FRASER RANGE METALS GROUP LIMITED

A.C.N. 098 236 938

Annual Report
For the year ended 30 June 2015

Fraser Range Metals Group Limited

ACN 098 236 938

Annual Report 2015

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Your directors present their report on Fraser Range Metals Group Limited for the financial year ended 30 June 2015.

The names of the directors in office at any time during or since the end of the year are:-

Name Of Person	Position	Date Appointed	Date Resigned
Mr Chen Chik Ong	Non-executive Director	1 July 2013	-
Mr Daniel Smith	Non-executive Director	5 February 2013	-
Mr Nicholas Bishop	Non-executive Director	2 August 2013	-

The names of the secretaries in office at any time during or since the end of the year are:-

Name Of Person	Position	Date Appointed	Date Resigned
Mr Samuel Edis	Company Secretary	1 July 2013	-

Directors have been in office since 1 July 2014 up until the date of this report unless otherwise stated.

INFORMATION ON DIRECTORS

Information on Directors as at the date of this report is as follows:

Mr Chen Chik Ong – Non-executive Director

Mr Ong was a Principal Adviser at the Australian Securities Exchange (ASX) in Perth and brings ten years' experience in compliance and corporate governance to the board. Mr Ong has overseen the admission of over 100 companies on to the official list of the ASX. Mr Ong is a member of the Governance Institute of Australia and is Managing Director of Minerva Corporate, a corporate advisory firm that specialises in providing transaction advisory, financial reporting and company secretarial services. Mr Ong holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia.

Nicholas is currently a director of ASX-listed Excelsior Gold Limited (since May 2011), Minerals Corporation Limited (since 24 June 2014), Auroch Minerals NL (since 31 May 2014) and Segue Resources Limited (since June 2011). He is also a director of NSX listed CoAssets Limited (since 18 March 2015). He has had no former directorships within the last three years.

Mr Ong owns nil shares in Fraser Range Metals Group Limited as at the date of this report.

Mr Daniel Smith – Non-executive Director

Mr Smith is a member of the Governance Institute of Australia with a strong background in finance and is a founding director of Minerva Corporate, a corporate advisory firm that specialises in providing transaction advisory, financial reporting and company secretarial services. His previous career was in the securities industry but more recently in a corporate finance role inclusive of negotiations, technical due diligence and business development. He has primary and secondary capital markets expertise, having been involved in a number of IPOs and capital raisings.

Mr Smith is currently a director of ASX listed Taruga Gold Limited and NSX Listed CoAssets Limited. He was previously a director of ASX listed Minerals Corporation (ASX:MSC).

Mr Smith owns nil shares in Fraser Range Metals Group Limited as at the date of this report.

Mr Nicholas Bishop – Non-executive Director

Mr Bishop is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a member of the Tax Institute Australia (ATIA). He has over eleven years' experience in the financial reporting, auditing and taxation of a number of ASX listed and unlisted companies in Australia and the UK. Mr Bishop is an associate director of Minerva Corporate, a corporate advisory firm that specialises in providing transaction advisory, financial reporting and company secretarial services.

He has had no former directorships within the last three years.

Mr Bishop owns nil shares in Fraser Range Metals Group Limited as at the date of this report.

INFORMATION ON DIRECTORS (continued)

Mr Samuel Edis – Company Secretary

Mr Edis is an Associate Member of the Governance Institute of Australia and trained at the College of Law in Bloomsbury, London. He currently works with a number of ASX-listed companies facilitating compliance and assisting with capital raisings, IPOs and investor relations.

DIRECTORS MEETING

During the period 1 July 2014 to 30 June 2015, 2 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number Eligible to Attend	Number Attended
Mr Chen Chik Ong	2	2
Mr Daniel Smith	2	2
Mr Nicholas Bishop	2	2

PRINCIPAL ACTIVITIES

During the period the Company undertook limited activities in relation to its mineral exploration business. The Board has allocated part of its working capital budget to the identification and evaluation of transactional opportunities in Australia and overseas. During the period the Company reviewed a number of potential acquisitions across a number of industries. No decision to invest in any of the opportunities has been made to date and any decision to proceed will likely require the approval of the Company's shareholders.

