PELICAN RESOURCES LIMITED

A.B.N. 12 063 388 821

ANNUAL FINANCIAL REPORT

30 JUNE 2015

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Antonio Torresan (Executive Director)
Colin Chenu (Non-Executive Director)
Alec Pismiris (Non-Executive Director)

COMPANY SECRETARY

Alec Pismiris

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

Level 7, BGC Centre
28 The Esplanade
Perth, Western Australia, 6000

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SHARE REGISTRY

Automic Registry Services
Level 1, 7 Ventnor Avenue
West Perth, Western Australia, 6005
Investor Enquiries: (+61 8) 9324 2099

AUDITOR

Stantons International
Level 2
1 Walker Avenue
West Perth, Western Australia, 6005

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STOCK EXCHANGE LISTING

ASX Limited (Australian Securities Exchange)
ASX Codes: PEL, PELOA

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DIRECTORS' REPORT

The directors present their report together with the financial statements of the Consolidated Entity consisting of Pelican Resources Limited ("**Pelican**" or "**the Company**") and its controlled entities for the financial year ended 30 June 2015 ("**Balance Date**") and the auditor's report thereon.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Colin Chenu	(appointed: 29 June 2015)
Antonio Torresan	(appointed: 24 March 2015)
Alec Pismiris	(appointed: 24 March 2015)
Mike Bue	(resigned: 25 March 2015)
John Palermo	(deceased: 15 March 2015)
John Henry Hills	(resigned: 29 June 2015)

PARTICULARS OF DIRECTORS

Colin Edward Chenu, B. Juris, LLB
Non-Executive Director
Appointed 29 June 2015

Mr Chenu is a graduate of the University of Western Australia, with a Bachelor of Laws, and is admitted to practice in the Supreme Court of Western Australia and the High Court of Australia. He has practiced law in Western Australia for 28 years, as both a barrister and solicitor, in a wide range of commercial, litigious and non litigious work. Mr Chenu has gained extensive experience in the law of corporations, trade practices, contracts, equity and trusts and tort. He is a director and principal at Bennett + Co.

Other current directorships: None

Former directorships (last 3 years): Mount Magnet South NL

Antonio Alessio Torresan
Executive Director
Appointed 24 March 2015

Mr Torresan is a businessman with significant experience in capital markets. Mr Torresan has been actively involved in arranging capital raisings for ASX listed companies as well as unlisted public companies, providing investor relation services and assisting boards with development of strategic plans. Mr Torresan has held numerous executive positions where his responsibilities have included strategy, operational management and business development.

Other current directorships: None
Former directorships (last 3 years): None

DIRECTORS' REPORT (CONTINUED)

PARTICULARS OF DIRECTORS (CONTINUED)

Alec Pismiris, B.Comm, MAICD, IGIA
Non-Executive Director
Appointed 24 March 2015

Mr Pismiris is currently a director of Capital Investment Partners Pty Ltd, a company which provides corporate advisory services. Since 1990, Mr Pismiris has served as a director and company secretary for various ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and an associate of The Governance Institute of Australia. Mr Pismiris has over 25 years' experience in the securities, finance and mining industries and has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities.

Other current directorships: Agrimin Limited, Aguia Resources Limited, Cardinal Resources Limited and Mount Magnet South NL

Former directorships (last 3 years): Gladiator Resources Limited and Papillon Resources Limited

Mike Bue, B.Sc. Eng. (Mining), M.Eng (Mineral Economics), P.Eng (PEO)
Executive Director
Resigned: 25 March 2015

John Palermo, B.Bus, FCA, FCPA, JP
Non-Executive Director
Deceased: 15 March 2015

John Henry Hills, B.Sc. Hons, M.Sc, Ph.D, MAusIMM
Non-Executive Director
Resigned: 29 June 2015

COMPANY SECRETARY

Alec Pismiris, B.Comm, MAICD, IGIA
Appointed 29 June 2015

Mr Pismiris has over 25 years' experience in the securities, finance and mining industries and has held a number of company secretary positions secretary for various ASX listed companies as well as a number of unlisted public and private companies over the years.

John Joseph Palermo, B.Bus, FCA, ACIS
Resigned 29 June 2015

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's directors, including directors' resolutions, held during the year ended 30 June 2015 by each director:

	Number Eligible to Attend	**Number Attended**
Antonio Torresan	13	13
Colin Chenu	2	2
Alec Pismiris	13	13
Mike Bue	25	25
John Palermo	24	24
John Henry Hills	35	35

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the course of the financial year were the evaluation of its existing exploration projects and the continued search for new opportunities in the resources sector which could demonstrate capacity to add long term shareholder value.

OPERATING AND FINANCIAL REVIEW

The Company made a loss after tax of $1,431,510 for the year ended 30 June 2015 (2014: $1,812,363).

