly Owned Group

The non-current loans to controlled entities shown in note 9 are unsecured and are repayable on demand. Interest is charged based on BBSY for A$ or LIBOR for US$ for the portion of loans that are interest-bearing. Certain advances from subsidiary companies bear interest at the appropriate cash deposit rates.

The Company also enters into derivative contracts with counter-parties on behalf of its subsidiaries. The Company has entered into back to back agreements with its subsidiaries for all such transactions.

For the year ended 31 March 2015, the Parent has made allowances for impairment losses relating to amounts owed by its controlled entities and its investments in its controlled entities to reflect the amounts it expects to recover based on the applicable net assets of each controlled entitiy at balance date (refer to notes 3 (e), 9 and 15). An impairment assessment is undertaken each financial year by examining the financial position of the related entities and the market in which the related entity operates to determine whether there is objective evidence that the related entity receivable or investment is impaired. When such objective evidence exists, the Company recognises an allowance for the impairment loss which it has done in the current year.

21. Key Management Personnel

(a) Details of Key Management Personnel

Directors

Name	Position	Date of Appointment	Date of Resignation
Mr D Bhattacharya	Non-Executive Chairman	18 April 2003	-
Mr N M Patnaik	CEO and Managing Director	10 February 2015	-
Dr S Kulwal	CEO and Managing Director	9 June 2008	28 February 2015
Mr M Prasanna	Independent Non-Executive Director	20 January 2003	-
Dr S Bhargava	Independent Non-Executive Director	21 August 2007	-
Mr M Anghie	Independent Non-Executive Director	21 November 2007	-
Mr N Krishnan	Independent Non-Executive Director	21 November 2007	-
Mr D Gaur	Non-Executive Director	6 October 2010	15 October 2014
Mr J C Laddha	Non-Executive Director	15 October 2015	-

Executives

Name	Position	Date of Appointment	Date of Resignation
Mr S L Dugar	Chief Financial Officer	1 August 2012	-
Mr S Dugar	Corporate Finance Manager	1 August 2006	-
Mr G Hota	Group Chief Mining Engineer	26 July 2004	-
Mr V Phan	Head of Engineering & Projects	12 December 2011	-
Mr Valentine Utete	General Manager – Birla Nifty Pty Ltd	1 November 2011	-

(b) Compensation of Key Management Personnel

	CONSOLIDATED		PARENT	
	2015 $	2014 $	2015 $	2014 $
Short term employee benefits	2,701,550	2,958,364	-	-
Long term employee benefits	176,897	294,358	-	-
Post employment benefits	195,587	215,619	-	-
Total	**3,074,034**	**3,468,341**	**-**	**-**

(c) Shareholdings of Key Management Personnel (Consolidated)

No key management personnel held any shares or undertook any equity transactions during the current or previous year.

(d) Transactions and Balances with Key Management Personnel and their Related Parties

Services
Mr N Krishnan, non-executive director, received consulting fees for professional services they provided to the Group outside their normal Board and Committee duties. These fees were paid as per rates agreed and approved by the Board. No balances were outstanding at 31 March 2015 and 31 March 2014.

The value of the consulting fees paid to the directors has been set out in the table below:

	2015 $	2014 $
Consulting fees		
Mr N Krishnan	29,450	24,200
Total	29,450	24,200

22. Segment Reporting

The Group is organised into business units based on its mining activities and its products.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the CEO (the chief operating decisions maker) in assessing performance and in determining the allocation of resources.

For management purposes, the Group has identified four reportable segments as follows:

- The Nifty Sulphide segment develops and mines sulphide ore that is processed and sold as copper concentrate.
- The Nifty Oxide segment develops and mines oxide ore that is processed and sold as copper cathode. The oxide operations are currently under care and maintenance.
- The Mt Gordon segment develops and mines sulphide ore that is processed and sold as copper concentrate. The Mt Gordon operations are currently under care and maintenance.
- Exploration and evaluation segment includes activities associated with the determination and assessment of the existence of commercial economic reserves.

Following a review of the Group's operations in the current period, the composition of the reportable segments has changed and the comparative information has been restated.