REVIEW OF OPERATIONS

During the period, the Company executed definitive agreements with Segue Resources Limited (ASX:SEG) (**Segue**) in relation to the sale of the Company's remaining interest in the Plumridge East Projects (**Projects**) for $200,000 in cash.

Fraser Range and Segue simultaneously agreed to terminate the joint venture over the Projects.

New Opportunities
The Company allocated part of its working capital budget to the identification and evaluation of new opportunities in Australia and overseas. No decision to invest in any of the projects under review had been made at the date of this report. The Company is actively reviewing alternative investment opportunities and will keep the market informed should a decision to invest be made.

CORPORATE

During the period, the Company advised that it had settled all outstanding convertible loans (**Loans**) by issuing shares in Segue to the lenders at $0.01 per share. Fraser Range had been funded and supported by these loans over the preceding 18 months, which enabled the Company to secure the Projects sold to Segue.

SUBSEQUENT EVENTS

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

FINANCIAL POSITION

The profit for the financial year after providing for income tax amounted to $2,596 (2014: Profit $947,996).

DIVIDENDS

No dividends were paid or declared since the start of the financial year.

OPTIONS ON ISSUE

There were no options on issue at the date of this report.

INDEMNIFYING OFFICERS

The Company has entered into Indemnity Deeds with each Director. Under the Deeds, the Group indemnifies each Director to the maximum extent permitted by law against legal proceedings or claims made against or incurred by the Directors in connection with being a Director of the Company, or breach by the Group of its obligations under the Deed. During the year the amount paid for Directors and Officers insurance was $4,440 (2014: $11,947).

PROCEEDING ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Remuneration Report (Audited)

This report details the nature and amount of the remuneration for each key management person of the Company and for the executives receiving the highest remuneration for 30 June 2015.

Remuneration policy

The remuneration policy, which sets the terms and conditions for the key management personnel, was developed by the Board of Directors ("the Board") after seeking professional advice from independent consultants and was approved by the board. All executives receive a base salary, superannuation, fringe benefits, performance incentives and retirement benefits. The Board of Directors reviews executive packages annually by reference to company performance, executive performance, comparable information from industry sectors and other listed companies and independent advice.

All remuneration paid to executives is valued at the cost to the Company and expensed.

The board expects that the remuneration structure implemented will result in the company being able to attract and retain the best executives to run the Company. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the board as part of the review of executive remuneration. All bonuses, options and incentives must be linked to predetermined performance criteria. The board can exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria.

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. This will be achieved via offering performance incentives based on key performance indicators.

Details of remuneration

Details of the remuneration of the directors and the key management personnel of the Group are set out in the following table.
The key management personnel of the Group include the directors as per page 1 above.
Given the size and nature of operations of the Group, there are no other employees who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

Key management personnel of the Group

Details of remuneration for the year ended 30 June 2015

2015

Key Management Personnel	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
	Cash, salary & fees	Cash profit share	Non-cash benefit	Other	Super-annuation	Other	Equity	Options			
	$		$	$	$	$	$	$	$	%	%
Directors											
Mr D Smith	6,000	-	-	-	-	-	-	-	6,000	-	-
Mr N Bishop	2,000	-	-	-	-	-	-	-	2,000	-	-
Mr N Ong	2,500	-	-	-	-	-	-	-	2,500	-	-
	10,500	-	-	-	-	-	-	-	10,500		

Details of remuneration for the year ended 30 June 2014

2014

Key Management Personnel	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
	Cash, salary & fees	Cash profit share	Non-cash benefit	Other	Super-annuation	Other	Equity	Options			
	$		$	$	$	$	$	$	$	%	%
Directors											
Mr S King	19,744	-	-	-	1,826	-	-	-	21,570	-	-
Mr D Smith	-	-	-	-	-	-	-	-	-	-	-
Mr N Bishop	-	-	-	-	-	-	-	-	-	-	-
Mr N Ong	-	-	-	-	-	-	-	-	-	-	-
	19,744	-	-	-	1,826	-	-	-	21,570		

Share-based compensation

There were no share based payment arrangements in existence during the financial year.