During the second half of the period under review, the Company initiated a number of corporate changes in order to reduce administration costs and better position the Company to pursue new business development activities. The changes included a complete restructure of the Board, review and subsequent rationalization of existing projects and relocation of the registered office and principal place of business.

Following the appointment of new directors in March 2015, the Company undertook a detailed review of its projects, particularly those projects located in offshore jurisdictions. As consequence of the review the Company announced the following rationalization initiatives:

- a decision not to proceed with the additional expenditure of $18,000 required before end of March 2015 to increase the Company's interest to 51% in the San Marcos Gold Project;
- seeking to identify parties interested in acquiring the Company's equity interest in Dore 5 Resources and therefore the San Marcos Gold Project; and
- concluding negotiations for the sale of 100% ownership of Sibuyan Nickel Properties Development Corporation ("SNPDC"), the beneficial owner of the Romblon Project located on Sibuyan Island in the Romblon Province in the Philippines owned by Pelican in conjunction with its 25% venture partner All-Acacia Resources Inc. The Company entered into a Memorandum of Understanding with Dynamo Atlantic Limited, a BVI registered company whereby Dynamo subject to satisfaction of technical, legal and financial due diligence investigations agreed to purchase SNPDC for a purchase price of $A4.70 million.

Throughout the majority of the period under review Pluton Resources Limited ("Pluton") continued as operator of the Cockatoo Island project. However on 4 November 2014 General Nice Recursos Comercial Offshore De Macaw Limitada (GNR), Pluton's major shareholder and senior secured creditor appointed KordaMentha as Receivers and Managers. Pluton announced on 23 March 2015, that KordaMentha had agreed to be retired as Receivers and Managers and the Board resumed full control of the Company.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Operations at the Cockatoo Island project continued throughout the period under review with Pluton and KordaMentha producing and shipping iron ore with twenty two shipments totaling 929,165 tonnes completed during the year.

In May 2015 Pluton announced the launch of an offering for £25,000,000 of senior secured bonds through Pluton's subsidiary company, Irvine Island Finance Corporation Ltd. Pluton advised the proceeds from the bond issue would be used to fund the advancement of both the Cockatoo Island and Irvine Island projects. Subsequently Pluton announced that due to overwhelming interest in the bond issue, the offer size was increased to €50,000,000, which based on prevailing FX rates equated to an increase of approximately 45%.

Pelican has issued several Notices of Default to Pluton seeking settlement of outstanding royalty payments. At 30 June 2015, the Company is owed $1,103,147 by Pluton. On 8 September 2015, Pluton announced that it had appointed voluntary administrators and receivers and managers in order to execute a recapitalization and restructure proposal. As a result, the Company has raised a provision for doubtful debts against the full amount owing by Pluton however remains positive that it will be able to recover part of the debt owing.

The Company has internally generated revenue via a royalty stream from the Cockatoo Island operations, however the non-payment of royalties by Pluton did necessitate the implementation of a non-renounceable entitlements offer on the basis of one new share offered for every two shares held at an issue price of one half of a cent, raising approximately $603,206 before costs. The continuity of development and exploration activities and the search for new opportunities may, at some stage in the future, require access to new funding.

The development and exploration activities to be carried out in the future and the Company's planned discretionary expenditure may vary significantly due to a variety of factors. The Company has the ability to substantially reduce or defer actual exploration expenditure if required to better match the funds available to the Company at any point in time.

The directors are of the view that the current carrying value of the Romblon project is reasonable given the carrying value of projects of a similar nature.

The directors have prepared the financial statements on a going concern basis which contemplates the continuity of normal business activities.

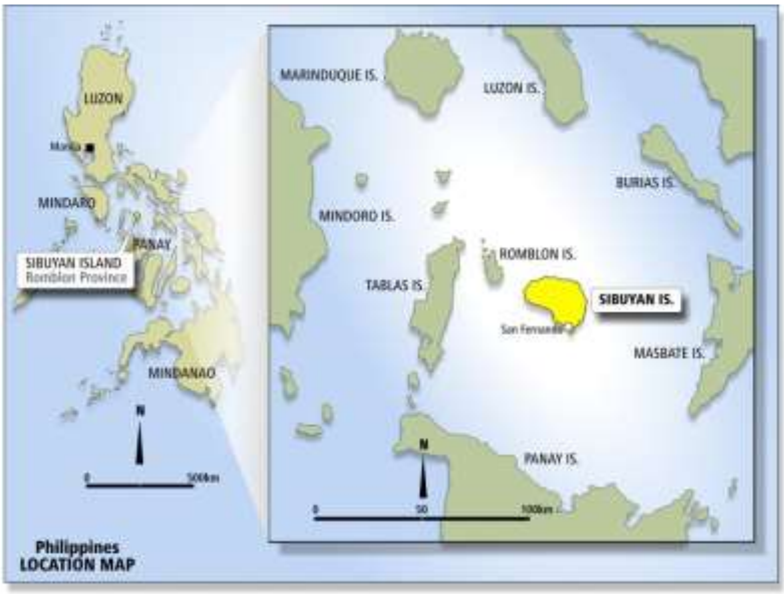
DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

