DOURADO RESOURCES LIMITED

ABN: 84 131 090 947

Annual Financial Report
For The Year Ended 30 June 2015

DOURADO RESOURCES LIMITED
AND CONTROLLED ENTITIES

ABN: 84 131 090 947

Annual Financial Report

For The Year Ended 30 June 2015

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Corporate Directory

Directors	Dr James Ellingford Non-Executive Chairman Mr Peter Wall Non-Executive Director Mr Paul Callander Non-Executive Director
Company Secretary	Mrs Elizabeth Hunt
Registered Office & Principal Place of Business	Level 11, 216 St Georges Terrace Perth WA 6000
Postal Address	GPO Box 2517 Perth WA 6831
Web Site	www.dourado.com.au
Share Registry	Automic Registry Services Level 1, 7 Ventnor Avenue West Perth WA 6005
Auditors	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000
Legal Advisors	Steinepreis Paganin 16 Milligan Street Perth WA 6000
Stock Exchange Listing	ASX Code: **DUO**
Country of Incorporation and Domicile	Australia

Your directors submit the annual financial report of the consolidated entity consisting of Dourado Resources Limited (the Company) and its controlled entities for the year ended 30 June 2015 together with the directors' report.

INFORMATION ON DIRECTORS

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

Dr James Ellingford — Non-Executive Chairman

Dr Ellingford was appointed Non-Executive director on 9 January 2014 and Non-Executive Chairman of the Company on 11 March 2014..

Dr Ellingford's professional life culminated in being President of an international publicly listed billion dollar business with its headquarters in Geneva, Switzerland and New York, USA. He has vast experience in the international arena and has successfully developed close ties with both financial institutions as well as governments throughout the world.

Dr Ellingford holds a Post Graduate in Corporate Management, a Masters in Business Administration as well as a Doctorate in Management.

Dr Ellingford is also currently a Non-Executive Chairman of Victory Mines Limited.

Mr Peter Wall — Non-Executive Director

Mr Wall was appointed as a Non-Executive director on 9 January 2015.

Mr Wall is a partner at Steinepreis Paganin specialising in mergers and acquisitions, corporate reconstruction and recapitalisations of listed entities, acting as principal or alternatively an adviser to the transaction. Mr Wall has also advised on numerous successful IPOs and back door listings on ASX. Mr Wall's other core areas of practice include energy and resources, capital markets, corporate and strategic advice, securities, commercial and contract law.

Mr Wall is also the Chairman of ASX listed companies, Galicia Energy Corporation Ltd, Minbos Resources Limited,

MyFiziq Ltd, Activistic Ltd, MMJ Phytotech Ltd and Global Metals Exploration NL.

Mr Paul Callander — Non-Executive Director (Appointed 2 September 2015)

Mr Callander has been involved in the technology industry for twenty five years in executive management positions building companies strategies, financing and investor relations, and establishing sales, marketing and services operations. Having initially spent ten years in Silicon Valley with the semiconductor industry, he then moved to Asia where he started his own software company, sold this to a U.S. organisation, listed on NASDAQ and continued as part of the executive management team running Asia Pacific. He has been involved with a number of publicly listed U.S. companies as part of the executive management team running Asia Pacific operations with various electronic commerce and software solutions.

Mr Emilio Pietro Del Fante —Executive Director / Chief Executive Officer (Deceased 30 December 2014)

Mr Del Fante was appointed director on 14 May 2008 and had 20 years' experience in the mineral and resources sector where he was the principal of Corporate Tenement Services, a company specialising in mining title management and native title issues. Mr Del Fante was the Managing Director of Eclipse Metals Limited (formally Eclipse Uranium Limited) and had been a director of two other public listed mining exploration companies, one of which was Revere Mining Ltd (now Enterprise Metals Ltd) where he was instrumental in guiding to an ASX listing.

Over the years as a consultant in the resource industry, Mr Del Fante had also gained exposure and experience in many facets of the mining industry inclusive of environmental, indigenous negotiations, establishment of relationships with the corporate and banking sector and liaison with government bodies such as the Department of Mines and Petroleum and the ASX.

Peter's wide experience in the mining industry was a valuable asset to the company.

During the past three years he had also served as a Non-Executive director of ASX listed companies Enterprise Metals Limited and Eclipse Metals Limited. Sadly Mr Del Fante passed away on 30 December 2014.

Mr Peter Torney — Non-Executive Director (Resigned 9 September 2015)

Mr Torney was appointed as a Non-Executive director on 9 January 2014.

Mr Torney is a stockbroker with over 10 years' experience in the Australian financial services industry during which time he has been involved in a number of successful stockbroking and equity capital markets businesses.

Mr Torney has experience in retail and institutional broking, capital raisings, share placements and initial public offerings in Australia and Asia, as well as assisted in dual listings on the OTCQX (USA).

Prior to entering the equity market, Mr Torney has been involved in the advertising, real estate, finance, publishing and beef cattle production industries.

Mr Torney has held numerous directorships in both public and private companies. Mr Torney is also a Non-Executive Director of Capital Mining Limited.

Company Secretary

The following person held the position of company secretary during the financial year ended 30 June 2015:

Mrs Elizabeth Hunt — BSc, MAcc, GIA (Cert), GAICD

Mrs Hunt was appointed as a Company Secretary on 17 January 2014.

Mrs Hunt has over fifteen years' corporate and accounting experience with a particular interest in governance. Mrs Hunt has been involved in the IPO management, corporate advisory and company secretarial services, financial accounting and reporting and ASX and ASIC compliance management.

Mrs Hunt holds a BSc degree in Sustainable Development, a Master of Accounting and the Governance Institute of Australia Certificate in Governance and Risk Management.

Mrs Hunt is currently also Company Secretary of a number of ASX listed entities.

INTEREST IN THE SHARES AND OPTIONS OF THE COMPANY

At the date of this report, the directors had no interest in the shares or options of the company.

Share options - unissued shares

At the date of this report, there were 21,000,000 unissued ordinary shares of Dourado Resources Limited under options as follows:

Unissued ordinary shares under options	30 June 2015
Unlisted options exercisable at $0.01 expiring on 31 December 2015	16,000,000
Unlisted options exercisable at $0.10 expiring on 30 November 2018	5,000,000
	21,000,000

On 1 December 2014, the Company announced that 24,203,157 quoted options exercisable at $2.00 expired unexercised.

The Company consolidated its issued capital as approved by shareholders at 3 July 2015 General Meeting, whereby every 5 Options were consolidated into 1 Option.

Options holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme.

There have been no unissued shares or interests under option of any controlled entity within the consolidated entity during or since reporting date. For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

DIVIDENDS PAID OR RECOMMENDED

No dividends have been paid or declared since the start of the period and the directors do not recommend the payment of a dividend in respect of the period.

PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN NATURE OF ACTIVITIES

The principal activities of the consolidated entity during the financial year were the pursuit of exploration opportunities for gold and copper mineralization in Western Australia's mid-west.

There were no significant changes in the nature of the consolidated entity's principal activities during the financial year.

CORPORATE GOVERNANCE STATEMENT

The Company has disclosed its corporate governance statement on the company website at www.dourado.com.au.

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

Operating Results

The consolidated statement of comprehensive income shows a net loss attributable to members of $3,768,148 (2014: $23,179,502).

CORPORATE

Mooloogool (E51/1325)

The company's flagship project is situated in the Murchison Mineral Field of Western Australia, north of Meekatharra and are currently being explored for gold and base metals.

In June 2013 Dourado entered into a Joint Venture with Proto Resources & Investments Ltd (Proto) on the Mooloogool Project through the acquisition of 51% and further exploration expenditure of $2,500,000 on the project however Proto have failed to comply with the terms of the JV and left Dourado having to resume management itself.

On 28 August 2014, the company announced a sampling programme of 474 auger samples and ten rock chip samples had been completed at Mooloogool.

During the June 2015 quarter, a further auger sampling programme of 647 samples was completed at Mooloogool.

The 647 auger soil samples were pulverised at ALS Laboratory, to a fine grind so that 95% of the sample is <75 micron. This was completed in preparation for initial NITON XL3t XRF Analyser testing for base metals. Multi-element determinations from a NITON Analyser were completed and base metal results of interest were reported in the ASX announcement dated 9 June 2015, along with additional Au assaying using ALS's trace level method Au-TL43.

One hundred and seventy three of the samples closed the 400m line spacing to 200m line spacing again highlighting a moderate broad spaced copper, gold, zinc and zinc-copper anomaly. The regional magnetic map indicates a strong magnetic lineament under some of the anomalous areas.

Figure 1 shows the total magnetic map with the position of the auger soil samples. Gold anomalies from results of analysis from ALS Laboratories are shown. Some common orientations of magnetic lineaments are visible in ENE and WSW directions. Some of the gold anomalies appear to be related to the magnetic features. Figure 2 shows anomalous copper and zinc analysis identified with the Niton analyser, as well as the anomalous gold results. Some coincidence of copper and zinc anomalies occur in the central sample area.