Equity instruments held by key management personnel

Shareholdings

The number of ordinary shares in the Company held by each KMP of the Group during the financial year is as follows. There were no shares granted during the reporting period as compensation.

30 June 2015	Balance at Beginning of Year	Granted as Remuneration during the Year	Issued on Exercise of Options during the Year	Other Changes during the Year	Balance at End of Year
Mr N Ong	-	-	-	-	-
Mr N Bishop	-	-	-	-	-
Mr D Smith	-	-	-	-	-

30 June 2014	Balance at Beginning of Year	Granted as Remuneration during the Year	Issued on Exercise of Options during the Year	Other Changes during the Year	Balance at End of Year
Mr N Ong	-	-	-	-	-
Mr N Bishop	-	-	-	-	-
Mr D Smith	-	-	-	-	-
Mr S King *	-	-	-	-	-
Mr N Poll **	-	-	-	-	-

* Resigned 2 August 2013

** Resigned 1 July 2013

Loans to key management personnel

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

Other KMP Transactions

Fraser Range Metals Group Ltd Directors Mr Chen Chik Ong and Mr Daniel Smith are current directors of Minerva Corporate Pty Ltd. Minerva Corporate Pty Ltd provided corporate consultancy services to Fraser Range Metals Group Ltd during the period that Mr Chen Chik Ong and Mr Daniel Smith were directors. Payments to Minerva Corporate Pty Ltd during the period total $62,500 (2014: $54,331).

End of Audited Remuneration Report

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Further information, other than as disclosed the Directors' report, about likely developments in the operations of the Company and the expected results of those operations in future periods has not been included in this report as disclosure of this information would be likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL ISSUES

The Company's operations were subject to significant environmental regulation under the law of the Commonwealth and State in relation to discharge of hazardous waste and materials arising from any activities and development conducted by the Company. To date there have been no known breaches of any environmental obligations.

The directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. Given the divestment of the Projects, the directors have determined that the NGER Act will have no effect on the Company for the current, or subsequent financial period. The directors will reassess this position as and when the need arises.

EVENTS AFTER THE REPORTING PERIOD

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration, as required under section 307C of the Corporations Act 2001 for the year ended 30 June 2015 has been received and can be found on page 8.

Signed in accordance with a resolution of the Board of Directors

Nicholas Bishop
Non-executive Director

DATED at PERTH this 31st Day of August 2015

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To the Board of Directors

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

As lead audit director for the audit of the financial statements of Fraser Range Metals Group Limited for the financial year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 31st day of August 2015

Consolidated Statement of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2015

	Note	2015 $	2014 $
Other income	2	204,816	1,225,868
Auditors fees		(16,054)	(16,650)
Consulting fees		-	(1,500)
Corporate compliance costs		(36,744)	(29,158)
Directors consulting		(10,500)	-
Corporate expenses		(42,500)	(39,000)
Legal expense		(2,598)	(3,820)
Occupancy costs		-	(35,939)
Professional fees		(12,300)	(18,678)
Project evaluation		(6,160)	(11,509)
Finance costs		(4,040)	(49,342)
Loss on financial assets		(49,620)	(983)
Other expenses from ordinary activities		(21,704)	(71,293)
Profit/(Loss) before income tax expense	**3**	**2,596**	**947,996**
Income tax expense	4	-	-
Profit/(Loss) for the year		**2,596**	**947,996**
Other comprehensive income		-	-
Total comprehensive income for the year		**2,596**	**947,996**
Basic and diluted earnings/(loss) per share	12	0.01	0.06