All the Group's assets and operations are located in Australia. The Group has an offtake agreement with Hindalco for life of the mine production from all its current operations in Australia (refer note 27)

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

Group financing (including finance costs and finance revenue), corporate costs and income taxes are not allocated to operating segments as they are not considered a direct part of the core operations of any segment and are managed on a Group basis.

	Nifty Sulphide	Nifty Oxide	Mt Gordon	Exploration and Evaluation	Total
	$'000	$'000	$'000	$'000	$'000
Year ended 31 March 2015					
Revenue					
External sales	57,124	-	24	-	57,148
Total segment revenue	57,124	-	24	-	
Interest revenue	-	-	-	-	1,893
Total revenue					59,041
Segment result	(154,301)	(81,656)	(29,895)	(144)	(265,996)
Interest revenue	-	-	-	-	1,894
Corporate costs	-	-	-	-	(7,815)
Finance costs	-	-	-	-	(1,425)
Loss before income tax					(273,342)
Income tax benefit	-	-	-	-	53,630
Net (Loss)/Profit for the year					(219,712)
Depreciation and amortisation	(18,268)	(653)	(1,144)	-	(20,065)
Net profit on disposal of plant and equipment	-	-	-	-	-
Assets impaired/ written off	(117,190)	(80,716)	(21,116)	-	(219,022)
Segment operating assets *	204,337	12,978	72,027	13,509	302,851
Unallocated assets **					89,461
Total assets					392,312
Capital expenditure	15,726	-	438	-	16,164
Segment liabilities	(68,733)	-	(37,839)	(1)	(106,573)
Corporate liabilities					(1,201)
Deferred tax liabilities					-
Total liabilities					(107,774)

*All common plant and machinery at Nifty mine site has been allocated to Nifty sulphide

**includes cash balance of $55.226 million, $19.023 million of security deposit to bank and deferred tax assets of $14.860 million

22. Segment Reporting (continued)

	Nifty Sulphide	Nifty Oxide	Mt Gordon	Exploration and Evaluation	Total
	$'000	$'000	$'000	$'000	$'000
Year ended 31 March 2014					
Revenue					
External sales	305,270	-	10,154	-	315,424
Total segment revenue	305,270	-	10,154	-	
Interest revenue	-	-	-	-	1,993
Total revenue					317,417
Segment result	18,240	(795)	(12,300)	639	5,784
Interest revenue	-	-	-	-	1,993
Corporate costs	-	-	-	-	(8,719)
Finance costs	-	-	-	-	(3,325)
Loss before income tax					(4,267)
Income tax benefit	-	-	-	-	4,043
Net (Loss)/Profit for the year					(224)
Depreciation and amortisation	(51,961)	(1,307)	(1,536)	-	(54,804)
Net profit on disposal of plant and equipment	45	-	32	-	77
Assets impaired/ written off	(1,451)	-	(39)	-	(1,490)
Segment operating assets *	325,118	94,347	91,914	13,594	524,973
Unallocated assets **					144,460
Total assets					669,433
Capital expenditure	29,247	-	4,527	-	33,774
Segment liabilities	(64,961)	-	(37,071)	-	(102,032)
Corporate liabilities					(1,462)
Deferred tax liabilities					(50,677)
Total liabilities					(154,171)

*All common plant and machinery at Nifty mine site has been allocated to Nifty sulphide

**includes cash balance of $136.776 million

23. Commitments

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Capital Expenditure				
Capital expenditure contracted for at reporting date, but not provided for:				
Payable not later than one year	467	1,273	-	-
Payable later than one not later than five years	-	-	-	-
Payable later than five years	-	-	-	-
	467	1,273	-	-

The Group had contractual obligations in relation to various projects of $0.467 million (2014: $1.273 million).

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Operating Leases				
The Group has entered into contracts for the provision of vehicle fleet and infrastructure as follows:				
Payable not later than one year	1,172	4,472	-	-
Payable later than one not later than five years	247	1,642	-	-
Payable later than five years	-	-	-	-
	1,419	6,114	-	-

The Group has entered into operating leases on certain motor vehicles, mining equipment and portable infrastructure.

There are no restrictions placed upon the Group by entering into these leases.