REPUBLIC OF THE PHILIPPINES

ROMBLON PROJECT, SIBUYAN ISLAND, ROMBLON PROVINCE (MPSA No. 3042009-IVB)

Interest: MPSA 3042009-IVB



The Romblon direct shipping lateritic nickel project has been the main focus for the Company in the Philippines. The Project is located on the southwest coast of Sibuyan Island in Romblon Province which is situated roughly in the centre of the Philippines. The Company has been evaluating the potential for the project to provide a source of direct shipping lateritic nickel ore (DSO) with the possibility of processing nickel laterite ore in the Philippines if this option could add value to the project. There are several idle Ferro-Nickel (FeNi) Plants located within barging distance of the Romblon Project.

The Company has also undertaken an internal study to evaluate a Direct Reduction Process (DRP) for laterite nickel ore. The technology to process high iron ore into Sponge Iron (SFE) and high nickel ore into Sponge Nickel (SNI) is being developed in China. The initial Scoping Study included a review of Direct Reduction Iron (DRI) facilities currently operating in China and India. The Company did conduct discussions with the owners of other nickel projects in the Philippines regarding their potential interest in a joint venture to process nickel ore in the Philippines utilising DRP.

The project site continued under care and maintenance throughout the review period due to a Cease and Desist Order (CDO) issued by the Department of Environment and Natural Resources (DENR). Samples of the nickel ore from the project cannot be obtained until the CDO is lifted.

Development options cannot be fully evaluated until an initial exploration program has been completed to define a Measured and Indicated JORC compliant Mineral Resource.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

ROMBLON PROJECT (CONTINUED)

The granted Mineral Production Sharing Agreement (MPSA), on Sibuyan Island in the Romblon Province in the Philippines, covers a lateritic nickel deposit where work was carried out by two Japanese nickel companies in 1972.

The project is still in the process of being transferred from Altai Resources Philippines Inc (Altai), the original applicant of the MPSA, to Sibuyan Nickel Properties Development Corporation (SNPDC). SNPDC is owned by Pelican Resources Limited in conjunction with its Venture partner All-Acacia Resources Inc.

Drill crews were mobilized and about to commence drill testing the resource when the Mines and Geosciences Bureau (MGB) of the DENR issued a Cease and Desist Order (CDO) in September 2011 against Altai Philippines Mining Corporation (Altai) to immediately terminate exploration and mining activities within the area covered by the MPSA. SNPDC, as attorney-in-fact of Altai, filed its comment on the CDO. SNPDC's lawyers filed a supplemental response to the comment and wrote to the Secretary of the DENR requesting the lifting of the CDO.

An inspection team from the MGB conducted a site visit on Sibuyan Island to document and verify the veracity or truthfulness, if any, to the issues and complaints. The MGB report did not note any environmental or permitting violations due to work completed by the Venture partners. It was noted by the MGB that the Venture partners should obtain a "Social Licence" or majority support from the Local Government Officials, Organisations and Community. To date, both the MGB and DENR have yet to issue a response to the demand for the immediate lifting of the CDO against Altai.

These matters, which have been initiated by Local Government Officials, are being attended to by SNPDC's Legal Counsel in the Philippines who are looking at all the legal avenues to resolve the CDO.

The Governor of Romblon Province signed an Executive Order in 2012 making the province a non-mining zone. SNPDC's filed a Petition in the Regional Trial Court in Romblon to contest the Executive Order. The Company received notification from SNPDC, in the Quarter ending 31 March 2013, that the Petition for Declaratory Relief to declare the Provincial Executive Order as contrary to the Philippine Constitution has been determined in favour of SNPDC.

The Regional Trial Court in Romblon ruled in favour of the Applicant (SNPDC) and declared the Provincial Executive Order as unconstitutional. A Motion for Reconsideration was filed by the Governor of Romblon against the Order. The Regional Trial Court in Romblon issued a Resolution on 14 June 2013 denying the Motion for Reconsideration. Counsel for SNPDC provided the MGB with a copy of the Resolution on the Motion for Reconsideration.

