



**Interim Financial Statements**

**For the three months ended  
31 March 2015**

**RTG MINING INC.**

Level 2, 338 Barker Road, Subiaco WA 6008

Website: [www.rtgmining.com](http://www.rtgmining.com)

**NOTICE OF NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS**

The interim financial report for RTG Mining Inc. ("RTG" or the "Company") is a general purpose condensed financial report which has been prepared in accordance with the requirements of International Accounting Standard 34 ("IAS 34") as issued by the International Accounting Standards Board. The consolidated financial statements have also been prepared on a historical cost basis and are presented in United States Dollars (US\$). These financial statements are the responsibility of management and have not been reviewed by the auditors. The most significant accounting principles have been set out in the audited financial statements and Annual Information Form dated 30 March 2015 for the period ended 31 December 2014 and the related notes thereto. A precise determination of many assets and liabilities is dependent on future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

For further information please contact:

Nick Day  
Chief Financial Officer and Company Secretary

Telephone: +61 8 6489 2900  
Fax: +61 8 6489 2920

## CORPORATE DIRECTORY

**DIRECTORS:** Michael J Carrick (Chairman)  
Justine A Magee  
David A T Cruse  
Robert N Scott  
Phil C Lockyer  
Mathew G Syme (Appointed 4 June 2014, retired 9 September 2014)

**SECRETARY:** Nicholas Day (Appointed: 21 January 2015)  
Ryan P Gurner (Appointed: 9 Sept 2014, Resigned: 21 January 2015)

**REGISTERED AND PRINCIPAL OFFICE:** Level 2  
338 Barker Road,  
Subiaco WA 6000

Telephone: +61 8 6489 2900  
Facsimile: +61 8 6489 2920

**BANKERS:** Australia and New Zealand Banking Group Limited  
77 St Georges Terrace  
Perth WA 6000

**AUDITORS:** BDO Audit (WA) Pty Ltd  
38 Station Street  
Subiaco WA 6008

**SHARE REGISTER:** Australian Register  
Computershare Investor Services Pty Limited  
Level 2  
45 St Georges Terrace  
Perth WA 6000  
  
Telephone: 1300 557 010 or + 61 8 9323 2000  
Facsimile: + 61 8 9323 2033

Canadian Register  
Computershare Investor Services Inc.  
100 University Ave, 11th Floor  
Toronto Ontario M5J2Y1  
Canada

Telephone: +1 416 263 9449  
Facsimile: +1 416 981 9800

**STOCK EXCHANGE:** Australian Securities Exchange Limited  
Exchange Code:  
RTG – Chess Depositary Interests (CDIs)

Toronto Stock Exchange Inc.  
Exchange Code:  
RTG – Fully paid shares

**CORPORATE DIRECTORY cont.**

**LAWYERS:**

Corrs Chambers Westgarth  
Level 15  
Woodside Plaza  
240 St Georges Terrace  
Perth WA 6000

Blakes, Cassels & Graydon  
Suite 2600  
3 Bentall Centre  
59 Burrard Street  
Vancouver, B.C. Canada  
V7X 1L3

K & L Gates  
Level 32  
44 St Georges Terrace  
Perth WA 6000

**WEBSITE:**

[www.rtgmining.com](http://www.rtgmining.com)

**RTG MINING INC.**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**

Unaudited - Prepared By Management

For the three months ended 31 March 2015

|   | Note | Consolidated<br>Three months<br>ended 31 March<br>2015<br>US\$ | Consolidated<br>Three months<br>ended 31 March<br>2014<br>US\$ |
|---|------|--|--|
| <b>Continuing Operations</b>  |      |  |  |
| Revenue   | 3(a) | 14   | 10,366   |
| Exploration and evaluation expenditure  |      | (112,431)  | -  |
| Operating expenses  |      | -  | -  |
| Business development  | 3(b) | (342,173)  | (424,439)  |
| Foreign exchange gains/(losses)   |      | (113,466)  | (349,085)  |
| Administrative expenses   | 3(c) | (535,268)  | (1,108,563)  |
| Share of loss of associates   | 3(d) | (194,238)  | -  |
| <b>Loss from continuing operations</b>  |      | <b>(1,297,562)</b>   | <b>(1,871,721)</b>   |
| Income tax benefit  |      | -  | -  |
| <b>Loss for the period</b>  |      | <b>(1,297,562)</b>   | <b>(1,871,721)</b>   |
| <b>Other comprehensive income for the period</b>  |      |  |  |
| Exchange differences on translation of foreign operations                                     |      | (46,148)   | -  |
| <b>Total comprehensive income/(loss) for the period</b>                                       |      | <b>(1,343,710)</b>   | <b>(1,871,721)</b>   |
| <b>Earnings per share for loss attributable to the ordinary equity holders of the company</b> |      |  |  |
| Basic loss per share (cents)  |      | (1.30)   | (0.57)   |
| Diluted loss per share (cents)  |      | (1.30)   | (0.57)   |