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

as at 30 June 2015

	Note	2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents	7	167,402	101,968
Trade and other receivables	8	3,730	11,205
Held for trading financial assets	9	-	620,086
TOTAL CURRENT ASSETS		171,132	733,259
TOTAL ASSETS		171,132	733,259
CURRENT LIABILITIES			
Trade and other payables	10	21,976	134,787
Borrowings	11	-	451,912
TOTAL CURRENT LIABILITIES		21,976	586,699
TOTAL LIABILITIES		21,976	586,699
NET ASSETS		149,156	146,560
EQUITY			
Issued capital	13	28,368,164	28,368,164
Accumulated losses		(28,219,008)	(28,221,604)
TOTAL EQUITY		149,156	146,560

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

for the year ended 30 June 2015

	Issued Capital	Accumulated Losses	Total
BALANCE AT 1 JULY 2014	28,368,164	(28,221,604)	146,560
Profit/(Loss) for the year	-	2,596	2,596
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	2,596	2,596
Shares issued during the year	-	-	-
Share issue expenses	-	-	-
In-specie distribution to shareholders	-	-	-
BALANCE AT 30 JUNE 2015	28,368,164	(28,219,008)	149,156
BALANCE AT 1 JULY 2013	28,746,689	(29,169,600)	(422,911)
Profit/(Loss) for the year	-	947,996	947,996
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	947,996	947,996
Shares issued during the year	171,383	-	171,383
Share issue expenses	(45,977)	-	(45,977)
In-specie distribution to shareholders	(503,931)	-	(503,931)
BALANCE AT 30 JUNE 2014	28,368,164	(28,221,604)	146,560

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

for the year ended 30 June 2015

	Note	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(240,197)	(169,819)
Interest received		-	868
Net Cash Used In Operating Activities	17(b)	(240,197)	(168,951)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from disposal of other non-current assets		314,513	100,000
Exploration and evaluation expenditure		-	25,845
Net Cash Used In Investing Activities		314,513	125,845
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from share issue		-	141,383
Costs of share issue		(8,882)	(37,095)
Proceeds from borrowings		-	114,404
Repayment of borrowings		-	(104,404)
Net Cash from Financing Activities		(8,882)	114,288
Net increase/(decrease) in cash held		65,434	71,182
Cash and cash equivalents at beginning of financial year		101,968	30,786
Cash and cash equivalents at end of financial year	17(a)	167,402	101,968

The accompanying notes form part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fraser Range Metals Group Limited (the "Company") is a for-profit company limited by shares, domiciled and incorporated in Australia. These consolidated financial statements comprise of the Company and its subsidiaries (collectively the "Group"). The financial statements are presented in the Australian currency.

The nature of operations and principal activities of the Group are described in the Directors' Report.

a. Basis of Preparation

Reporting Basis and Conventions

The consolidated financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Fraser Range Metals Group Limited is a listed public company, incorporated and domiciled in Australia. All amounts are presented in Australian dollars.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the consolidated financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of these consolidated financial statements are presented below. They have been consistently applied unless otherwise stated.

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

Comparatives

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

b. Going Concern

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

The Group generated a profit for the year of $2,596 (2014: Profit $947,996) and net cash outflows from operating activities of ($240,197) (2014: ($168,951).

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets, and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

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

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

c. Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from tis involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which commences until the date on which control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the transferred asset.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

d. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

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

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

e. **Investments and other Financial Assets**

Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluate this designation at each reporting date.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets quoted in an active market with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial assets - reclassification

The Group may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.
When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income as gains and losses from investment securities.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.
Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.
Details on how the fair value of financial investments are determined are disclosed in note 20.

Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

(ii) Assets classified as available-for-sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

f. Impairment of Assets

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

g. Employee Benefits

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have also been measured at their nominal amount.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

h. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

i. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

j. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

k. Borrowing Costs

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

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

l. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

m. Application of new and revised Accounting Standards

Amendments to AASBs and the new Interpretation that are mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to AASBs and a new interpretation issued by the Australian Accounting Standards Board (AASB) that is mandatorily effective from an accounting period on or after 1 July 2014.