Given the Court's ruling, SNPDC has made representations to the Office of the President of the Philippines (OP) where its own appeal in respect of the Cease a Desist Order is still pending and advising the OP of the recent Court Resolution declaring the Executive Order unconstitutional and asking that any pending Appeal be immediately resolved. The OP responded to the request stating that it was too early to make a representation to the OP and the decision was still in the jurisdiction of the DENR. Counsel for SNPDC has followed up on the representation to the DENR.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

ROMBLON PROJECT (CONTINUED)

Little activity at the project site will be undertaken until there is progress in discussions with the DENR and MGB regarding lifting of the CDO. The DENR and MGB have been clear in the requirement for SNPDC to obtain the support of Local Government Units including elected officials, organisations and community prior to commencing an exploration program.

The President of the Philippines signed an Executive Order (EO) No. 79 s. 2012 (Mining) amending the country's Mining Code in July 2012 and became effective on 26 July 2012. The EO is titled: "Institutionalising and implementing reforms in the Philippine mining sector providing policies and guidelines to ensure environmental protection and responsible mining in the utilisation of mineral resources".

This new EO awaits implementation rules and regulations to be drafted and in the meantime, granting of new mining licenses remains unresolved. Mining contracts, agreements and concessions approved before the effective date of the order continue to be valid and the order will respect prior permits even in areas where mining will be prohibited under the current order. The EO requires local government ordinances to be consistent with the Philippine Constitution and the Mining Act.

The Secretary of the DENR announced in December 2013, that the Mining Industry Coordinating Council (MICC) had submitted a draft bill for a new mining tax to the Presidential Liaison Office. The proposed new tax will assist in resolving the current debate in the Philippines with respect to the contribution of the mining industry to the local community. The new tax is not expected to be applied to independent nickel processing plants. The draft bill had not been submitted to Congress as of 30 June 2015.

During the year SNPDC discussed joint venture proposals for the Romblon Project with several local companies currently involved in nickel laterite mining. Involvement of an active local mining company in the project was considered important in assisting with the permitting process and Local Government Unit (LGU) support for the project.

The nickel price and FOB price of laterite nickel DSO almost halved during the year significantly due to the general slowdown in the Chinese economy. Investor interest in nickel laterite ore and projects located in the Philippines has been subdued.

On 25 June 2015 the Company announced it had entered into a Memorandum of Understanding ("MOU") with Dynamo Atlantic Limited, a BVI registered company ("Dynamo"), to sell 100% ownership of Sibuyan Nickel Properties Development Corporation ("SNPDC"). SNPDC is the beneficial owner of the Romblon Project located on Sibuyan Island in the Romblon Province in the Philippines and is owned by Pelican Resources Limited in conjunction with its venture partner All-Acacia Resources Inc.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

ROMBLON PROJECT (CONTINUED)

Under the terms of the MOU, Dynamo agreed to purchase SNPDC for a purchase price of $A4.70 million ("Consideration") payable in cash as follows:

- an initial payment of ten percent (10%) of the Consideration as a non-refundable deposit paid with 5 business days of signing the MOU which has been received by the Company;
- Dynamo will be granted exclusivity for the purchase of SNPDC;
- Dynamo will complete technical, legal and financial due diligence investigations within 90 days of signing of the MOU;
- on completion of due diligence investigations by Dynamo to its satisfaction, a second payment of twenty percent (20%) of the Consideration; and
- on completion of sale and transfer of 100% ownership of SNPDC, a third and final payment of seventy percent (70%) of the Consideration.

Dynamo further agreed to enter into a royalty agreement whereby Pelican and its venture partner would be entitled to receive a two and a half percent (2.5%) royalty on net income generated by SNPDC from any operations undertaken on Sibuyan Island.

MABUHAY PROJECT, SURIGAO DEL NORTE PROVINCE, MINDANAO ISLAND (MPSA APPLICATION No. 000029-X)

Operator: Wallaby Corporation a subsidiary of Rugby Mining Limited

The old Mabuhay gold mine, on Surigao del Norte Province, Mindanao Island, Philippines, has the potential to host an underlying copper-gold porphyry system.

In 2011, the Company's Philippine associate, Sunpacific Resources Inc. (Sunpacific), entered into an agreement with Rugby Mining Limited (Rugby) a Canadian-listed company, to assign all its rights, title and interest under the Memorandum of Agreement (MOA) between All-Acacia Resources Inc. and Sunpacific. The assignment grants to Rugby the right to enter into an option to explore the project area at Mabuhay over a period of seven years.

In consideration for the assignment, Rugby will pay to the Company $500,000 over a period of four years as Rugby progresses through the exploration phase. The first payment is due 12 months from the end of the Due Diligence period provided the MPSA is granted. In addition, Rugby will pay to the Company $5 million on commencement of commercial production. Commercial production is defined as being 45 days after mineral products have been shipped from the property. The Company is monitoring progress on the exploration of the project area and particularly on the granting of permits.