These results and interpretation provides further targets for infill auger soil geochemical sampling.

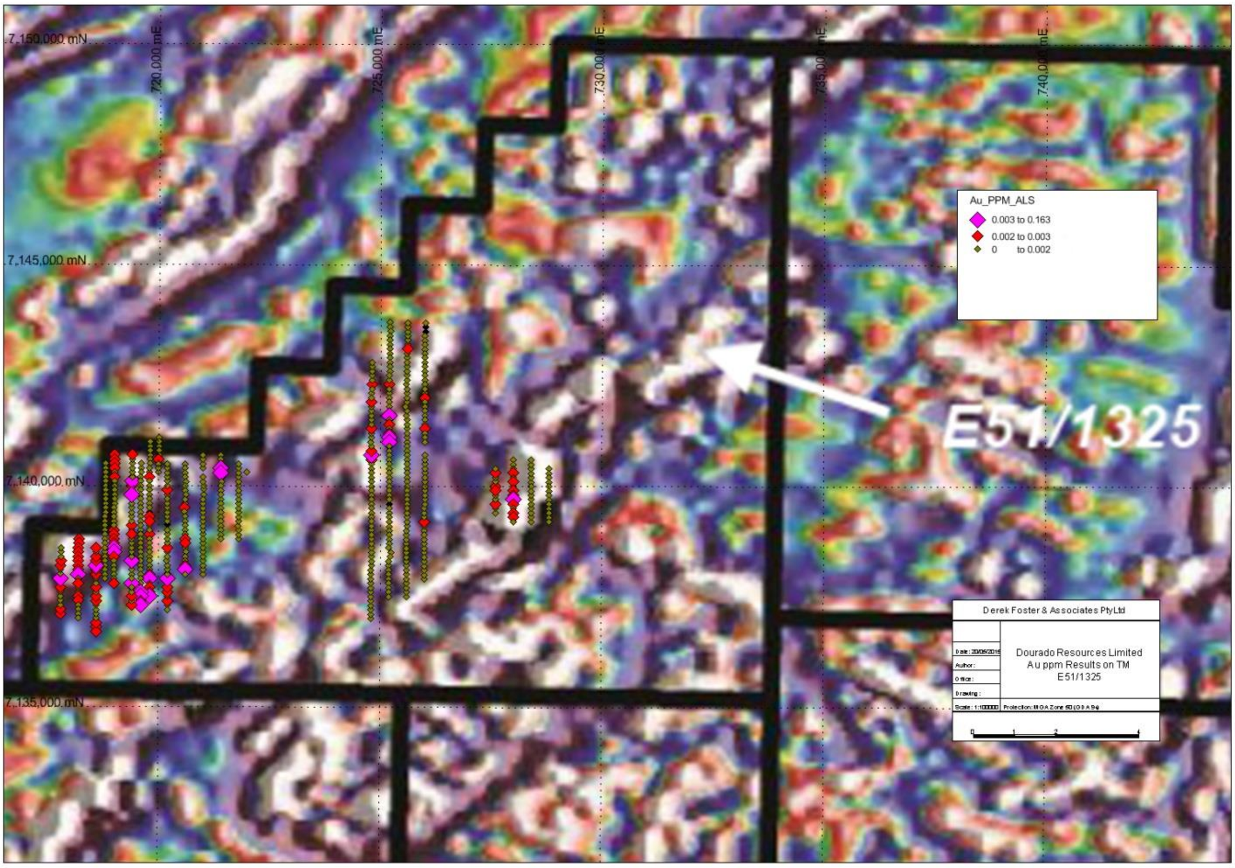

Figure1: shows the total magnetic map with the position of the auger soil samples with anomalous gold shown in magenta and red.

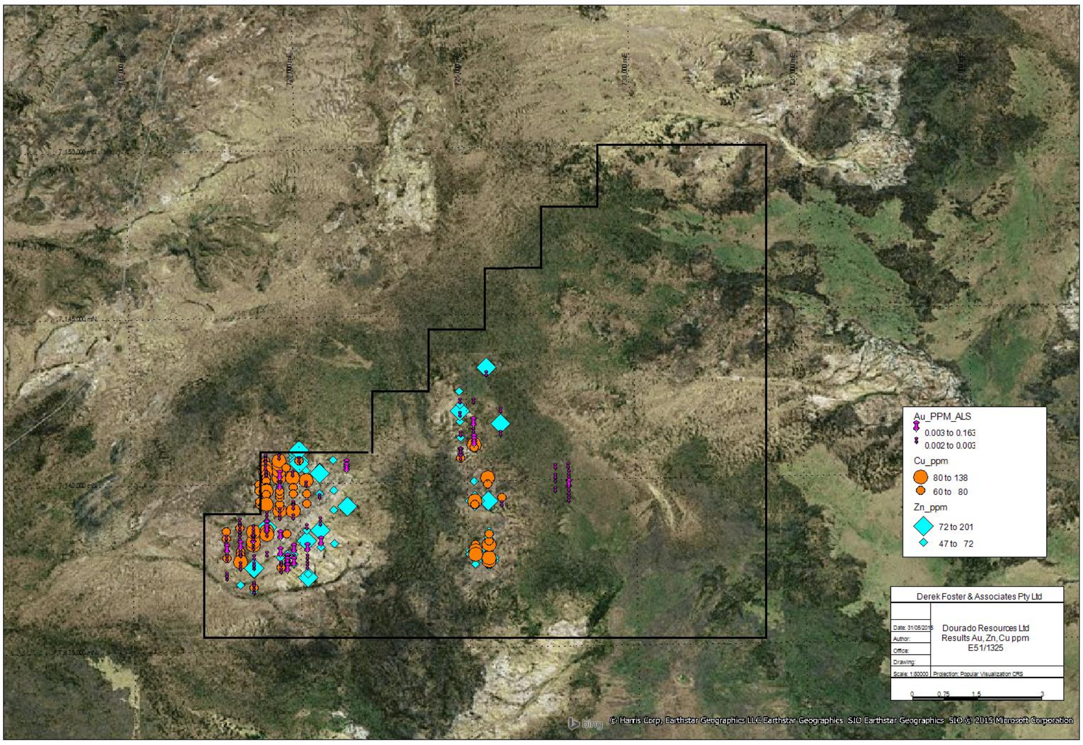

Figure 2: Shows anomalous zinc in light blue, copper in orange and gold in magenta (see enlarged map Figure 3).

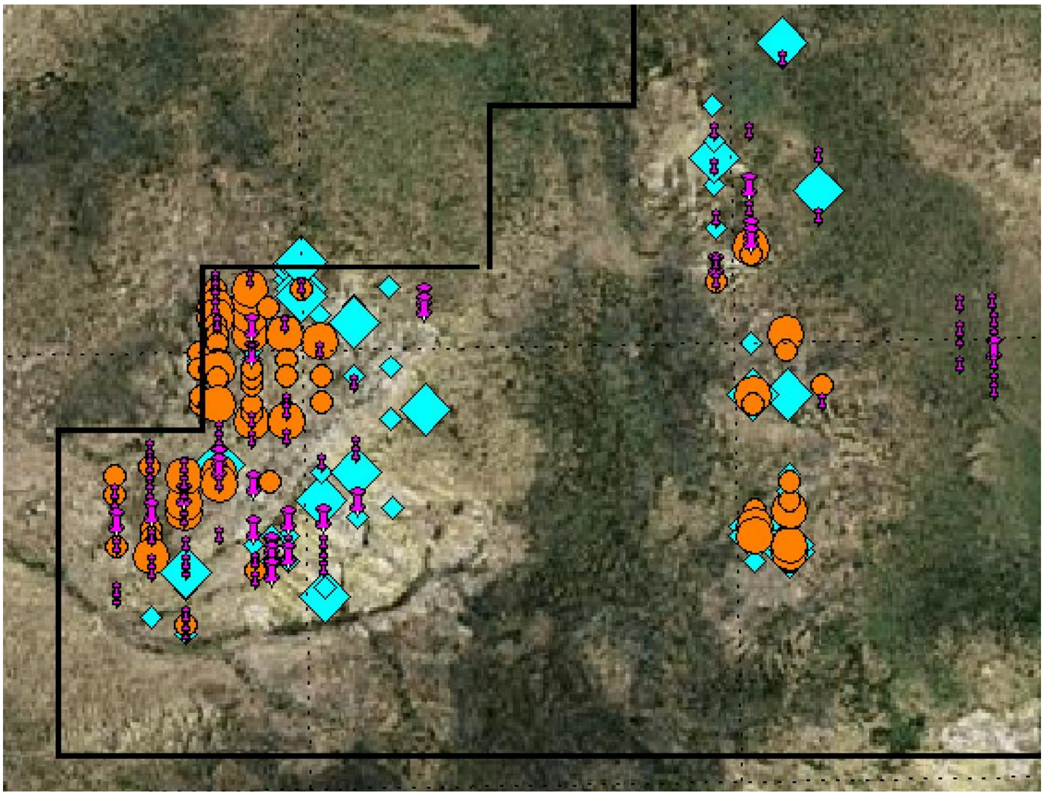

Figure 3: Shows anomalous zinc in light blue, copper in orange and gold in magenta. The central copper anomaly shows some coincidence with zinc.