Other Commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to outlay lease rentals and to meet the minimum expenditure requirements of the relevant regulatory bodies per annum. Minimum expenditure requirements excluding lease rentals are $3,015,900 (2014: $3,664,900). These commitments are subject to renewal of the leases, renegotiation upon expiry of the exploration leases or when application for a mining lease is made. These commitments are not provided for in the financial statements.

For the transportation of gas from Port Hedland to Nifty, the Group has agreed to pay minimum transportation charges of $2,410,000 per annum (2014: $2,410,000), subject to inflationary adjustments. The gas transportation agreement is valid until 6 December 2019.

24. Contingent Liabilities

There are no material contingent liabilities at balance date.

	CONSOLIDATED		PARENT	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000

25. Notes to the Statement of Cash Flows

(a) Reconciliation of net (loss)/profit after income tax to net cash flows from operating activities

Net (loss)/profit from ordinary activities after income tax	(219,712)	(224)	(43)	(47)
Adjustments for:				
Depreciation of plant and equipment	10,918	25,466	-	-
Amortisation of mine properties and deferred mining	9,146	29,338	-	-
Net gain on disposal of plant and equipment	-	(77)	-	-
Dividend income from subsidiaries classified as Investing cash flow	-	-	-	-
Net foreign exchange differences	(8,485)	(16,288)	(6,178)	(415)
Provision for interest payable to suppliers	(596)	673	-	-
Write-down of inventories	15,120	500	-	-
Assets written off	-	1,490	-	-
Impairment of Assets	219,022	-	-	-
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables	8,576	35,726	5,789	(1,493)
(Increase)/decrease in prepayments	592	1,270	3	50
(Increase)/decrease in inventories	(38,496)	6,665	-	-
(Increase)/decrease in deferred derivative assets	8,584	(6,729)	-	-
(Increase)/decrease in other financial assets	-	-	-	4,876
(Increase)/decrease in deferred tax assets	(14,860)	-	-	-
Increase/(decrease) in deferred tax liabilities (net)	(45,959)	(918)	(7,024)	(3,359)
Increase/(decrease) in income tax payable	1,536	2,773	1,535	4,363
Increase/(decrease) in trade and other payables	(1,944)	(24,539)	(261)	276
Increase/(decrease) in provision for employee entitlements & carbon tax provision	(6,026)	(2,937)	-	-
Increase/(decrease) in provision for rehabilitation	1,331	1,434	-	-
Net cash from/(used in) operating activities	(61,253)	53,623	6,179	4,251

25. Notes to the Statement of Cash Flows (continued)

(b) Reconciliation of Cash

	CONSOLIDATED		PARENT	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following at 31 March:				
Cash at bank and in hand	5,458	1,534	3,952	29
Short-term deposits	49,768	135,242	41,667	134,042
	55,226	136,776	45,619	134,071
Bank overdrafts	(629)	-	-	-
	54,597	136,776	45,619	134,071

(c) Disclosure of financing facilities

Details of financing facilities are included in note 17(b).

26. Impairment of Assets

The Company reviewed the carrying value of its assets and cash generating units due to the following material events that took place during the year ended 31 March 2015 –

Nifty Sulphide

- a reduction in Reserves by 75 kt of contained copper resulting from geotechnical impact, change in mining methodology and change in resource to reserve conversion, as a result of the sinkhole incident and change in macro economic conditions (copper price and AUD/USD exchange rate).
- Change in production profile of the Nifty mine due to constraints resulting from the sinkhole incident, having an adverse impact on LOM costs, annual revenues and NPV.

Nifty Oxide

- Results of drillhole samples testing on the oxide ore received during the year and evaluation of various technical options to recover copper from heaps in an economical manner resulted in a change of methodology to process the ore.

Mt Gordon

- Independent valuation performed by an expert based on yardstick valuation method which is based on a market multiple for copper contained in the mineral resource of Mt Gordon.