Rugby informed the Company in FY14 that efforts towards application for a MPSA have ceased. Rugby decided to apply for an Exploration Permit (EP) to allow exploration drilling to commence at an earlier date. The DENR lifted the moratorium on applications for Exploration Permits (EPs) and Financial or Technical Assistance Agreements (FTAAs) effective 18 March 2013. The moratorium was imposed in January 2011 after the DENR ordered the MGB to review all pending and inactive mining projects in the country. The suspension covered applications for EPs, FTAAs and MPSAs. Rugby's EP application was near the end of the approval process as of 30 June 2014.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

MABUHAY PROJECT (CONTINUED)

An MPSA is a Mineral Agreement in which the government shares in the production of the contractor. Applications for MPSAs are still not allowed as Executive Order No. 79 stipulates that "no new Mineral Agreements shall be entered into until legislation rationalising existing revenue sharing schemes and mechanisms shall have taken effect". An FTAA is a mining right granted for large-scale operation, development and utilisation of minerals. It allows 100-percent foreign ownership of a venture, with 50-50 revenue-sharing with the government.

EPs may now be issued because the MGB has completed the mapping of no-go zones; areas where mining activities are prohibited or restricted because they are dedicated solely to agriculture and tourism activities or are protected areas. EO 79 required the no-go zones to be mapped before EPs could be issued. Rugby hopes to proceed to exploration through an EP and consider application for a MPSA or an FTAA at a later date depending on the success of the exploration.

The assignment of the rights under the MOA, which was first entered into in 2003, enabled the Company to focus its resources on the Romblon Nickel Project in the Philippines.

Pelican's original concept at Mabuhay was to test the high-grade vein-type gold system. During the course of the exploration, it became apparent that the high-grade gold-copper veins mined by underground stopes cap a deeper lower grade porphyry copper-gold system. It is this system that will be the focus of the proposed future exploration program.

The Mabuhay project remains under care and maintenance until an exploration permit has been granted.

PROJECT GENERATION IN THE PHILIPPINES

Pelican Staff in the Philippines were active in a review of new mining projects while the Romblon Nickel Project has been on care and maintenance. The focus was on permitted and advanced nickel laterite, iron ore and iron sand projects with efforts focused in Provinces with a history of encouraging mining exploration and operations. A number of opportunities were identified in northern Luzon and Leyte Province in eastern Visayas. Several projects with the highest potential were evaluated however these activities have ceased.

UNITED STATES OF AMERICA

SAN MARCOS GOLD PROJECT, ARIZONA USA

Pelican and AusROC Metals Limited (AusROC) (formerly Australian American Mining Corporation Limited) entered into an option agreement pursuant to which Pelican was granted an option to enter into a farm-in and joint venture agreement, through a US subsidiary, Dore 5 Resources Inc. on the San Marcos Gold Project located in La Paz County, Arizona, USA.

On 18 February 2013, Pelican announced it had exercised the Option to Enter into a Farm-in and Joint Venture Agreement with AusROC.

Dore 5 appointed a professional geologist located in Tucson Arizona as a Director of the subsidiary, who has also accepted responsibility for the management of exploration. A professional tenement company was also contracted to manage those claims hosting the San Marcos Project area.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

SAN MARCOS GOLD PROJECT (CONTINUED)

The San Marcos project is located approximately 145kms west of Phoenix, Arizona, and is accessed by paved and well maintained roads. Electric power lines, high pressure natural gas pipelines, major highways and an active railway pass over or close to the property. Favourable climatic conditions allow year-round exploration work. Arizona is recognised as a mining-friendly jurisdiction.

The San Marcos property comprises 125 contiguous mining claims and is owned in its entirety by AusROC. It lies on the northwest flank of the Harquahala Mountain range within the Detachment Fault structural terrane of the Basin and Range physiographic province. The gold mineralised complex lies in and close to a gently sloping detachment surface that separates ancient quartz-feldspar gneiss from overlying granitic and sedimentary rock units.

The property has been prospected and mapped in preliminary fashion and further explored by 30 percussion drill holes and 5 cored drill holes. Analytical data is incomplete. The favourable horizon and mineralisation are open to down-dip and lateral extension beneath semi-lithified coarse fluvial gravels that obscure the prospective bedrock.

Following the appointment of a geologist, priorities were focused on geological data collection to enable further geological modelling based on detachment style mineralisation which is somewhat unique in the project area. Field work including rock chip sampling, mapping along a parallel anomaly identified by AusROC's consultant geologist, together with commencement of splitting and logging of approximately 1,000 metres of drill core which was part of a prior campaign by AusROC was completed.

This work was undertaken early in 2014 with selected core put aside for future metallurgical test work. Budgets were re-aligned to meet the farm-in expenditure requirements.