The company is pleased with the results which show that further follow up infill auger soil sampling is warranted.

The next programme currently being planned for the upcoming quarter will be specifically targeting gold. The results from the latest survey at Target 1 will be combined with previous two surveys to plan a deep drilling programme either with air core drilling or RC drilling targeting the bed rock potential sources.

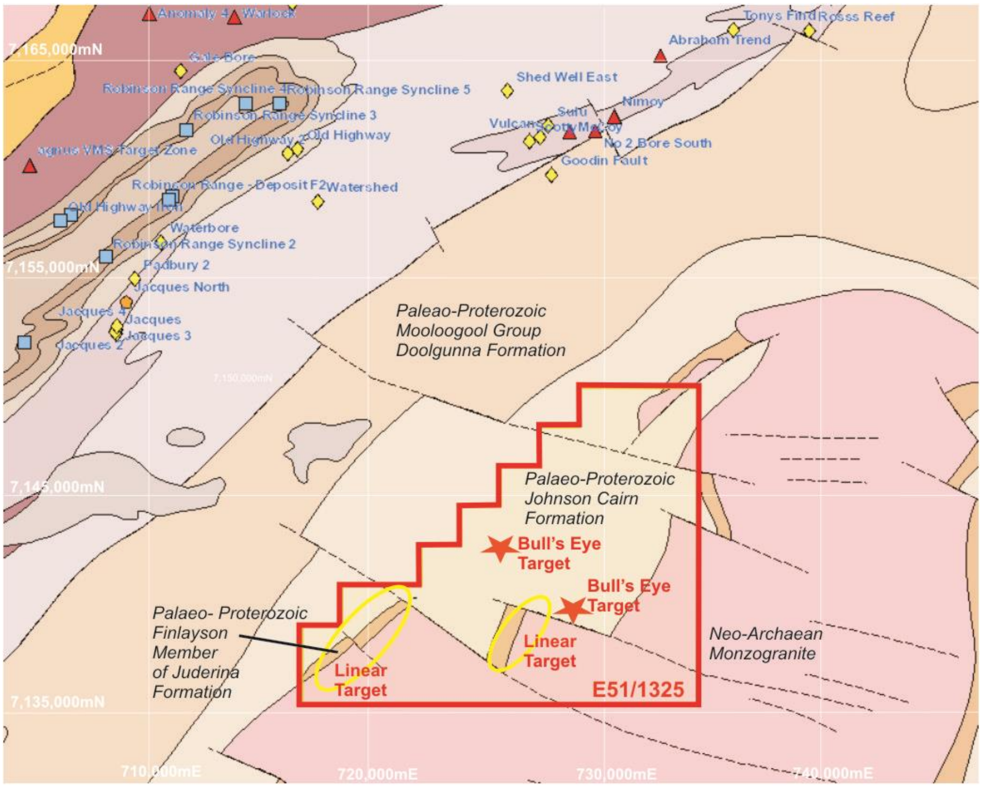

Figure 4 – Project Target Locations - 1:500,000 simplified geology and target areas

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr D. Foster, (MAusIMM). D. Foster has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. D. Foster consents to the inclusion.

CAUTIONARY STATEMENT

The NITON XL3t XRF Analyser measures directly the relative abundance of elements as shown by X-Ray Fluorescence absorption on a localised area of the sample immediately in front of the analyser sensor. This method of analysis does not have the same repeatability, consistency or accuracy of conventional wet chemical, X-Ray Diffractometer (XRD) or Inductively Coupled Plasma (ICP) laboratory methods and may show a high degree of variation. Typical factors affecting the NITON XL3t XRF result may include the following:

- Calibration of the instrument against standard settings for each element and against quality control samples used as a template
- Distance between the XRF radio-active sensor and the sample (constant distance and minimum signal scatter is preferred)
- Strength of signal reflection from the sample (the spectral reflectivity of the minerals)
- Angle of reflection and signal return from the sample (i.e. if the sensor is not orthogonal to the sample)
- Fluctuations in the transmission and receiving of XRF signals (natural oscillations or effects of battery power supply changes)
- Changes in atmospheric conditions such as air moisture, air pressure or cosmic radiation

Therefore the values from the NITON readings are used only as an exploration tool to identify relative tenor, locations and outlines of anomalous geochemical zones that are significantly above or below background and may lead to the interpretation of geochemical trends in the area sampled.

Samples where coincident multi-element anomalies are found through NITON analysis will be re-submitted to the laboratory for conventional assays to validate the nature of the geochemical anomalies.

Other

The company has now transferred or surrendered the Diamond Well, Garden Gully, Lennonville, Barrambie, Mainland and Jumbulyer tenements.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

- On 1 July 2014, 1,000 ordinary shares were issued as part of a prospectus to raise $10.
- On 30 July 2014, 48,575,728 ordinary shares were issued as part of placement raising $120,000 and settling creditor obligations of $414,333.
- On 5 August 2014, 1,000 ordinary shares were issued as part of a prospectus to raise $10.
- On 20 August 2014, 2,272,727 ordinary shares were issued as part of a placement raising $25,000.
- On 27 August 2014, 6,439,363 ordinary shares were issued as part of a placement raising $50,000 and settling creditor obligations of $20,833.
- On 2 October 2014, 6,000,000 ordinary shares were issued as part of a placement raising raising $60,000.
- On 10 October 2014, 15,976,530 ordinary shares were issued as part of a placement raising $145,000 and settling creditor obligations of $14,765.
- On 15 October 2014, 2,001,000 ordinary shares were issued as part of a placement raising $20,010.
- On 5 November 2014, 2,500,000 ordinary shares were issued as part of a placement raising $25,000.
- On 14 November 2014, 7,500,000 ordinary shares were issued as part of a placement raising $75,000
- On 2 December 2014, 43,306,030 ordinary shares were issued as part of a placement raising $372,500 and settling creditor obligations of $60,560.
- On 12 December 2014, 206,523,200 ordinary shares were issued as part of a placement raising $180,000 and settling creditor obligations of $1,885,232.
- On 5 January 2015, the company sadly announced the passing of Executive Director, Emilio Peter Del Fante.
- On 9 January 2015, the company announced the appointment of Non-Executive Director, Peter Wall.
- On 27 February 2015, the company issued 419,798,725 shares as part of a placement raising $491,000 and settling creditor obligations of $348,597.
- On 6 March 2015, the company issued 124,999,999 shares as part of a placement raising $190,000 and settling creditor obligations of $60,000.
- On 12 June 2015, the company announced that as per non-renounceable pro rata entitlement offer made pursuant to the prospectus dated 18 May 2015 has closed. The company received 151,280,411 acceptances of entitlements, along with applications for additional 114,138,400 additional shares, to raise a total of $265,419.
- On 30 June 2015, the company announced the issue of 180,168,000 fully paid ordinary shares representing a portion of the shortfall of the non-renounceable pro rata entitlement offer of shares pursuant to the prospectus announced on 18 May 2015 for $180,168. The company also announced that the remaining shortfall of the offer of 520,000,000 shares will be dealt with in accordance with Section 4.8 of the Entitlement Offer prospectus.

Changes in controlled entities and divisions

There were no changes in controlled entities and divisions during the 2015 year.

Significant events after the reporting period

The following significant events occurred after the reporting period:

- On 7 July 2015, the company announced the issue of 520,000,000 ordinary fully paid shares to complete the shortfall of the non-renounceable pro rata entitlement offer of shares made pursuant to the prospectus dated 18 May 2015.
- On 21 July 2015, the company issued 200,000,000 ordinary fully paid shares at an issue price of $0.005 raising $1,000,000
- On 2 September 2015, the company announced that it has entered into a binding heads of agreement to acquire 100% of the issued capital of Zyber Secure Mobile Solutions Inc, a company incorporated in British Columbia, Canada, which holds various intellectual property interests pertaining to data security and software. The announcement includes conditions for a capital raising of $3,000,000.
- On 2 September 2015, the company announced the resignation of Mr Peter Torney as a director of the company and announced the appointment of Mr Paul Callander as a director in place of Mr Torney.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The management team and Board of Directors (the Board) of the Company are continuing to review opportunities available to the Company, which includes the assessment of new opportunities with various intellectual property interests pertaining to data security and software.

ENVIRONMENTAL ISSUES

The Company's operations are subject to environmental regulations under the law of the Commonwealth and State. The Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the consolidated entity.

INDEMNIFYING OFFICERS OR AUDITOR

During or since the end of the financial year, the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- During the period, the company paid a premium in respect of a contract insuring the directors of the company (as named above) and all executive offices of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

- The Company has not otherwise, during or since the period, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability as such an officer or auditor.

PROCEEDINGS ON BEHALF OF THE 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. The company was not a party to any such proceedings during the year.