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

**RTG MINING INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Unaudited – Prepared By Management

|                                     | Note | Consolidated<br>31 March 2015<br>US\$ | Consolidated<br>31 December 2014<br>US\$ |
|-------------------------------------|------|---------------------------------------|--|
| <b>ASSETS</b>                       |      |                                       |  |
| <b>Current Assets</b>               |      |                                       |  |
| Cash and cash equivalents           | 4    | 8,580,477                             | 2,394,974                                |
| Trade and other receivables         |      | 496,186                               | 349,146                                  |
| Prepayments                         |      | 36,898                                | 130,579                                  |
| <b>Total Current Assets</b>         |      | <b>9,113,560</b>                      | <b>2,874,699</b>                         |
| <b>Non-Current Assets</b>           |      |                                       |  |
| Property, plant and equipment       |      | 223,354                               | 230,670                                  |
| Available for sale financial assets |      | 1,841,854                             | 1,841,854                                |
| Investment in associates            |      | 83,025,250                            | 83,197,341                               |
| Loans to associate                  |      | 3,764,283                             | 2,992,472                                |
| Derivative financial asset          |      | 1,330,228                             | 1,330,228                                |
| <b>Total Non-Current Assets</b>     |      | <b>90,184,969</b>                     | <b>89,592,565</b>                        |
| <b>TOTAL ASSETS</b>                 |      | <b>99,298,529</b>                     | <b>92,467,264</b>                        |
| <b>LIABILITIES</b>                  |      |                                       |  |
| <b>Current Liabilities</b>          |      |                                       |  |
| Trade and other payables            |      | 378,359                               | 276,566                                  |
| Provisions                          |      | 910,061                               | 944,251                                  |
| <b>Total Current Liabilities</b>    |      | <b>1,288,421</b>                      | <b>1,220,817</b>                         |
| <b>TOTAL LIABILITIES</b>            |      | <b>1,288,421</b>                      | <b>1,220,817</b>                         |
| <b>NET ASSETS</b>                   |      | <b>98,010,108</b>                     | <b>91,246,447</b>                        |
| <b>SHAREHOLDER'S EQUITY</b>         |      |                                       |  |
| Issued capital                      | 5(a) | 122,007,511                           | 113,900,141                              |
| Reserves                            | 5(b) | 3,153,547                             | 3,199,695                                |
| Accumulated losses                  |      | (27,150,950)                          | (25,853,389)                             |
| <b>TOTAL SHAREHOLDER'S EQUITY</b>   |      | <b>98,010,108</b>                     | <b>91,246,447</b>                        |

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

**RTG MINING INC.  
CONSOLIDATED STATEMENT OF CASH FLOWS**

**Unaudited – Prepared By Management**

**For the three months ended 31 March 2015**

|  | Note     | Three months<br>ended<br>31 March<br>2015<br>US\$ | Three months<br>ended<br>31 March<br>2014<br>US\$ |
|--|----------|---|---|
| <b>Cash flows from operating activities</b>  |          |   |   |
| Payments to suppliers and employees  |          | (1,019,194)                                       | (1,544,804)                                       |
| Interest received  |          | 14  | 10,366  |
| <b>Net cash outflow from operating activities</b>  |          | <b>(1,019,180)</b>                                | <b>(1,534,438)</b>                                |
| <b>Cash flows from investing activities</b>  |          |   |   |
| Payments for property, plant & equipment   |          | -   | (5,903)   |
| Loans to associated entities   |          | (771,811)   | -   |
| <b>Net cash inflow/(outflow) from investing activities</b>                               |          | <b>(771,811)</b>                                  | <b>(5,903)</b>                                    |
| <b>Cash flows from financing activities</b>  |          |   |   |
| Proceeds from share issues   |          | 8,907,009   | -   |
| Share issue costs  |          | (762,000)   | -   |
| <b>Net cash inflow from financing activities</b>   |          | <b>8,145,009</b>                                  | <b>-</b>  |
| Net increase / (decrease) in cash and cash equivalents                                   |          | 6,354,018   | (1,540,341)                                       |
| <b>Cash and cash equivalents at beginning of the period</b>                              |          | <b>2,394,974</b>                                  | <b>10,987,534</b>                                 |
| Effects of exchange rate fluctuations on the balances of cash held in foreign currencies |          | (168,515)   | (340,985)   |
| <b>Cash and cash equivalents at end of the financial period</b>                          | <b>4</b> | <b>8,580,477</b>                                  | <b>9,098,108</b>                                  |