Considering the above events/information, the following impairment amounts have been recognised in the financial report for each CGU:

	('000)
Nifty – Sulphide	117,190
Nifty Oxide	80,716
Mt Gordon	21,116
Total loss on impairment of assets	**219,022**

The above impairment values have been allocated to the Group's non-current assets as below:

	Gross carrying value ('000)	**Impairment ('000)**	**Recoverable amount/Net carrying value ('000)**
Nifty Sulphide			
Plant and Equipment	110,639	46,550	64,089
Mine properties	150,843	70,640	80,203
Total	**261,482**	**117,190**	**144,292**

	Gross carrying value ('000)	Impairment ('000)	Recoverable amount/Net carrying value ('000)
Mt Gordon			
Plant and Equipment	22,337	13,516	8,821
Mine properties	61,714	-	61,714
Inventory of spares and consumables	8,600	7,600	1,000
Total	**92,651**	**21,116**	**71,535**
Nifty Oxide			
Copper and ore under leach	76,441	65,611	10,830
Mine properties	8,066	6,919	1,143
Plant and Equipment *	6,186	4,186	2,000
Inventory of spares and consumables *	4,000	4,000	-
Total	**94,693**	**80,716**	**13,973**

*The oxide processing plant has been written down to estimated market value based on an independent valuation of the plant as the plant is not going to be used for processing oxide ore due to a change in the expected processing methodology. Inventory of spares and consumables is also fully impaired as it relates to that plant.

The Group assessed each asset or cash generating unit (CGU) for the year ended 31 March 2015 to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount was made, which is considered to be the higher of the fair value less costs to sell and Value In Use (VIU). The Group has used VIU method for Nifty Sulphide and Nifty Oxide and fair value less costs to sell for Mt Gordon. The Group has used the following assumptions:

Nifty Sulphide and Nifty Oxide - Value in use
VIU calculation use pre-tax free cash flows based on financial projections for the approved life of mine (LOM) plan. The key operating assumptions and their basis of estimation are:

- Future copper production based on latest mine plan available and using recovery factor of 90.3% for Nifty Sulphide and 75% for Nifty Oxide as per management best estimates
- Commodity price forecast ranging from US$ 6,272 to US$ 6,816 per MT of copper over the life of mine derived from a range of external Global commodity forecasters
- Exchange rate forecast of AUD/USD ranging from 0.7375 to 0.7800 derived from a range of external Global currency forecasters
- Future cost of production (site cost) ranging from A$78 to A$94 per ton of ore mined and processed for Nifty Sulphide and future sustaining expenditure as per management best estimates
- Future variable cost of production (site cost) ranging from A$25 to A$28 per ton of ore handled and processed for Nifty Oxide and future sustaining expenditure as per management best estimates

Discount rates
The discount rates applied to the cash flow projections ranging from 13.5% to 15.5% on a pre-tax nominal basis for different CGUs has been applied to reflect the time value of money and the perceived risk profile of the industry in which each CGU operates. Discount rates are based on the risk adjusted weighted average cost of capital of the Group. The following discount rates have been used for each CGU:

Nifty – Sulphide	13.5%
Nifty Oxide	15.5%

These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Sensitivity

It is estimated that changes in key assumptions, in isolation, would impact recoverable amounts at 31 March 2015 as follows:

	Increase/ (Decrease) ('000)	
Change in	**Nifty Sulphide**	**Nifty Oxide**
Commodity (copper) price by + 5%	47,770	4,090
Commodity (copper) price by - 5%	(47,780)	(4,090)
Exchange(AUD/USD) rate by + 5%	(39,470)	(3,240)
Exchange(AUD/USD) rate by - 5%	43,620	3,570
Cost of production by + 5%	(31,390)	(2,340)
Cost of production by - 5%	31,390	2,330
Recovery factor by +1%	8,470	860
Recovery factor by -1%	(8,470)	(860)
Discount rate by + 1%	(2,120)	(410)
Discount rate by - 1%	2,180	420

Mt Gordon - fair value less costs to sell

For the year ended 31 March 2015, the Group has impaired the assets of Mt Gordon based on fair values determined by an independent expert less expected costs of disposal. The mine properties have been valued using a market approach known as the yardstick valuation method which is based on a market multiple for copper contained in the mineral resource. Plant and Equipment and Inventory of spares and consumables have been valued using estimated market values or depreciated replacement cost. All fair values are classified as level 3 in the fair valuation hierarchy.

Key inputs – Mine Properties

Price multiple ranging from $22 to $35 per ton of contained copper (mid point of $28.5 per ton of contained copper) has been derived from market observed multiples and from transactions that were completed in 2013 and 2014 in Australia. Total copper contained in mineral resource of 2.36 millions tons and cost of disposal equivalent to ~2% of total value.