MEETINGS OF DIRECTORS

During the financial year, 9 meetings of directors were held. Attendances by each director during the year were as follows:

	Director's Meetings	
	Number eligible to attend	Director's meetings attended
Dr James Ellingford	9	9
Mr Emilio Pietro Del Fante	4	4
Mr Peter Torney	9	8
Mr Peter Wall	5	4

NON-AUDIT SERVICES

The board of directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

There are no non audit services provided by RSM Bird Cameron Partners.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and has been included within these financial statements.

REMUNERATION REPORT (AUDITED)

Remuneration policy

The remuneration report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for key management personnel (KMP) who are defined as those persons having the authority and responsibility for planning and directing the major activities of the Company and the consolidated entity, directly and indirectly, including any director (whether executive or otherwise) of the parent Company.

Details of Key Management Personnel

Directors:

Dr James Ellingford	Chairman (Non-Executive)
Mr Peter Torney	Director (Non-Executive)
Mr Peter Wall	Director (Non-Executive) – appointed 9 January 2015
Mr Emilio Pietro Del Fante	Executive Director / Chief Executive Officer – deceased 30 December 2014

Remuneration Philosophy

The performance of the consolidated entity and its subsidiaries depend on the quality of the consolidated entity's Directors, executives and employees and therefore the Company must attract, motivate and retain appropriately qualified industry personnel.

Remuneration policy

Remuneration levels for the executives are competitively set to attract the most qualified and experienced candidates, taking into account prevailing market conditions and the individual's experience and qualifications.

During the year, the Company did not have a separately established remuneration committee. The Board is responsible for determining and reviewing remuneration arrangements for the executive and non-executive Directors.

The remuneration of executive and non-executive Directors is not dependent on the satisfaction of performance conditions. Remuneration and share based payments are issued to align Directors' interest with that of shareholders.

Executive Director Remuneration

Mr Emilio Pietro Del Fante

The Company had only no executives with an employment contract in place as at 30 June 2015.

Mr E P Del Fante was appointed Chief Executive Officer on 14 May 2008, his employment conditions are governed by an Executive Service Agreement. The terms of agreement can be terminated by providing six (6) months written notice to the other party. Where the company terminates the agreement, the company will pay an amount equal to the remuneration paid for the previous six months prior to the notice period. Mr Del Fante's director's remuneration from 1 July 2014 to 30 September 2014 was $6,000 per month. From 1 October 2014 and as per agreement, Mr Del Fante's director's remuneration was reduced to $3,500 per month, until his passing on 30 December 2014.

Summary details of remuneration of the Executive Directors are provided in the table below. The remuneration is not dependent on the satisfaction of any performance condition.

Non-Executive Directors Remuneration

Dr James Ellingford was appointed as a Director on 9 January 2014. Dr Ellingford is entitled to receive $130,000 per annum (exclusive of superannuation contribution) for his role as a Director of the Company and as per the updated employment contract dated 29 May 2015. On 11 March 2014, Dr Ellingford was appointed as the Chairman of the Company.

Mr Peter Torney was appointed as a Director on 9 January 2014. Mr Torney is entitled to receive $3,500 per month (exclusive of superannuation contribution) for his role as a Director of the Company from the period 1 July 2014 – 31 December 2014. This was subsequently amended on 1 January 2015 to 30 June 2015 to $2,000 per month.

Mr Peter Wall was appointed as a Director on 9 January 2015. Mr Wall is entitled to receive $5,000 per month (exclusive of superannuation contribution) for his role as a Director of the Company and as per employment contract dated 20 February 2015.

The Company's Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting, The Annual General Meeting held on 27 November 2014 confirmed the non-executive directors' remuneration by vote.

Summary details of remuneration of the Non-Executive Directors are provided in the table below. The remuneration is not dependent on the satisfaction of a performance condition.

Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

Remuneration of Directors

(i) Remuneration Details for the Year Ended 30 June 2015

The following table of benefits and payments details, in respect to the financial year, the components of paid or payable remuneration for each member of KMP of the consolidated entity:

		Short-term benefits	Post Employment Benefits	Equity-settled share-based payments	Total
2015		**$**	**$**	**$**	**$**
Directors					
Mr Emilio Pietro Del Fante	(i)	13,000	-	21,500	34,500
Dr James Ellingford		146,750	13,506	-	160,256
Mr Peter Torney	(ii)	33,000	3,135	-	36,135
Mr Peter Wall	(iii)	30,000	-	-	30,000
		222,750	16,641	21,500	260,891

(i) During the year Sorna Pty Ltd a Company that Mr Emilio Del Fante was a director of was paid $21,500 in fully paid ordinary shares in lieu of director fees incurred in the current year. All other director fees payable relating to 30 June 2014 were also paid in shares. As agreed between Mr Del Fante and Dourado's directors $7,000 of remuneration due to Mr Del Fante was also written off.
(ii) During the year ended 30 June 2015, an amount of $36,135 was paid or payable to Tenceecee Pty Ltd a Company that Mr Peter Torney is a director of.
(iii) During the year ended 30 June 2015, an amount of $30,000 was paid or payable to Pheakes Pty Ltd a Company that Mr Peter Wall is a director of. Mr Peter Wall was appointed as a Director on 9 January 2015.

Table of Benefits and Payments for the year ended 30 June 2014

		Short-term benefits	Post Employment Benefits	Equity-settled share-based payments	Total
2014		**$**	**$**	**$**	**$**
Directors					
Mr Emilio Pietro Del Fante	(i)	105,500	-	66,100	171,600
Mr Daryl Smith	(ii)	-	-	12,498	12,498
Mr John Chegwidden	(iii)	-	-	17,500	17,500
Dr James Ellingford	(iv)	50,000	4,625	-	54,625
Mr Peter Torney	(iv)	17,500	1,619	-	19,119
		173,000	6,244	96,098	275,342

(i) During the year ended 30 June 2014, an amount of $171,600 was paid or payable to Sorna Pty Ltd a Company that Mr Emilio Del Fante is a director of.
(ii) Mr Daryl Smith resigned on 9 January 2014.
(iii) During the year ended 30 June 2014, an equivalent amount of $17,500 was paid or payable to Ausnom Pty Ltd a Company that Mr John Chegwidden is a director of. Mr John Chegwidden resigned on 9 January 2014.
(iv) Dr James Ellingford and Mr Peter Torney were appointed as Non-Executive Directors on 9 January 2014.

(ii) Options Granted as Part of Remuneration

No options have been granted to Directors in the form of share-based payments.

(iii) KMP Shareholdings

The number of ordinary shares in Dourado Resources Limited held by each KMP of the consolidated entity during the financial year is as follows:

	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
30 June 2015					
Mr Emilio Pietro Del Fante (ii)	7,556,624	9,773,200 (i)	-	(17,329,824)	-
Dr James Ellingford	-	-	-	-	-
Mr Peter Torney	-	-	-	-	-
Mr Peter Wall (iii)	-	-	-	-	-
	7,556,624	9,773,200	-	(17,329,824)	-

(i) The Company settled partial outstanding directors' fees in shares on 12 December 2014.
(ii) Mr Del Fante deceased 30 December 2014.
(iii) Mr Peter Wall was appointed on 9 January 2015.

(iv) KMP Options Holdings

The number of options over ordinary shares held during the financial year by each KMP of the consolidated entity is as follows:

	Balance at beginning of year	Granted during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested during the year	Vested and exercisable	Vested and unexercisable
30 June 2015								
Mr Emilio Pietro Del Fante (iii)	837,500	-	-	(837,500) (i)	-	-	-	-
Dr James Ellingford	-	-	-	-	-	-	-	-
Mr Peter Torney	-	-	-	-	-	-	-	-
Mr Peter Wall (ii)								
	837,500	-	-	(837,500)	-	-	-	-

(i) The Options expired during the financial year.
(ii) Mr Peter Wall was appointed on 9 January 2015.
(iii) Mr Del Fante deceased 30 December 2014.

Other KMP Transactions

Red Bluff Nominees Pty Ltd, a company related to Emilio Pietro Del Fante charged interest of $8,591 (2014: $17,854) on loan during the year. The loan plus interest of $129,986 was repaid to Red Bluff Nominees Pty Ltd on 3 June 2015.

Automic Registry Services, a company related to Mr Peter Wall charged $19,854 (2014: Nil) during the year for the registry services of the company. The company as at 30 June 2015 has an amount payable of $4,765 (2014: Nil).

Steinepreis Paganin, a company related to Mr Peter Wall charged $53,240 (2014: Nil) during the year for general legal advice to the company. The company as at 30 June 2015 has an amount payable of $28,904 (2014: Nil).

There have been no other transactions with KMP during the year other than those disclosed in the remuneration report.