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

RTG MINING INC.  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited – Prepared By Management

For the three months ended 31 March 2015

|   | <i>Issued Capital<br/>US\$</i> | <i>Acquisition reserve<br/>US\$</i> | <i>Share based payment reserve<br/>US\$</i> | <i>Foreign currency translation reserve<br/>US\$</i> | <i>Accumulated losses<br/>US\$</i> | <i>Total<br/>US\$</i> |
|---|--------------------------------|-------------------------------------|---|--|------------------------------------|-----------------------|
| Balance at 1 January 2015                             | 113,900,141                    | (4,300,157)                         | 7,601,285                                   | (101,433)  | (25,853,389)                       | 91,246,447            |
| Loss for the year                                     | -                              | -                                   | -   | (46,148)   | (1,297,562)                        | (1,343,710)           |
| <b>Total comprehensive income/(loss) for the year</b> | -                              | -                                   | -   | (46,148)   | (1,297,562)                        | <b>(1,343,710)</b>    |
| Share issues  | 8,907,008                      | -                                   | -   | -  | -                                  | 8,907,008             |
| Share issue costs                                     | (799,638)                      | -                                   | -   | -  | -                                  | (799,638)             |
| <b>At 31 December 2014</b>                            | <b>122,007,511</b>             | <b>(4,300,157)</b>                  | <b>7,601,285</b>                            | <b>(147,581)</b>                                     | <b>(27,150,951)</b>                | <b>98,010,107</b>     |

For the three months ended 31 March 2014

|   | <i>Issued capital<br/>US\$</i> | <i>Acquisition reserve<br/>US\$</i> | <i>Share based payment reserve<br/>US\$</i> | <i>Accumulated losses<br/>US\$</i> | <i>Total<br/>US\$</i> |
|---|--------------------------------|-------------------------------------|---|------------------------------------|-----------------------|
| At 1 January 2014                                       | 34,162,759                     | (4,300,157)                         | 3,139,200                                   | (18,412,040)                       | 14,589,762            |
| Loss for the period                                     | -                              | -                                   | -   | (1,871,721)                        | (1,871,721)           |
| <b>Total comprehensive income/(loss) for the period</b> | -                              | -                                   | -   | -                                  | <b>(1,871,721)</b>    |
| <b>At 31 March 2014</b>                                 | <b>34,162,759</b>              | <b>(4,300,157)</b>                  | <b>3,139,200</b>                            | <b>(20,283,761)</b>                | <b>12,718,041</b>     |

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



**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**For the period ended 31 March 2015**

**Unaudited – Prepared By Management**

**1. CORPORATE INFORMATION**

The interim financial report of RTG Mining Inc. (“the Company”, “RTG”, “the Group” or “the Entity”) is presented as at 31 March 2015 and for the period 1 January 2015 to 31 March 2015.

RTG Mining Inc. was incorporated on 27 December 2012 and is domiciled in the British Virgin Islands. Its registered address is Jayla Place, Wickhams Cay I, Road Town, Tortola, VG1110 British Virgin Islands. On 28 March 2013, Ratel Group and RTG completed the merger (the “Merger”) of Ratel Group and Ratel Merger Ltd., a wholly-owned subsidiary of RTG. As a result, the surviving corporation formed by the Merger is a wholly-owned subsidiary of RTG. RTG Shares began trading on the TSX under the former symbol for the Ratel Shares, “RTG”, effective as of the open of markets on April 15, 2013. On June 4, 2014, RTG merged with Sierra Mining Limited (“Sierra”) and the Company was also admitted to the Australian Securities Exchange (“ASX”) under the symbol “RTG”.