Pelican gave notice to AusROC on 29 April 2014 that the required amount had been expended on the San Marcos Project. Under the terms of the Farm-in Agreement, Pelican had earned 30% in the San Marcos Project.

Dore 5 did also focus on prospect generation activity. Numerous prospective properties were reviewed mostly through land research and data analysis including Johnson Camp, Gold Bar, Soccoro Mine area, Harquahala Mine area and El Tigre.

Following a review undertaken by the Company, a decision was made not to proceed with the additional expenditure of $18,000 required before end of March 2015 to increase the Company's interest to 51% in the San Marcos Gold Project.

The Company did seek to identify parties interested in acquiring the Company's equity interest in Dore 5 and therefore the San Marcos Gold Project, however these activities were unsuccessful.

Subsequent to the Balance Date and in accordance with the terms of the Farm-in and Joint Venture Agreement, Pelican provided formal notice to AusROC of its intention to withdraw from the Joint Venture and relinquished all rights in connection with the Agreement and the Tenements.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

WESTERN AUSTRALIA

KIMBERLEYS

COCKATOO ISLAND PROJECT (M04/235)

Interest: 100%
Operator: Pluton Resources Limited

The Company announced to the market in September 2012, that it had entered into an agreement with Cliffs Asia Pacific Iron Ore Pty Ltd (Cliffs) and Pluton Resources Limited (Pluton) on the rights on Cockatoo Island. Cockatoo Island project was purchased from Cliffs Asia Pacific Iron Ore Pty Ltd by Pluton Resources Limited and its unincorporated joint venture partner Wise Energy during September with the asset handover date effective on 1 October 2012. Pluton Resources will be the operator and maintain management control. Their initial open-cut mine plan forecast monthly shipments commenced November 2012.

Pelican renegotiated royalty arrangements for direct shipping iron ore derived from open cut mining on the Island are based on $1 per tonne or 1% – 1.5% of the FOB sales price of ore shipped (depending on the prevailing FOB sales price) whichever is the greater.

Pluton will only be relieved of its obligation to pay the minimum royalty if mining operations on Cockatoo Island permanently cease following complete exploitation of the ore resources on the island. Payment of the royalty may also be deferred in the event if mining operations on Cockatoo Island are suspended due to force majeure events.

Throughout the majority of the year Pluton Resources Limited ("Pluton") continued as operator of the Cockatoo Island project. However in October 2014 Pluton announced that a junior secured creditor had purported to have appointed a receiver and manager. This led to General Nice Recursos Comercial Offshore De Macaw Limitada (GNR), Pluton's major shareholder and senior secured creditor appointing KordaMentha as Receivers and Managers on 4 November 2014. Pluton announced on 23 March 2015, that KordaMentha had agreed to be retired as Receivers and Managers and the Board had resumed full control of the Company.

Operations at the Cockatoo Island project continued throughout the year with both Pluton and KordaMentha in its role as receiver and manager producing and shipping 22 shipments of iron ore during the year totalling 929,165 tonnes.

Pluton announced the launch of an offering for £25,000,000 of senior secured bonds through a subsidiary company, Irvine Island Finance Corporation Ltd. Pluton advised the proceeds from the bond issue would be used to fund the advancement of both the Cockatoo Island and Irvine Island projects. Subsequently Pluton announced that due to overwhelming interest in the bond issue, the offer size was increased to €50,000,000, which based on prevailing FX rates equated to an increase of approximately 45%.

In July 2014 Pelican announced an agreement to subscribe for shortfall in a non-renounceable entitlement offer at the issue price of one cent per share, via conversion of $300,000 of the debt owed by Pluton.

The Company has issued several Notices of Default to Pluton seeking settlement of outstanding royalty payments.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW (CONTINUED)

RELINQUISHMENTS

The Company withdrew from the farm-in and joint venture agreement on the San Marcos Gold Project.

NEW ACQUISITIONS

None.

Competent Person's Statement

The information in this Report that relates to Mineral Resources is based on, and accurately reflects, the information compiled by Dr John Hills a consultant to Pelican Resources Limited. Dr Hills is a member of the Australasian Institute of Mining and Metallurgy, respectively. Dr Hills has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Hills consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year, the Company undertook the following capital raisings:

- At a general meeting held on 23 July 2014 the Company obtained shareholder approval for the issue of new options under a priority offer to holders of all options. Pelican subsequently made the offer of up to 88,096,475 options to eligible optionholders on the basis of one new option for every one existing option held at an issue price of $0.0001 per new option, to raise approximately $8,809 before issue costs. The Company received $5,947.56 before issue costs representing acceptances for 59,475,571 new options.
- On 15 May 2015 the Company announced a fully underwritten non-renounceable entitlements offer of new shares on the basis of one new share offered for every two 2 shares held at an issue price of $0.005 per new share to raise approximately $603,206 before costs. The Company received acceptances for a total of 57,314,330 new shares with the shortfall of 63,326,850 new shares being placed by the underwriter.
- Under the terms of the underwriting agreement the Company gave the underwriter the right, but not the obligation, to subscribe to 50 million underwriter options at a price of $0.00001, being a total cost of $500. At a general meeting held on 30 July 2015 the Company obtained shareholder approval for the issue of underwriter options to nominees of the underwriter (including directors) which were issued subsequent to the Balance Date.
- During the period the Company received an application for the exercise of 8,040 listed options with an exercise price of $0.04.