End of Remuneration Report

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Dr James Ellingford
Dated: 24 September 2015

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Dourado Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

RSM BIRD CAMERON PARTNERS
RSM BIRD CAMERON PARTNERS

AWhyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 24 September 2015

DOURADO RESOURCES LIMITED
AND CONTROLLED ENTITIES

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated 2015 $	2014 $
Revenue from continuing operations	3	676	932
Other income	3	6,864	115,909
Expenses			
Employee benefits expense		(16,641)	(6,244)
Exploration expenditure written off		(146,318)	(21,455,994)
Loss on disposal of investments		-	(19,251)
Depreciation expense		-	(4,003)
Finance costs		(14,759)	(34,995)
Company secretarial		(151,223)	(115,957)
Consultancy costs		(1,227,168)	(684,612)
Marketing		(848,720)	-
Director fees		(260,891)	(275,342)
Corporate advice		(540,600)	-
Legal fees		(74,093)	(58,626)
Other expenses	4	(495,275)	(641,319)
Loss before income tax from continuing operations		**(3,768,148)**	**(23,179,502)**
Income tax expense	5	-	-
Loss after income tax for the year		**(3,768,148)**	**(23,179,502)**
Other comprehensive income:		-	-
Total comprehensive loss for the year		**(3,768,148)**	**(23,179,502)**
Loss per share			
Basic earnings per share (cents)	8	(0.78)	(5.49)
Diluted earnings per share (cents)	8	(0.78)	(5.49)

The accompanying notes form part of these financial statements.

DOURADO RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	Consolidated 2015 $	Consolidated 2014 $
Assets			
Current assets			
Cash and cash equivalents	9	1,203,782	5,779
Trade and other receivables	10	25,665	52,097
Other assets	11	-	6,978
Total current assets		1,229,447	64,854
Non-current assets			
Deferred exploration and evaluation expenditure	14	103,724	66,511
Total non-current assets		103,724	66,511
Total assets		1,333,171	131,365
Liabilities			
Current liabilities			
Trade and other payables	15	1,194,128	1,101,005
Total current liabilities		1,194,128	1,101,005
Total liabilities		1,194,128	1,101,005
Net assets/(liabilities)		139,043	(969,640)
Equity			
Issued capital	16	68,137,631	63,260,800
Accumulated losses		(67,998,588)	(64,230,440)
Total equity/(deficiency in equity)		139,043	(969,640)

The accompanying notes form part of these financial statements.

DOURADO RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Issued Capital	Accumulated Losses	Total Equity
Consolidated	$	$	$
Balance at 1 July 2013	61,405,780	(41,050,938)	20,354,842
Loss for the year	-	(23,179,502)	(23,179,502)
Total comprehensive loss for the year	-	(23,179,502)	(23,179,502)
Transactions with owners, in their capacity as owners			
Shares issued during the year	1,988,652	-	1,988,652
Options issued during the year	125,000	-	125,000
Transaction costs	(258,632)	-	(258,632)
Total transactions with owners	1,855,020	-	1,855,020
Balance at 30 June 2014	63,260,800	(64,230,440)	(969,640)
Balance at 1 July 2014	63,260,800	(64,230,440)	(969,640)
Loss for the year	-	(3,768,148)	(3,768,148)
Total comprehensive loss for the year	-	(3,768,148)	(3,768,148)
Transactions with owners, in their capacity as owners			
Shares issued during the year	5,003,437	-	5,003,438
Options issued during the year	22,000	-	22,000
Transaction costs	(148,606)	-	(148,607)
Total transactions with owners	4,876,831	-	4,876,831
Balance at 30 June 2015	68,137,631	(67,998,588)	139,043

The accompanying notes form part of these financial statements.

DOURADO RESOURCES LIMITED
AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated 2015 $	2014 $
Cash flows from operating activities			
Interest received		676	932
Payments to suppliers and employees		(1,161,013)	(219,781)
Finance costs		(14,759)	(34,995)
Income tax paid		-	(20,502)
Net cash used in operating activities	20b	(1,175,096)	(274,346)
Cash flows from investing activities			
Proceeds from sale of available-for-sale investments		-	73,731
Proceeds from sale of prospects		6,864	115,909
Payments for exploration and evaluation expenditure		(211,106)	(184,332)
Net cash (used in)/provided by investing activities		(204,242)	5,308
Cash flows from financing activities			
Proceeds from issue of shares		2,199,116	438,748
Proceeds from unissued shares		526,831	-
Share issue costs		(148,606)	(164,632)
Net cash provided by financing activities		2,577,341	274,116
Net increase in cash held		1,198,003	5,078
Cash and cash equivalents at beginning of financial year		5,779	701
Cash and cash equivalents at end of financial year	9	1,203,782	5,779

The accompanying notes form part of these financial statements.

These consolidated financial statements and notes represent those of Dourado Resources Limited and Controlled Entities (the "consolidated entity"). The separate financial statements of the parent entity, Dourado Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The 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 (AASB) and the *Corporations Act 2001*. The consolidated entity is a for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB.

The financial statements cover Dourado Resources Limited which is a listed public company, incorporated and domiciled in Australia. The financial statements have been prepared on an accruals basis and are based on historical costs with the exception of the revaluation of financial assets and financial liabilities for which the fair value basis of accounting has applied.

The following is a summary of material accounting policies adopted in the preparation of the financial statements as presented below and have been consistently applied unless stated otherwise.

Going concern

The directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

As disclosed in the financial statements, the company and consolidated entity incurred losses of $3,771,175 and $3,768,148 respectively and the consolidated entity had cash outflows from operating activities of $1,175,096 and from exploration activities of $211,106, for the year ended 30 June 2015. As at that date, the company and consolidated entity had net current assets of $35,308 and $35,319 respectively and net assets of $138,857 and $139,043 respectively.

These factors indicate significant uncertainty as to whether the company and consolidated entity will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Notwithstanding the above, the directors believe that there are reasonable grounds to believe that the company and consolidated entity will be able to continue as going concerns, after consideration of the following factors:

- As disclosed in Note 21:
  - On 7 July 2015 the company extinguished $520,000 of liabilities and on 21 July raised $1,000,000 from the issue of shares; and
  - The Company expects to complete a further capital raising of $3,000,000 as part of its acquisition of Zyber Secure Mobile Solutions Inc (Zyber transaction).
- The company plans to scale down its operations during the next 12 months, including corporate overheads, in order to curtail expenditure, in the event insufficient cash is available to meet projected expenditure.

Accordingly, the Directors believe that the company and consolidated entity will be able to continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The company's and consolidated entity entity's ability to continue as going concerns is mainly dependent on the following factors:

- The successful completion of the acquisition and capital raising for the Zyber transaction; and
- Obtaining additional working capital through the issue of equity as and when required.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company and consolidated entity do not continue as going concerns.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Dourado Resources Limited at the end of the reporting period. A controlled entity is any entity over which Dourado Resources Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated entity have been eliminated in full on consolidation. Accounting policies of subsidiaries have been charged where necessary to ensure consistency with those adopted by the parent entity.

(b) Income Tax

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

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognized outside profit or loss.

Except for business combinations, no deferred income tax is recognized from the initial recognition of an asset or liability, 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 realized or the liability is settled and 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 recognized 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) a legally enforceable right of set-off exists; and (b) 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.

Dourado Resources Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and if recognised, the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

(c) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, but excluding freehold land, is depreciated over the asset's useful life to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class	**Depreciation Rate**
Plant and equipment	13.33% - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(e) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

(f) Financial Instruments

Recognition and Initial Measurement

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

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

Classification and Subsequent Measurement

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

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

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

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

The consolidated entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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

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

(ii) Loans and receivables

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

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the consolidated entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(iv) Available-for-sale investments

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

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

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

(v) Financial Liabilities

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

(g) Impairment

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

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

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

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

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

De-recognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(h) Impairment of Assets

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

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

(i) Provisions

Provisions are recognised when the consolidated entity 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.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

(k) Revenue and Other Income

Interest revenue is recognised using the effective interest method.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(l) Trade and Other Receivables

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

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(m) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) 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 (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(o) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(p) Comparative Figures

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

Where the consolidated entity has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(q) Critical Accounting Estimates and Judgments

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

Key Estimates

(i) Impairment - General

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

Key Judgments

(i) Exploration and Evaluation Expenditure

The consolidated entity capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

(ii) Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Market conditions are taken into consideration in determining fair value.

(r) New Accounting Standards for Application in the Current Period

In the year ended 30 June 2015, the consolidated entity has reviewed all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the consolidated entity that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to consolidated entity accounting policies.

(s) New Accounting Standards for Application in Future Periods

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2015. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Company will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Company.

NOTE 2 PARENT INFORMATION

Financial Position	**2015**	**2014**
	$	**$**
Assets		
Current assets	1,229,436	53,116
Non-current assets	103,549	66,336
Total assets	1,332,985	119,452
Liabilities		
Current liabilities	1,194,128	1,086,251
Total liabilities	1,194,128	1,086,251
Net assets/(liabilities)	138,857	(966,799)
Equity		
Issued capital	68,137,631	63,260,800
Accumulated losses	(67,998,774)	(64,227,599)
Total equity/(deficiency in equity)	138,857	(966,799)

Financial Performance

Total (loss) for the year	(3,771,175)	(23,176,661)
Total comprehensive (loss) for the year	(3,771,175)	(23,176,661)

Guarantees

Dourado Resources Limited has not entered into any guarantees, in the current or previous financial year.