The principal activity of the Group during the period consisted of mineral exploration and development.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

The interim financial report is a general purpose condensed financial report which has been prepared in accordance with the requirements of International Accounting Standard 34 (“IAS 34”) as issued by the International Accounting Standards Board. The consolidated financial statements have also been prepared on a historical cost basis and are presented in United States Dollars (US\$).

**(b) Significant accounting policies**

The interim consolidated financial statements dated 31 March 2015 have been prepared using the same accounting policies contained in the audited financial statements for 31 December 2014 for RTG Mining Inc. dated 30 March 2015.

**(c) New standards, interpretations and amendments**

The Group has applied the following standards and amendments for the first time commencing 1 January 2014:

- AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, AASB 128 Investments in Associates and Joint Ventures, AASB 127 Separate Financial Statements and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards;
- AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13;
- AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011);
- AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle; and
- AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities.

The adoption of the above standards and amendments did not result in adjustments to the amounts recognised in the financial statements and no change to the Group’s accounting policy was required.

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the period ended 31 March 2015

Unaudited – Prepared By Management

**3. REVENUES AND EXPENSES**

|   | <b>3 months<br/>ended<br/>Mar 31,<br/>2015<br/>US\$</b> | <b>3 months<br/>ended<br/>Mar 31,<br/>2014<br/>US\$</b> |
|---|---|---|
| <b>(a) REVENUES</b>                     |   |   |
| Interest income                         | 14  | 10,366  |
|   | <b>14</b>   | <b>10,366</b>   |
| <b>(b) Business development costs</b>   |   |   |
| Travel                                  | -   | 65,615  |
| Employee fees                           | 108,651   | 206,726   |
| Other                                   | 233,522   | 152,098   |
|   | <b>342,173</b>  | <b>424,439</b>  |
| <b>(c) Administrative expenses</b>      |   |   |
| Accounting & audit fees                 | 29,266  | 13,134  |
| Employee and directors fees             | 278,578   | 341,630   |
| Office rental                           | 44,165  | 145,805   |
| Loan share plan embedded option expense | -   | -   |
| Legal fees                              | 69,533  | 375,296   |
| Listing and shareholder reporting costs | 23,479  | 20,808  |
| Consultants                             | 17,257  | -   |
| Computer support                        | 11,009  | 10,437  |
| Depreciation                            | 7,316   | 5,903   |
| Insurance                               | 13,584  | 28,205  |
| Other                                   | 41,081  | 167,345   |
|   | <b>535,268</b>  | <b>1,108,563</b>  |
| <b>(d) Share of loss of associate</b>   |   |   |
| Share of net losses of associates       | 194,238   | -   |
| Share of drilling cost accrual          | -   | -   |
|   | <b>194,238</b>  | <b>-</b>  |

**4. CASH AND CASH EQUIVALENTS**

|                          | <b>Mar 31,<br/>2015<br/>US\$</b> | <b>Dec 31,<br/>2014<br/>US\$</b> |
|--------------------------|----------------------------------|----------------------------------|
| Cash at bank and on hand | 8,580,477                        | 2,394,974                        |
|                          | <b>8,580,477</b>                 | <b>2,394,974</b>                 |

**5. SHAREHOLDERS EQUITY**

|  | <b>Mar 31,<br/>2015<br/>Number</b> | <b>Dec 31,<br/>2014<br/>Number</b> |
|--|------------------------------------|------------------------------------|
| <b>(a) Issued and paid up capital:</b> |                                    |                                    |
| Issued and fully paid shares           | 128,763,233                        | 111,973,237                        |

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the period ended 31 March 2015

Unaudited – Prepared By Management

**5. SHAREHOLDERS EQUITY cont.**

Movements in contributed equity during the past three months were as follows:

| Ordinary Shares                               | Number             | US\$               |
|---|--------------------|--------------------|
| Opening balance at 1 January 2015             | 111,973,237        | 113,900,141        |
| Proceeds of share issues                      | 16,789,996         | 8,907,008          |
| Costs associated with share issues            |                    | (799,638)          |
| <b>Total shares on issue at 31 March 2015</b> | <b>128,763,233</b> | <b>122,007,511</b> |