The application of these amendments and interpretation does not have any material impact on the Group's consolidated financial statements.

n. Standards and interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2017	30 June 2018
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2014-6 'Amendments to Australian Accounting Standards – Agriculture: Bearer Plants'	1 January 2016	30 June 2017
AASB 2014-9 'Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements'	1 January 2016	30 June 2017
AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	1 July 2015	30 June 2016
AASB 2015-4 'Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent'	1 July 2015	30 June 2016
AASB 2015-5 'Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception'	1 January 2016	30 June 2017

o. Critical Accounting Estimates and Judgments

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

Key Judgment – Environmental Issues

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

Key Estimate – Taxation

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

Key Estimate – Impairment

The Company assesses impairment at each reporting date by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

	Note	2015 $	2014 $
NOTE 2. REVENUE AND OTHER INCOME			
Other Income			
– Gain on farm out	(i)	203,000	1,000,000
– Sale of license applications	(ii)	-	225,000
– Finance Income		1,816	868
Total Other Income		204,816	1,225,868

(i) Consideration received in relation to a joint venture with Segue Resources Ltd over the Company's Plumridge East Project:

	2015 $	2014 $
Cash consideration	203,000	100,000
Segue Resources Ltd shares 100,000,000 x $0.009	-	900,000
	203,000	1,000,000

(ii) Consideration received in relation to the Company's interests in ten tenement license applications:

	2015 $	2014 $
Segue Resources Ltd shares 25,000,000 x $0.009	-	225,000
	-	225,000

NOTE 3. EXPENSES

Profit / (Loss) before income tax includes the following specific expenses:

	2015 $	2014 $
Administration expenses	10,571	31,288
Company secretarial fees	-	-
Insurance	10,554	16,535
License and stamp duty fees	-	1,002

NOTE 4. INCOME TAX

(a) **Income tax expense**

	2015 $	2014 $
Current tax	-	-
Deferred tax	-	-
	-	-

Deferred income tax expense included in income tax expense comprises:

	2015 $	2014 $
- (Increase) in deferred tax assets	-	-
- Increase in deferred tax liabilities	-	-
	-	-

(b) **Reconciliation of income tax expense to prima facie tax payable**

The prima facie tax payable on losses from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2015 $	2014 $
Prima facie tax on operating profit/losses at 30%	779	284,399
Add / (Less)		
Tax effect of:		
Farmout interest disposed	-	(300,000)

	Note	2015 $	2014 $
NOTE 4. INCOME TAX (Continued)			
Capital raising fees		-	(44,665)
Deferred tax asset not brought to account		(779)	60,266
Income tax attributable to operating loss		-	-
The applicable weighted average effective tax rates are as follows:		nil%	nil%
Balance of franking account at year end		nil	nil
(c) **Deferred tax assets**			
Tax Losses		238,773	1,763,186
Capital Raising Costs		3,300	3,750
Other		92,088	136,752
		334,161	1,903,688
Set-off deferred tax liabilities		-	-
Net deferred tax assets		334,161	1,903,688
Less deferred tax assets not recognised		(334,161)	(1,903,688)
		-	-
(d) **Deferred tax liabilities**			
Other		-	-
(e) **Tax losses**			
Unused tax losses and other for which no deferred tax asset has been recognised		795,909	5,877,286

Potential deferred tax assets attributable to tax losses carried forward have not been brought to account at 30 June 2015 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;

ii. the company continues to comply with conditions for deductibility imposed by law.

NOTE 5. AUDITORS' REMUNERATION

	2015 $	2014 $
Remuneration of the auditors for:		
– Auditing or reviewing the financial report	16,054	22,200
	16,054	22,200

NOTE 6. Key Management Personnel Compensation & Related Party Transactions

a) Parent entity

The ultimate parent entity within the Group is Fraser Range Metals Group Limited.

b) Subsidiaries

Interests in subsidiaries are set out in note 21.

c) Remuneration of Key Management Personnel

The totals of remuneration paid to KMP of the company during the year are as follows:

	2015	2014
	$	$
Short-term employee benefits	10,500	19,744
Post-employment benefits	-	1,826
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	10,500	21,570

d) Transactions and balances with other related parties

Transactions with related parties are disclosed in the Director's Report.