Contingent Liabilities

Dourado Resources Limited did not have any contingent liabilities as at 30 June 2015 (2014: Nil).

Contractual Commitments

At 30 June 2015 Dourado Resources Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment (2014: Nil).

NOTE 3 REVENUE AND OTHER INCOME

	Consolidated	
	2015	**2014**
	$	**$**
(a) Revenue from continuing operations		
Revenue		
Interest received – bank	676	932
Other income		
Gains on disposal of tenements & royalty rights	6,864	90,909
Joint venture signing fee	-	25,000
Total other income	6,864	115,909

NOTE 4 OTHER EXPENSES

	Consolidated	
	2015	**2014**
	$	**$**
Telephone	786	226
Project generation	78,952	-
Share registry maintenance	37,080	31,390
Other	378,457	609,703
Total Other Expenses	495,275	641,319

NOTE 5 INCOME TAX EXPENSE

	Consolidated	
	2015	**2014**
	$	**$**
(a) **Recognised in the income statement**:		
Current tax	-	-
Deferred tax	-	-
Income tax as reported in the statement of comprehensive income	-	-

NOTE 5 INCOME TAX EXPENSE (Cont.)

(b)	**Reconciliation of income tax expense to prima facie tax payable**		
	Loss from ordinary activities before income tax expense	(3,768,148)	(23,179,502)
	Prima facie tax benefit on loss from ordinary activities before income tax at 30 %	(1,130,445)	(6,953,850)
	Increase in income tax due to:		
	- Non-deductible expenses	816,194	453,893
	- Current year tax losses not recognised	277,111	7,337
	- Current year capital losses not recognised	-	1,237,878
	- Deferred tax underprovision in prior year	-	1,342,761
	- Movement in unrecognised temporary differences	55,576	3,949,593
	Decrease in income tax expense due to:		
	- Underprovision of 2012 income tax liability	-	-
	- Deductible equity raising costs	(18,436)	(32,170)
	- Utilisation of previously unrecognised tax losses	-	(5,442)
	Income tax attributable to operating loss	-	-
(c)	**Deferred tax assets**		
	Tax losses	31,117	19,953
	Total	31,117	19,953
	Less: Set off of deferred tax liabilities	(31,117)	(19,953)
	Net deferred tax assets	-	-
(d)	**Deferred tax liabilities**		
	Exploration expenditure	(31,117)	(19,953)
	Total	(31,117)	(19,953)
	Less: Set off of deferred tax assets	31,117	19,953
	Net deferred tax liabilities	-	-
(e)	**Unused tax losses and temporary differences for which no deferred tax assets has been recognised at 30%**		
	Deductible Temporary Differences	356,386	250,686
	Tax Revenue Losses	3,101,108	2,823,997
	Tax Capital Losses	2,152,549	2,152,549
	Total Unrecognised deferred tax assets	5,610,043	5,227,232

The deferred tax asset not brought to account will only be obtained if:

(a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;

(b) the conditions for deductibility imposed by tax legislation continue to be complied with; and

(c) the company is able to meet the continuity of business and or continuity of ownership tests.

The 2015 financial statements disclosed that Duorado Resources Limited and its wholly-owned Australian controlled entities were consolidated for the tax purposes.

NOTE 6 KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the consolidated entity's key management personnel for the year ended 30 June 2015 and 30 June 2014.

	Consolidated	
	2015	2014
	$	$
Short-term employee benefits	222,750	173,000
Post-employment benefits	16,641	6,244
Share-based payments	21,500	96,098
Total KMP compensation	260,891	275,342

NOTE 7 AUDITORS' REMUNERATION

	Consolidated	
	2015	2014
The auditor of Dourado Resources Limited is RSM Bird Cameron Partners	$	$
Remuneration of the auditor for:		
- Auditing or reviewing the financial report of the entity and any other entity of the consolidated entity	34,600	38,000
	34,600	38,000

NOTE 8 EARNINGS PER SHARE

	Consolidated	
	2015	2014
	$	$
(a) (Loss) for the year	(3,768,148)	(23,179,502)
Loss used to calculate basic EPS	(3,768,148)	(23,179,502)
Loss used in the calculation of dilutive EPS	(3,768,148)	(23,179,502)

	Number	Number
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	485,517,280	421,832,844
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	485,517,280	421,832,844

NOTE 9 CASH AND CASH EQUIVALENTS

	Consolidated	
	2015	2014
	$	$
Cash at bank and on hand	1,203,782	5,779
	1,203,782	5,779

Reconciliation to cash and cash equivalents at the end of the financial year.
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balance as per statement of cash flows	1,203,782	5,779
	1,203,782	5,779

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

NOTE 10 TRADE AND OTHER RECEIVABLES

	Consolidated 2015 $	2014 $
CURRENT		
Other receivables (i)	25,665	52,097
Total current trade and other receivables	25,665	52,097

(i) Other receivables are non-interest bearing and expected to be received in 30 days.

Credit Risk

The consolidated entity has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 10. The class of assets described as trade and other receivables is considered to be the main source of credit risk related to the consolidated entity.

The following table details the consolidated entities' trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled with the terms and conditions agreed between the company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the consolidated entity.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Consolidated	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
2015	$	$	<30 $	31-60 $	61-90 $	>90 $	$
Other receivables	25,665	-	-	-	-	-	25,665
Total	25,665	-	-	-	-	-	25,665

Consolidated	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
2014	$	$	<30 $	31-60 $	61-90 $	>90 $	$
Other receivables	52,097	-	-	-	-	-	52,097
Total	52,097	-	-	-	-	-	52,097

NOTE 11 OTHER ASSETS

	Consolidated 2015 $	2014 $
Accrued income	-	6,250
Others	-	728
	-	6,978

NOTE 12 CONTROLLED ENTITIES

(a) Controlled Entities Consolidated

Subsidiaries of Dourado Resources Limited	Country of Incorporation	Percentage Owned (%) * 2015	2014
Zelta Holdings Pty Limited	Australia	100	100
Tower Group Pty Limited	Australia	100	100
Abbotts Exploration Pty Limited	Australia	100	100
Anuman Holdings Pty Limited	Australia	100	100

* Percentage of voting power is in proportion to ownership.

NOTE 13 PLANT AND EQUIPMENT

	Consolidated 2015 $	2014 $
Plant and equipment:		
At cost	-	15,468
Accumulated depreciation	-	(15,468)
Total plant and equipment	-	-

(a) Movement in Carrying Amounts

Movement in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Total $
Consolidated:	
Balance at 1 July 2013	4,003
Depreciation expense	(4,003)
Balance at 30 June 2014	-
Balance at 1 July 2014	-
Depreciation expense	-
Balance at 30 June 2015	-

NOTE 14 EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2015 $	2014 $
Balance at beginning of year	66,511	21,338,173
Exploration expenditure	183,531	182,731
Expenditure written off	(146,318)	(21,431,666)
Cost of tenement disposed	-	(22,727)
Balance at end of year	103,724	66,511

The ultimate recoupment of costs carried forward in respect of areas of interest in the exploration and evaluation phase is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas. The Company has an interest in certain exploration tenements and the amounts shown above include amounts expanded to date in the acquisition and/or exploration of these tenements.

Impairment

Exploration and Evaluation Expenditure of $146,318 (2014: $21,431,666) was written off to the statement of comprehensive income.

NOTE 15 TRADE AND OTHER PAYABLES

	Consolidated	
	2015	2014
	$	$
CURRENT		
Unsecured liabilities		
Trade payables	340,077	811,063
Accrued expenses	327,220	153,794
Other payables*	526,831	136,148
	1,194,128	1,101,005

*included an amount of 2015: Nil (2014: $121,395) due to director's related company, charged with interest of 10% p.a.