**(b) Reserves**

|  | Acquisition<br>\$US | Share based<br>payments<br>\$US | Foreign<br>currency<br>translation<br>US\$ | Total<br>\$US |
|--|---------------------|---------------------------------|--|---------------|
| At 1 January 2015                        | (4,300,157)         | 7,601,285                       | (101,433)                                  | 3,199,695     |
| Other comprehensive loss for<br>the year | -                   | -                               | (46,148)                                   | (46,148)      |
| At 31 March 2015                         | (4,300,157)         | 7,601,285                       | (147,581)                                  | 3,153,547     |

|  | Acquisition<br>\$US | Share based payments<br>\$US | Foreign<br>currency<br>translation<br>US\$ | Total<br>\$US |
|--|---------------------|------------------------------|--|---------------|
| At 1 January 2014                        | (4,300,157)         | 3,139,200                    | -  | (1,160,957)   |
| Options issued under<br>Scheme           | -                   | 4,462,085                    | -  | 4,462,085     |
| Other comprehensive loss<br>for the year | -                   | -                            | (101,433)                                  | (101,433)     |
| At 31 December 2014                      | (4,300,157)         | 7,601,285                    | (101,433)                                  | 3,199,695     |

**6. RELATED PARTY DISCLOSURE**

**(a) Controlling Entity**

The ultimate controlling entity of the wholly owned group is RTG Mining Inc.

**(b) Other transactions with related parties**

**Transactions with related parties**

During the period ended 31 March 2015, the Group entered into transactions with Associates:

- loans of \$771,811 were advanced on to the Associates of the Company.

These transactions were undertaken on the following terms and conditions:

- loans are repayable at call; and
- no interest is payable on the loans at present.

The business purpose of these loans is to pay for the Company's share of project related costs in the Philippines.

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the period ended 31 March 2015

Unaudited – Prepared By Management

**7. COMMITMENT AND CONTINGENCIES**

| 31 March 2015                  | Payments due by period |                  |           |           |                   |
|--------------------------------|------------------------|------------------|-----------|-----------|-------------------|
|                                | Total                  | Less than 1 year | 1-3 years | 4-5 years | More than 5 years |
| Contractual obligations        |                        |                  |           |           |                   |
| Lease obligations <sup>1</sup> | 258,187                | 206,550          | 51,637    | -         | -                 |
| Total contractual obligations  | 258,187                | 206,500          | 51,637    | -         | -                 |

<sup>1</sup> Corporate office lease payments due.

**8. SEGMENT REPORTING NOTE**

The Company's operations are segmented on a regional basis and are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and development. With the exception of its some of its minor exploration and evaluation assets which are held in Africa, all of the Company's other significant assets are held in the Philippines.

The following is the geographical locations of the Company's assets:

31 March 2015

| Operating segment   | Philippines<br>2015<br>US\$ | Australia<br>2015<br>US\$ | Other<br>2015<br>US\$ | Consolidated<br>Total<br>2015<br>US\$ |
|---|-----------------------------|---------------------------|-----------------------|---------------------------------------|
| <b>Revenue</b>  |                             |                           |                       |                                       |
| Interest revenue  | -                           | 14                        | -                     | 14                                    |
| <b>Total revenue as per statement of comprehensive income</b>                           |                             |                           |                       | <b>14</b>                             |
| <b>Results</b>  |                             |                           |                       |                                       |
|   | <b>US\$</b>                 | <b>US\$</b>               | <b>US\$</b>           | <b>US\$</b>                           |
| Segment profit/(loss) before tax  | (306,669)                   | (963,628)                 | (27,265)              | (1,297,562)                           |
| Revenue   | -                           | 14                        | -                     | 14                                    |
| Administrative expenses   | -                           | (510,258)                 | (25,010)              | (535,268)                             |
| Exploration & Evaluation  | (112,431)                   | -                         | -                     | (112,431)                             |
| Foreign exchange  | -                           | (111,211)                 | (2,255)               | (113,466)                             |
| Share of associate profit/(loss)  | (194,238)                   | -                         | -                     | (194,238)                             |
| Other expenses  | -                           | (342,173)                 | -                     | (342,173)                             |
| <b>Segment profit/(loss) before income tax as per statement of comprehensive income</b> |                             |                           |                       | <b>(1,297,562)</b>                    |
| Depreciation expense  | -                           | (7,316)                   | -                     |                                       |

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the period ended 31 March 2015