During the reporting period the Company initiated a number of corporate changes in order to reduce administration costs and better position the Company to pursue new business development activities.

In addition to implementing corporate changes the Company undertook a review of its existing projects with an objective of rationalising those projects located in offshore jurisdictions. The Company achieved its goal of rationalising existing projects as follows:

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS (CONTINUED)

- A decision not to proceed with the additional expenditure to increase the Company's interest in the San Marcos Gold Project, followed by a process to identify parties interested in acquiring the Company's interest in the San Marcos Gold Project.
- Subsequent to the Balance Date and in accordance with the terms of the Farm-in and Joint Venture Agreement, Pelican provided formal notice of its intention to withdraw from the Joint Venture and relinquished all rights in connection with the Agreement and the Tenements.
- Entering into a Memorandum of Understanding for the sale of 100% ownership of Sibuyan Nickel Properties Development Corporation ("SNPDC"), the beneficial owner of the Romblon Project located on Sibuyan Island in the Romblon Province in the Philippines for a price of $A4.70 million.

Pelican continued to search for new opportunities in the resources sector which could demonstrate capacity to add long term shareholder value. The directors believe that existing cash reserves combined with funds received from the sale of its interest in Sibuyan Nickel Properties Development Corporation leave the Company well positioned to fund new opportunities in the resources sector.

DIVIDENDS

No dividends were paid or recommended for the year ended 30 June 2015.

EVENTS SUBSEQUENT TO REPORTING DATE

At a general meeting held on 30 July 2015 the Company obtained shareholder approval for the issue of 50 million underwriter options at an issue price of $0.00001 which were subsequently issued.

On 31 July 2015 the Company announced the transfer of responsibility for the maintenance of its share register to Automic Registry Services, effective from 31 August 2015.

On 15 September 2015, the Company announced the following matters:

- Cockatoo Island Project: Pitcher Partners have been appointed as Receivers and Managers of Pluton by General Nice Recursos Comercial Offshore De Macau Limitada, the first ranking creditor of Pluton and contemporaneously Pluton appointed Ernst & Young as joint and several voluntary administrators.
- Appointment of Corporate Advisor: Capital Investment Partners Pty Ltd ("CIP") have been engaged as corporate advisor to the Company. Under the terms of the engagement, on completion of an acquisition by the Company, CIP will be entitled to receive a fee of 10% of the transaction value and satisfied by the issue of securities in the Company. CIP will also be granted 14.5 million Advisor Options which will vest on completion of an acquisition by the Company, exercisable at $0.02 expiring on 31 December 2019, subject to shareholder approval which will be sought at the Company's Annual General Meeting.
- Grant of incentive options: The Company proposes to grant 20,000,000 Incentive Options to Directors exercisable at $0.02 expiring on 31 December 2019, subject to shareholder approval which will be sought at the Company's Annual General Meeting.

On 17 September 2015, the Company announced that it had established a less than marketable parcel share sale facility for any registered shareholding of 62,500 shares or less held on 16 September 2015. The sale price will be equal to $0.008 and the closing date is 28 October 2015 with proceeds expected to be received by shareholders on or around 11 November 2015.

DIRECTORS' REPORT (CONTINUED)

EVENTS SUBSEQUENT TO REPORTING DATE (CONTINUED)

Subsequent to the Balance Date and in accordance with the terms of the Farm-in and Joint Venture Agreement, Pelican provided formal notice to AusROC of its intention to withdraw from the San Marcos Project Joint Venture and relinquished all rights in connection with the Agreement and the Tenements.

SHARE OPTIONS

The Company has the following securities on issue as at the date of the Directors' Report.

Security Description	**Number of Securities**
Fully paid shares	361,923,540
Options exercisable at $0.02 expiring 30 June 2017	59,725,571
Options exercisable at $0.01 expiring 30 June 2019	50,000,000

Unissued shares
As at the date of this report, there were 109,725,571 unissued ordinary shares under options (30 June 2014: 88,096,475).

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of the exercise of options
During the financial year there were 8,040 ordinary shares issued as a result of the exercise of options (2014: 71,252).

As at the date of this report there has been no ordinary shares issued since the Balance Date on the exercise of options.