NOTE 16 ISSUED CAPITAL

	Consolidated 2015 $	2014 $
Ordinary shares issued and fully paid (a)	55,761,469	50,906,638
Options issued (b)	12,376,162	12,354,162
Issued capital	68,137,631	63,260,800

(a) Ordinary Shares	Number	$
At 1 July 2013	299,759,145	49,176,618
Shares issued during the year		
Issued on 11 September 2013 as a security for loan	16,000,000	64,000
Issued on 11 September 2013 for services rendered	10,000,000	40,000
Issued on 11 December 2013 pursuant to entitlement issue	12,187,009	48,747
Issued on 17 December 2013 for services rendered	181,593,175	726,373
Issued on 13 January 2014 pursuant to entitlement shortfall	97,500,000	390,000
Issued on 21 May 2014 for services rendered	34,876,167	139,505
Consolidation of capital structure	(586,723,821)	-
Issued on 30 May 2014 for services rendered	7,000,000	280,000
Issued on 5 June 2014 for services rendered	7,500,675	300,027
Share issue costs	-	(258,632)
At the end of the reporting period – 30 June 2014	79,692,350	50,906,638

	Number	$
At 1 July 2014	79,692,350	50,906,638
Shares issued during the year		
Issued on 1 July 2014 pursuant to cleansing prospectus	1,000	10
Issued on 30 July 2014 pursuant to placement	48,575,728	534,333
Issued on 5 August 2014 pursuant to cleansing prospectus	1,000	10
Issued on 20 August 2014 pursuant to placement	2,272,727	25,000
Issued on 27 August 2014 pursuant to placement	6,439,363	70,833
Issued on 2 October 2014 pursuant to placement	6,000,000	60,000
Issued on 10 October 2014 pursuant to placement	15,976,530	159,765
Issued on 15 October 2014 pursuant to placement	2,000,000	20,000
Issued on 15 October 2014 pursuant to cleansing prospectus	1,000	10
Issued on 5 November 2014 pursuant to placement	2,500,000	25,000
Issued on 14 November 2014 pursuant to placement	7,500,000	75,000
Issued on 2 December 2014 pursuant to placement	43,306,030	433,060
Issued on 12 December 2014 pursuant to placement	206,523,200	2,065,232
Issued on 27 February 2015 pursuant to placement	419,798,725	839,597
Issued on 6 March 2015 pursuant to placement	124,999,999	250,000
Issued on 15 June 2015 pursuant to entitlement offer	265,418,811	265,419
Issued on 30 June 2015 pursuant to entitlement shortfall	180,168,000	180,168
Share issue costs	-	(148,606)
At the end of the reporting period – 30 June 2015	1,411,174,463	55,761,469

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 shareholder 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) Options Issued	**Number**	**$**
At 1 July 2013	242,031,571	12,229,162
Options issued during the year		
Issued on 17 December 2013 pursuant to services rendered, free attaching	50,000,000	125,000
Consolidation of capital structure	(262,828,414)	-
At the end of the reporting period – 30 June 2014	29,203,157	12,354,162
At 1 July 2014	29,203,157	12,354,162
Options issued during the year		
Issued on 30 July 2014 pursuant to services rendered	16,000,000	22,000
Expiration of $2.00 options on 30 November 2014	(24,203,157)	-
At the end of the reporting period – 30 June 2015	21,000,000	12,376,162

(c) Capital Management

Management controls the capital of the consolidated entity in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the consolidated entity can fund its operations and continue as a going concern.

The consolidated entity's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the consolidated entity's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in strategy adopted by management to control the capital of the consolidated entity since 2014 financial year.

		Consolidated	
	Note	**2015**	**2014**
		$	**$**
Total trade and other payables	15	1,194,128	1,101,005
Less cash and cash equivalents	9	(1,203,782)	(5,779)
Net debt		(9,654)	1,095,226
Total equity		139,043	(944,640)
Total capital		129,389	150,586
Gearing ratio		(7.46%)	727%

The negative gearing ratio has been considered by the consolidated entity and appropriate steps are taken to mitigate the going concern risk as disclosed in Note 1.

NOTE 17 CAPITAL AND OTHER COMMITMENTS

(a) ***Exploration and other commitments***
Exploration lease commitments for granted tenement licences of the consolidated entity total $108,000, payable within one year (2014: $427,500).

(b) ***Other Commitments***
There are no other capitals or other commitments at the reporting date.

NOTE 18 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent Assets

There are no contingent assets at reporting date (2014: Nil).

Contingent Liabilities

On 18 May 2011 and 26 July 2011, the Company announced that it had acquired a further 13.4% & 46.6% of the outstanding shares and options in Anuman Holdings Pty Limited via its wholly owned subsidiary Abbotts Exploration Pty Limited. The Company now controls 100% of Anuman Holdings Pty Limited.

The Western Australian Office of State Revenue determined that Anuman Holdings Pty Limited was a landholder under the Duties Act 2008 and the acquisition by Abbotts Exploration Pty Limited was therefore dutiable. Abbotts Exploration Pty Limited lodged an objection to that determination which was overruled and has now referred the matter to the State Administrative Tribunal for determination. Dourado's view is that the acquisition does not trigger a duty liability due to the fact that Anuman is not beneficially entitled to any mining tenements but rather holds contractual rights in relations to four (4) Western Australia exploration licences owned by Sacculus Pty Limited, holds a Miners Right and two (2) exploration licence applications and as such is not a landholder as defined by Duties Act.

As at the date of this report there has not been any assessment made or issued by the Office of State Revenue.

NOTE 19 OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The directors have considered the requirements of AASB 8-Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separately identifiable segments.

Following adoption of AASB 8, the identification of the company's reportable segments has not changed. During the year, the company considers that it has only operated in one segment, being mineral exploration within Australia.

The consolidated entity is domiciled in Australia. All revenue from external customers is generated from Australia only. Segment revenues are allocated based on the country in which the customer is located.

No operating revenue was derived during the year (2014: Nil). All the assets are located in Australia only.

NOTE 20 CASH FLOW INFORMATION

	Note	Consolidated 2015 $	2014 $
(a) Reconciliation of cash			
Cash at bank and on hand	9	1,203,782	5,779
(b) Reconciliation of Cash Flow from Operations with Loss after Income Tax			
(Loss) after income tax		(3,768,148)	(23,179,502)
Non-cash flows in loss			
Depreciation of plant and equipment		-	4,003
Write-off capitalised exploration expenditure		173,894	21,455,994
Share of net loss of associate entity		-	19,251
Gain on sale of non-current asset		(6,864)	(115,909)
Share based payments		2,804,321	311,000
Changes in assets and liabilities:			
Trade and term receivables		26,432	(3,060)
Other assets		6,978	(6,978)
Trade payables and accruals		(411,709)	1,240,855
Cash flow from operations		(1,175,096)	(274,346)
(c) Non-cash Financing and Investing Activities			
Shares and Options issued:			
Settlement of services acquired with equity		2,804,321	311,000
		2,804,321	311,000

NOTE 21 EVENTS AFTER THE REPORTING PERIOD

The following significant events occurred after the reporting period:

- On 7 July 2015, the company announced the issue of 520,000,000 ordinary fully paid shares to complete the shortfall of the non-renounceable pro rata entitlement offer of shares made pursuant to the prospectus dated 18 May 2015.
- On 21 July 2015, the company issued 200,000,000 ordinary fully paid shares at an issue price of $0.005 raising $1,000,000.
- On 2 September 2015, the company announced that it has entered into a binding heads of agreement to acquire 100% of the issued capital of Zyber Secure Mobile Solutions Inc, a company incorporated in Brittish Columbia, Canada, which holds various intellectual property interests pertaining to data security and software. The announcement includes conditions for a capital raising of $3,000,000.
- On 2 September 2015, the company announced the resignation of Mr Peter Torney as a director of the company and announced the appointment of Mr Paul Callander as a director in place of Mr Torney.

Other than the above, no matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

NOTE 22 RELATED PARTY TRANSACTIONS

(a) The consolidated entity's main related parties are as follows:

i. Key management personnel:
Any person(s) having authority and responsibility for planning directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of disclosures relating to key management personnel, refer to the directors' report section of this report.

ii. Entities subject to significant influence by the consolidated entity:
An entity which has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies is an entity which holds significant influence. Significant influence may be gained by share ownership, statue or agreement.

iii. Other related parties
Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

(b) Transactions with related parties:
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties, as disclosed in the remuneration report in the directors' report:

	Consolidated	
	2015 $	2014 $
Associated Companies		
Provision of services		
Interest expense*	8,591	17,854
	8,591	17,854
Payments for goods and services		
Payment for general legal advice from Steinepreis Paganin	53,240	-
Payment for share registry services from Automic Pty Ltd	19,854	-
	73,094	-

(c) Amounts payable to related parties

Current payables:		
Services provided by Red Bluff Nominees Pty Ltd*	-	121,395
Services provided by Steinepreis Paganin	28,904	
Services provided by Automic Pty Ltd	4,765	-
	33,669	121,395

*The balance outstanding is charged with interest of 10% p.a. On 3 June 2015, the Company repaid the amount of $129,986 to repay the loan in full, which included interest accrued during 2015 financial year which totalled $8,591.

NOTE 23 FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The consolidated entity's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and loans.

The Board of Directors is responsible for the monitoring and management of the financial risk exposures of the consolidated entity.

The totals of each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated 2015 $	2014 $
Financial Assets			
Cash and cash equivalents	9	1,203,782	5,779
Trade and other receivables	10	25,665	52,097
Total Financial Assets		1,229,447	57,876
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	15	1,194,128	1,101,005
Total Financial Liabilities		1,194,128	1,101,005

Specific Financial Risk Exposures and Management

The main risks the consolidated entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and market price risk.

a. Credit risk

The consolidated entity's policy is to trade only with recognized, creditworthy third parties. It is the consolidated entity's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the consolidated entity's exposure to bad debts is not significant.