NOTE 7. CASH AND CASH EQUIVALENTS

Cash at bank	167,402	101,968

NOTE 8. TRADE AND OTHER RECEIVABLES

CURRENT		
Other debtors	3,730	11,205
	3,730	11,205

The trade and other receivables do not contain any impairment and are not past due.

NOTE 9. HELD FOR TRADING FINANCIAL ASSETS

Listed securities		
Fair value at 1 July	620,086	-
Investments at cost (125m Segue Resources Ltd shares, refer note 2)	-	1,125,000
In-Specie distribution (62,991,420 shares)	-	(503,931)
Sale of financial assets	(570,466)	
Loss on sale of financial assets	(49,620)	(983)
Fair value at 30 June	-	620,086

Held for trading financial assets comprise of one class being listed securities and are at fair value. Fair value was determined by reference to published price quotations in an active market with the fair value loss recognised in the statement of profit or loss and other comprehensive income.

	2015	2014
	$	$
NOTE 10. TRADE AND OTHER PAYABLES		
CURRENT		
Unsecured Liabilities:		
Trade creditors and accrued expenses	21,976	134,787

		2015	2014
		$	$
NOTE 11. BORROWINGS			
Unsecured borrowings:			
Non-related party	(i)	-	226,472
Non-related party	(ii)	-	225,440
		-	451,912

(i) During the year to 30 June 2014, the Company borrowed $75,000 from a non-related party to meet the working capital requirements. Interest is payable @ 10.00% pa. Repayments during the year totalled $74,904.

(ii) During the year to 30 June 2014, the Company borrowed $80,596 from a non-related party to meet the working capital requirements. Interest is payable @ 10.00% pa. Repayments during the year totalled $60,000.

NOTE 12. EARNINGS PER SHARE

	2015	2014
Earnings used in calculating basic and diluted earnings per share	2,596	947,996
	No.	No.
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	31,625,441	17,182,896

NOTE 13. ISSUED CAPITAL	2015	2014
	$	$
31,625,441 (2014: 31,625,441) Fully paid ordinary shares with no par value	28,368,164	28,368,164

	2015	2014	2015	2014
(a) **Ordinary shares:**	$	$	No.	No.
At the beginning of the reporting period	28,368,164	28,746,689	31,625,441	14,487,142
Transaction Costs	-	(45,977)	-	-
Shares issued during the year				
– Issue of shares	-	171,383	-	17,138,299
– In-specie distribution (c)	-	(503,931)	-	-
– Share capital consolidation	-	-	-	-
At reporting date	28,368,164	28,368,164	31,625,441	31,625,441

NOTE 13. ISSUED CAPITAL (Continued)

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

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

(b) **Capital Management:**

The Directors' objectives when managing capital are to ensure that the Company can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

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

The working capital position of the Company at 30 June 2015 and 30 June 2014 are as follows:

	2015	2014
Working Capital:	**$**	**$**
Cash and cash equivalents	167,402	101,968
Trade and other receivables	3,730	11,205
Held for trading financial assets	-	620,086
Trade and other payables	(21,976)	(134,787)
Borrowings	-	(451,912)
Working capital position	149,156	146,560

NOTE 14. COMMITMENTS & CONTINGENT LIABILITIES

The Company had no material commitments or contingent liabilities as at 30 June 2015.

NOTE 15. SEGMENT REPORTING

The Company has identified one reportable segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The board reviews financial information on the same basis as presented in the financial statements and has therefore determined the operating segment on this basis.