Sensitivity

	Increase in impairment ('000)
Mine properties	
Price multiple of $22 per ton of contained copper	10,994

The Mt Gordon CGU was previously measured using the Value in Use (VIU) method. The change in valuation method is due to the fact that Mt Gordon and the Group are currently and actively exploring opportunities to realise the value of the asset via a sale process and thus they consider this to be the most appropriate valuation method for financial statement reporting purposes.

27. Copper in Concentrate off-take agreement

By agreement dated 25 January 2006, Birla Nifty agreed to sell, and Hindalco agreed to purchase, all Copper in Concentrate produced at the Nifty copper mine for the LOM ("Nifty Concentrate Sales Agreement").

The price Hindalco must pay Birla Nifty is governed by the Nifty Concentrate Sales Agreement and yearly memoranda of agreement (which are negotiated prior to commencement of the contract year). The price payable is the sum of the payments for payable Copper in Concentrate minus TC/RCs. Whereas the Nifty Concentrate Sales Agreement determines the price payable in relation to the components of the Copper in Concentrate; the memoranda of agreement govern the treatment and refining charges that Hindalco is entitled to recoup.

The TC/RCs agreed in the yearly memoranda of agreement must be the same as the "annual Japanese benchmark agreed between the major copper mines and the Japanese smelters under calendar year contracts for similar qualities of copper concentrates" ("Annual Japanese Benchmark"). The Annual Japanese Benchmark determines the treatment charge (in US dollars) to be levied per dry metric tonne of Copper in Concentrate and the refining charge (in US dollars) to be levied per pound of payable copper extracted from the Copper in Concentrate. In addition, the Annual Japanese Benchmark prescribes the Quotational Period over which the price determinants set out above are to be averaged.

Delivery of the Concentrate is made on a cost insurance and freight /free over ("CIF FO") basis to the port of Dahej, Gujarat, India as per "Incoterms 2000".

Memorandum of agreement dated 6 February 2015
The memorandum of agreement governing the TC/RCs applicable to the Nifty Concentrate Sales Agreement for the contract year 1 January 2015 to 31 December 2015 inclusive, records the following terms:

TC – US$107.00 per dmt of Copper Concentrates
RC – US$0.107 per pound of payable copper.

Quotational Period - The Quotational Period for all payable copper shall be the third calendar month following the month of vessel's arrival at the discharge port (ie 3MAMA).

28. Events Subsequent to Balance Date

There are no material subsequent events after the balance date.

Directors' Declaration

In accordance with a resolution of the Directors of Aditya Birla Minerals Limited, we state that:

1. In the opinion of the Directors:

   a) the financial statements, notes, and the additional disclosures included in the Directors' Report designated as audited, of the Company and of the consolidated entity are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the Company's and consolidated entity's financial position as at 31 March 2015 and of their performance for the year ended on that date; and

      (ii) complying with Accounting Standards and Corporations Regulations 2001; and

   b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. 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 31 March 2015.

Signed in accordance with a resolution of the directors.

Debu Bhattacharya
Chairman

Neela Madhab Patnaik
CEO and Managing Director

Perth, 13 May 2015

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Auditor's Independence Declaration to the Directors of Aditya Birla Minerals Limited

In relation to our audit of the financial report of Aditya Birla Minerals Limited for the financial year ended 31 March 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
13 May 2015

Building a better working world

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Independent audit report to the members of Aditya Birla Minerals Limited

Report on the financial report

We have audited the accompanying financial report of Aditya Birla Minerals Limited, which comprises the consolidated statements of financial position as at 31 March 2015, the consolidated income statements, consolidated statements of comprehensive income, the consolidated statements of cash flows and the consolidated statements of changes in equity 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 consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation 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 controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 controls 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 controls. 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 have given to the directors of the company a written Auditor’s Independence Declaration, a copy of which is included in the directors’ report.

Opinion

In our opinion:

a. the financial report of Aditya Birla Minerals Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 31 March 2015 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.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 31 March 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Aditya Birla Minerals Limited for the year ended 31 March 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
13 May 2015