Credit Risk Exposures

The consolidated entity has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables is provided in Note 10.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 10.

Credit risk related to balances with banks and other financial institutions is managed by the board. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-.

	Note	Consolidated 2015 $	2014 $
Cash and cash equivalents			
- AA Rated	9	1,203,782	5,779
		1,203,782	5,779

b. Liquidity risk

Liquidity risk arises from the possibility that the consolidated entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The consolidated entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities
- obtaining funding from a variety of sources
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions

The table below reflects an undiscounted contractual maturity analysis for financial liabilities and receivables.

Financial liability and financial asset maturity analysis

2015	**Weighted Average Interest Rate**	**1 year or less $**	**Between 1 & 2 years $**	**Between 2 & 5 years $**	**Total $**
Non Derivatives					
Financial Assets					
Trade and Other Receivables	-%	25,665	-	-	25,665
Financial Liabilities					
Trade Payables	-%	1,194,128	-	-	1,194,128
Net Financial Liabilities		**(1,168,463)**	**-**	**-**	**(1,168,463)**

2014	**Weighted Average Interest Rate**	**1 year or less $**	**Between 1 & 2 years $**	**Between 2 & 5 years $**	**Total $**
Non Derivatives					
Financial Assets					
Trade and Other Receivables	10%	52,097	-	-	52,097
Financial Liabilities					
Trade Payables	-%	1,101,005	-	-	1,101,005
Net Financial Liabilities		**(1,048,908)**	**-**	**-**	**(1,048,908)**

c. Market risk

i. *Interest rate risk*
The consolidated entity's exposure to the risk of changes in market interest rates relates primarily to the consolidated entity's cash and short-term deposits. Since the consolidated entity does not have long-term debt obligations, the consolidated entity's exposure to this risk is nominal.

ii. *Market price risk*
Equity price risk arises from the available-for-sale equity financial assets. The consolidated entity monitors its investment portfolio based on market indices. Any buy sell decisions are approved by the board.

Sensitivity Analysis

The following table illustrates sensitivities to the consolidated entity's exposures to changes in interest rates and equity prices. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated	
	Profit	**Equity**
Year ended 30 June 2015	**$**	**$**
+/- 1% interest rate	+/- 9,726	+/- 9,726

	Consolidated	
	Profit	**Equity**
Year ended 30 June 2014	**$**	**$**
+/- 1% interest rate	+/- 58	+/- 58

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

NOTE 24: SHARE BASED PAYMENTS

	Consolidated	
	2015	**2014**
	$	**$**
Share based payments		
Consultancy costs	1,178,917	67,640
Capital raising costs	10,000	318,612
Corporate secretarial	4,765	35,000
Marketing	595,000	-
Rent & occupancy	13,060	-
Director fees	97,732	310,076
Corporate advice	730,416	704,456
Project generation	98,794	-
Other	75,637	114,120
	2,804,321	1,549,904

During the year, the company issued 439,915,029 (2014: 38,747,609) shares to employees and professional advisors. This represents amounts related to settlement of liabilities and services provided to the group and recorded in the statement of comprehensive income.

During the year, the following options were issued to supplier for services provided to the consolidated entity.

- 16,000,000 options issued in lieu of services rendered.

	Options Granted 30/07/2014
Expected volatility (%)	100
Risk free interest rate (%)	2.00
Weighted average expected life of options (years)	1.42
Expected dividends	Nil
Option exercise price ($)	0.01
Share price at grant date ($)	0.01
Fair value of option ($)	0.00
Number of options	16,000,000
Expiry date	31 December 2015
Vesting date	30 July 2014

The weighted average remaining contractual life of options outstanding at year-end was 1.42 years. The exercise price of outstanding shares at the end of the reporting period was $0.01.

Included in statement of changes in equity of $22,000, which relates to equity-settled share-based payment transactions.

A summary of the movements of all company options issues is as follows:

	Number	**Weighted Average Exercise Price**
Options outstanding as at 1 July 2013	242,031,571	$0.20
Granted	50,000,000	$0.01
Consolidated 1:10	(262,828,414)	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2014	29,203,157	$2
Granted	16,000,000	$0.01
Forfeited	-	-
Exercised	-	-
Expired	(24,203,157)	$2
Options outstanding as at 30 June 2015	21,000,000	$0.10 / $0.01
Options exercisable as at 30 June 2015	16,000,000	$0.10
Options exercisable as at 30 June 2015	5,000,000	$0.01

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Dourado Resources Limited, the directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001, including:

    (i) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2015 and of its performance, for the year ended on that date; and

    (ii) complying with Accounting Standards (including International Financial Reporting Standards) and the Corporations Regulations 2001;

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

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

Dr James Ellingford

Director

Dated this 24th day of September 2015

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
DOURADO RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Dourado Resources Limited, which comprises the statement of financial position as at 30 June 2015, the statement of 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 is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 about whether the financial report is free from material misstatement.

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

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

RSM Bird Cameron Partners

Independence

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

Opinion

In our opinion:

(a) the financial report of Dourado Resources 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*; and

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the company and consolidated entity incurred losses of $3,771,175 and $3,768,148 respectively and the consolidated entity had net cash outflows from operating activities of $1,175,096 and from exploration activities of $211,106 for the year ended 30 June 2015. As at that date, the company and consolidated entity had net current assets of $35,308 and $35,319 respectively and net assets of $138,857 and $139,043 respectively. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the company's and consolidated entity's ability to continue as going concerns and therefore, the company and consolidated entity may be unable to realise their assets and discharge their liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included within 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 Dourado Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS

AWhyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 24 September 2015

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies only. The information is current as at 22 September 2015.

1. Shareholding

a. **Distribution of Shareholders**

(i) *Ordinary share capital*

- 586,235,041 fully paid shares held by 1,819 shareholders. All issued ordinary share carry one vote per share and carry the rights to dividends.

	Class of Equity Security	
Category (size of holding)	**Number of Holders**	**Fully Paid Ordinary Shares**
1 - 1,000	523	221,191
1,001 – 5,000	247	587,109
5,001 – 10,000	70	517,514
10,001 – 100,000	374	20,624,931
100,001 – and over	605	564,284,296
	1,819	586,235,041

(ii) *Listed Options*

The Company did not have any listed options at the date of this report.

b. The number of shareholdings held in less than marketable parcels is 325.

c. The Company did not have any substantial shareholders listed in the holding company's register at the date of this report.

Ordinary Shares	**Number held**	**Percentage**

d. **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.

e. **20 Largest holders of quoted equity securities (fully paid ordinary shares)**

	Name	Number Held	Percentage %
1.	Comsec Nominees Pty Limited	20,845,277	3.56
2.	Mr Jason Peterson & Mrs Lisa Peterson <J & L Peterson S/F A/C>	16,000,000	2.73
3.	Mr Daniel Michael Weinberg & Ms Virginia Correa <Daniel Weinberg S/F A/C>	16,000,000	2.73
4.	Mr Tony Pero Tolich	9,000,000	1.54
5.	Mr Justin Laurence Barry	7,960,565	1.36
6.	Mr Richmond Yuan-Rong Hua	7,600,000	1.30
7.	Mrs Ifrah Nishat	7,200,000	1.23
8.	Metis Pty Ltd	7,000,000	1.19
9.	Mr Scott Dean Wright	6,064,601	1.03
10.	GARF Pty Limited <GAR National Private S/F A/C>	6,000,000	1.02
11.	Mr David Tran & Mrs Thao Hanh Hoang	5,600,000	0.96
12.	Mrs Rebecca Marion Chan	5,450,000	0.93
13.	Zual Investments Pty Ltd <Zual Family A/C>	5,100,000	0.87
14.	Netshare Nominees Pty Ltd	5,012,143	0.85
15.	Mr Brendon Marc Lee	5,000,000	0.85
16.	Alanita Investments Limited	5,000,000	0.85
17.	Quintero Group Limited	5,000,000	0.85
18.	Miss Zhi Yin	5,000,000	0.85
19.	Liedermoy Management Pty Ltd <Liedermoy Super Fund A/C>	5,000,000	0.85
20.	Mr Konstantinos Bagiartakis	4,999,117	0.85
		154,831,703	26.41

2. The Name of the Company Secretary is Mrs Elizabeth Hunt.

3. The address of the registered office and principal place of business in Australia is Level 11, 216 St George's Terrace, Perth WA 6000. Telephone (08) 9481 0389.

4. Registers of securities are held at the following addresses:

Automic Registry Services
Level 1, 7 Ventnor Avenue
West Perth WA 6005
Telephone: (08) 9324 2099

1. **Stock Exchange Listing**
   Quotation has been granted for all the ordinary shares of the company on the Australian Stock Exchange Limited.

2. **Restricted Securities**
   The Company has no restricted securities as at the date of this report.

Schedule of Tenements as at 24 September 2015

WESTERN AUSTRALIA

Project	**Tenement**	**Holder**	**Percentage %**
Mooloogool	E51/1325	Dourado Resources Ltd	100