	2015	2014
	$	$

NOTE 16. CASH FLOW INFORMATION

(a) **Reconciliation of Cash**

	2015 $	2014 $
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	167,402	101,968
	167,402	101,968

(b) **Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax**

	2015 $	2014 $
Operating profit/(loss) after income tax	2,596	947,996
Profit (Loss) on disposal of other Non-Current Assets	(200,000)	(100,000)
Non-cash flows in profit from ordinary activities		
Net (gain) loss on sale of non-current assets	-	(1,125,000)
Interest expense	4,040	49,301
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	6,089	31,222
Increase/(decrease) in trade and other payables	(52,922)	27,530
	(240,197)	(168,951)

(c) **Non-cash financing operations**

During the year the company settled its unsecured borrowings (refer note 11) via the issue of 45,595,238 of its share in Segue Resources Limited to the value of $455,952.

NOTE 17. SHARE BASED PAYMENTS

There were no share based payments arrangements in place during the year (2014 $nil).

NOTE 18. EVENTS AFTER THE REPORTING DATE

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

NOTE 19. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Company's financial instruments consist mainly of deposits with banks, other receivables and accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for Company operations.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

The Company does not have any derivative instruments at 30 June 2015.

Specific Financial Risk Exposures and Management

i. Market Risks

Interest rate risk

Interest rate exposure may affect the company given that its largest asset is cash on hand. A 1% movement in interest rates (either upward or downward) on current funds on deposit could affect interest received by up to $160. The weighted average interest rate is 1.09%. Interest on borrowings is fixed at 10% per annum.

Foreign currency risk

Foreign currency risk does not have a material impact on the Company.

Price risk

The Company is not exposed to any material commodity price risk.

ii. Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash on hand is maintained.

iii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally cash and cash equivalents. All cash balances are held with recognised institutions limiting the exposure to credit risk. There are no formal credit approval processes in place. However, the Company reviews management information for subsidiaries to ensure early detection of risks.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Company.

All cash holdings within the Company are currently held with AA rated financial institution.

Accounting classifications and fair value values

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the

NOTE 19. FINANCIAL RISK MANAGEMENT

measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

NOTE 20. FINANCIAL RISK MANAGMENT (Continued)

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date :

	2015		2014	
	Carrying Amount	**Net Fair Value**	**Carrying Amount**	**Net Fair Value**
	$	**$**	**$**	**$**
Financial Assets				
Cash and cash equivalents	167,402	167,402	101,968	101,968
Trade and other receivables	3,730	3,730	11,205	11,205
Held for trading financial assets[1]	-	-	620,086	620,085
Total Financial Assets	171,132	171,132	733,259	733,258
Financial Liabilities				
Trade and other liabilities	21,976	21,976	134,787	134,786
Borrowings[2]	-	-	451,912	451,912
Total Financial Liabilities	21,976	21,976	586,699	586,698

1. Held for trading financial assets are required to be measure at fair value and are measured based on quote prices in an active market (level 1 fair value hierarchy).
2. Borrowings attract an interest rate of 10% per annum and are measured at amortised cost and equate to their fair value.

All other financial assets and liabilities mature within 3 months and equate to fair value.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or

(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

NOTE 21. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(c):

Name	Country of Incorporation	Class of Shares	Equity Holding*	
			2015	2014
			%	%
Plumridge East Pty Ltd	Australia	Ordinary	-	100

NOTE 22. COMPANY DETAILS

The registered office is:
Office J, Level 2, 1139 Hay Street
West Perth WA 6005
Telephone: 08 9486 4036
Facsimile: 08 9486 4799

The principal place of business is:
Office J, Level 2, 1139 Hay Street
West Perth WA 6005
Telephone: 08 9486 4036
Facsimile: 08 9486 4799

Directors' Declaration

In accordance with a resolution of the directors of Fraser Range Metals Group Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 29, are in accordance with the Corporations Act 2001 and:

   a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group;

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

3. the directors have been given the declarations required by s 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

Nicholas Bishop
Director

DATED at PERTH this 31st day of August 2015

Bentleys
THINKING AHEAD

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Independent Auditor's Report

To the Members of Fraser Range Metals Group Limited

We have audited the accompanying financial report of Fraser Range Metals Group Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Opinion

In our opinion:

a. The financial report of Fraser Range Metals Group Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

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

b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1(b) in the financial report which indicates that the Consolidated Entity incurred net cash outflows from operating activities of $240,197 during the year ended 30 June 2015. This condition, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 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 Fraser Range Metals Group Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 31st day of August 2015

Additional Information

The following additional information is required by the ASX in respect of listed public companies only.