Unaudited – Prepared By Management

**8. SEGMENT REPORTING NOTE cont.**

| 31 March 2015  | Philippines<br>2015 | Australia<br>2015 | Other<br>2015 | Consolidated<br>Total<br>2015 |
|--|---------------------|-------------------|---------------|-------------------------------|
|  | US\$                | US\$              | US\$          | US\$                          |
| <b>Segment assets</b>  |                     |                   |               |                               |
| Corporate assets   | 86,789,533          | 9,336,914         | 3,172,082     | 99,298,529                    |
| <b>Total assets as per<br/>statement of financial<br/>position</b> |                     |                   |               | <b>99,298,529</b>             |
| <b>Segment liabilities</b>   |                     |                   |               |                               |
| Corporate liabilities  | (820,912)           | (467,509)         | -             | (1,288,421)                   |

**9. INVESTMENT IN ASSOCIATES**

**(a) Acquisition of interest**

On 4 June 2014, RTG completed the implementation of the Schemes pursuant to the terms of the previously-announced Scheme Implementation Deed dated February 24, 2014 (the "Deed") between RTG and Sierra Mining Limited ("Sierra") to acquire all of the outstanding securities of Sierra.

Pursuant to the Schemes, RTG has acquired a direct 40% interest in each of Mt Labo Exploration & Development Corporation, St Ignatius Exploration and Mineral Resources Corporation, Bunawan Mining Corporation and Oz Metals Exploration and Development Corporation and a further indirect interest in Mt Labo Exploration and Development Corporation collectively known as the "**Associates**". As the acquisition of Sierra is not deemed a business acquisition, the transaction must be accounted for as a share based payment for the net assets acquired.

The consideration payable was 79,063,206 RTG shares and 8,784,854 RTG listed options. Details of the fair value of the assets and liabilities acquired as at 4 June 2014 are as follows:

| <i>Purchase consideration comprised</i> | 2014<br>US\$      |
|---|-------------------|
| 79,063,206 shares*                      | 79,737,140        |
| 8,784,854 listed options*               | 4,462,085         |
| Total consideration                     | 84,199,225        |
| Costs associated with acquisition       | 1,093,842         |
|   | <b>85,293,067</b> |

\*Share issue price C\$1.10, option issue value C\$0.554  
(This was the closing price on issue of 4/6/2014)

Net assets acquired

|  | Recognised at<br>acquisition<br>US\$ | Carrying value<br>US\$ |
|--|--------------------------------------|------------------------|
| Cash and cash equivalents                    | 1,327,666                            | 1,327,666              |
| Trade and other receivables                  | 349,013                              | 349,013                |
| Investment in associates                     | 83,989,104 <sup>(1)</sup>            | 1,366,798              |
|  | 85,665,783                           | 3,043,477              |
| Trade and other payables                     | (372,716)                            | (372,716)              |
| <b>Fair value of identifiable net assets</b> | <b>85,293,067</b>                    | <b>2,670,761</b>       |

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**For the period ended 31 March 2015**

**Unaudited – Prepared By Management**

**9. INVESTMENT IN ASSOCIATES cont.**

Cash inflow on acquisition

|                                     |                       |
|-------------------------------------|-----------------------|
| Net cash at acquisition date        | 1,327,666             |
| Direct costs related to acquisition | (1,093,842)           |
|                                     | <u><u>233,824</u></u> |

(1) Investment in associate at 31 March 2014

|   |                          |
|---|--------------------------|
|   | <b>31 March</b>          |
|   | <b>2015</b>              |
|   | <b>US\$</b>              |
| Investment in associate                       | 83,989,104               |
| Share of associates net loss                  | (1,050,825)              |
| Share of foreign currency translation reserve | 86,971                   |
|   | <u><u>83,025,250</u></u> |

**10. EVENTS AFTER BALANCE SHEET DATE**

The Company announced an A\$15 million private placement ("Placement") on 6 February 2015. During the quarter the Company successfully completed the issue of 16.79 million shares at A\$0.68 cents per share for proceeds of circa A\$11.4 million as part of Tranche 1, with 5.49 million shares at A\$0.68 cents subject to shareholder approval as part of Tranche 2 of the Placement. Shareholder approval was received on 10 April 2015 with the receipt of A\$3.7M in Tranche 2 funds and issue of additional shares on 16 April.

The Company has also set its Annual General Meeting for Shareholders for May 21, 2015 at 11.00am.