Information as at 18 August 2015

(a) Distribution of Shareholders

Category (size of holding)	Number Ordinary
1 - 1,000	1,969
1,001 - 10,000	189
10,001 - 100,000	149
100,001 - 1,000,000	45
1,000,001 - 9,999,999,999	7
	2,359

(b) The Company is unable to disclose the number of shareholdings held in less than marketable parcels as the Company is suspended and there is therefore no market for its securities at the date of this report.

(c) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary Shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(d) 20 Largest Shareholders — Ordinary Shares as at 18 August 2015

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	N & J MITCHELL HOLDINGS PTY LTD <ORD STREET PROPERTIES A/C>	3,078,733	9.73
2.	GETMEOUTOFHERE PTY LTD <SINKING SHIP SUPER FUND A/C>	2,109,034	6.67
3.	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,508,139	4.77
4.	NAUTICAL HOLDINGS WA PTY LTD <ABANDON SHIP SUPER FUND A/C>	1,454,546	4.60
5.	MOTTE & BAILEY PTY LTD <BAILEY SUPER FUND A/C>	1,442,426	4.56
6.	N & J MITCHELL HOLDINGS PTY LTD <ORD STREET PROPERTIES A/C>	1,180,707	3.73
7.	MR MARK JOHN BAHEN + MRS MARGARET PATRICIA BAHEN <SUPER FUND A/C>	1,053,032	3.33
8.	TALEX INVESTMENTS PTY LTD	909,092	2.87
9.	GETMEOUTOFHERE PTY LTD <SINKING SHIP SUPER FUND A/C>	890,966	2.82
10.	CAVERSHAM NOMINEES PTY LTD <S B LAUDER FAMILY A/C>	784,850	2.48
11.	NIGEL TARRATT PTY LTD <NIGEL TARRATT SUPERFUND A/C>	753,862	2.38
12.	VISION ASSET MANAGEMENT LIMITED	696,970	2.20
13.	KOBIA HOLDINGS PTY LTD	606,062	1.92
14.	MOTTE & BAILEY PTY LTD <BAILEY SUPER FUND A/C>	545,456	1.72

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
15.	MR ROSS ALEXANDER HAMPTON	500,000	1.58
16.	TYCHE INVESTMENTS PTY LTD	500,000	1.58
17.	MR BRADFORD SIDNEY WOODS	500,000	1.58
18.	BLU BONE PTY LTD	484,850	1.53
19.	HAMMERHEAD HOLDINGS PTY LTD <HHH S/F A/C>	424,244	1.34
20.	TALEX INVESTMENTS PTY LTD <A F WYLIE SUPER FUND A/C>	418,182	1.32
	Totals: Top 20 holders	**19,841,151**	**62.74**
	Total Remaining Holders Balance	**11,784,290**	**37.26**
	Grand TOTAL	**31,625,441**	**100.00**

(e) The name of the Company Secretary is Mr Samuel Edis.

(f) The address of the principal registered office is Office J, Level 2, 1139 Hay Street, West Perth WA 6005. Telephone (08) 9486 4036.

(g) Registers of securities are held at Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross WA 6153.

(h) Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange Ltd.

(i) Unquoted Securities

Options over un-issued Shares – Nil.

(j) Securities Subject to Escrow

None.

(k) Unquoted Equity Securities Holders with Greater than 20% of an Individual Class

As at 18 August 2015 there were nil unquoted securities.