REVIEW OF ECONOMIC OPERATIONS

The Company and its controlled entities continued evaluation of its existing exploration projects and the continued search for new opportunities in the resources sector which could demonstrate capacity to add long term shareholder value continued their exploration activities. Further details are noted in the Operating and Financial Review section of the Annual Report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group will continue to focus on maximising value from the current portfolio of mining projects and will continue its search for further opportunities. Given that the nature of the Group's activities is exploration focused, no further information can be provided as to likely developments as such developments will depend on exploration success at the Group's various project interests, and the nature of any new acquisitions going forward.

ENVIRONMENTAL REGULATION

The Consolidated Entity has assessed whether there are any particular or significant environmental regulations which apply. It has determined that the risk of non-compliance is low, and has not identified any compliance breaches during the year.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS IN SHARES AND OPTIONS OF THE COMPANY

At the date of this report, the directors' interests in shares and options of Pelican Resources Limited were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
Antonio Torresan	59,193,981	27,643,563
Colin Chenu	Nil	Nil
Alec Pismiris	12,000,000	6,000,000

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behavior and accountability, the directors of Pelican Resources Limited support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement is contained in the annual report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS

The Company has, during or since the financial year, in respect of any person who is or has been an officer of the Company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Insurance of Officers

Since the end of the previous financial year, the Company has paid insurance premiums in respect of directors and officers liability and corporate reimbursement, for directors and officers of the Company. The insurance premiums relate to:

- any loss for which the directors and officers may not be legally indemnified by the Company arising out of any claim, by reason of any wrongful act committed by them in their capacity as a director or officer, first made against them jointly or severally during the period of insurance; and
- indemnifying the Company against any payment which it has made and was legally permitted to make arising out of any claim, by reason of any wrongful act, committed by any director or officer in their capacity as a director or officer, first made against the director or officer during the period of insurance.

The insurance policy outlined above does not allocate the premium paid to each individual officer of the Company and does not allow disclosure of the premium.

DIRECTORS' REPORT (CONTINUED)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 63.

NON-AUDIT SERVICES

Stantons International has not provided any non-audit services to the entity as shown at Note 18.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for directors and executives of the Company.

Remuneration policy

The remuneration policy of Pelican Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Consolidated Entity's ability to attract and retain the best executives and directors to run and manage the Consolidated Entity.

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the Consolidated Entity is as follows:

The remuneration policy setting out the terms and conditions for the executive directors and other senior executives was developed by the Board.

Executive remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relevant comparative information and independent expert advice.

As well as a base salary, remuneration packages include superannuation, retirement and termination entitlements, performance-related bonuses and fringe benefits.

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Company's diverse operations.

Remuneration and other terms of employment for the executive director and certain other senior executives have been formalised in service agreements as follows:

The Company has entered into an executive service agreement with executive director, Mr Antonio Torresan. The terms of the service agreement are set out as follows:
- Commencement date: 24 March 2015
- Term: one year with a one year extension at the sole discretion of the Board
- Fixed remuneration: $120,000 per annum
- Termination for cause: no notice period
- Termination without cause: one month notice period

The Company has entered into an agreement with non-executive director, Mr Alec Pismiris. The terms of the agreement are set out as follows:
- Commencement date: 24 March 2015
- Term: no fixed
- Fixed remuneration: $36,000 per annum
- Termination for cause: no notice period
- Termination without cause: no notice period

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Remuneration policy (continued)

The Company has entered into an agreement with non-executive director, Mr Colin Chenu. The terms of the agreement are set out as follows:

- Commencement date: 29 June 2015
- Term: no fixed
- Fixed remuneration: $36,000 per annum
- Termination for cause: no notice period
- Termination without cause: no notice period

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by the shareholders from time to time and which currently stands at $250,000 per annum.

The Board undertakes an annual review of its performance against goals set at the start of the year. The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

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

Performance-based remuneration

The Company currently has no performance-based remuneration component built into director and executive remuneration packages.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Key management personnel compensation

Details of the nature and amount of emolument paid for each director and executive of Pelican Resources Limited are set out below:

	Primary Benefits			Post Employment		Share Based	Other	TOTAL
	Salary & Fees	Cash Bonus	Non-Monetary	Super-annuation	Retirement Benefits	Payments Shares/Options	Benefits	$
Directors								
A Torresan - Executive Director [1]								
2015	32,500	-	-	-	-	-	-	32,500
2014	-	-	-	-	-	-	-	-
C Chenu - Non-Executive Director [2]								
2015	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-
A Pismiris - Non-Executive Director [1]								
2015	9,750	-	-	-	-	-	-	9,750
2014	-	-	-	-	-	-	-	-
M Bue - Executive Director [3]								
2015	150,000	-	-	14,250	-	-	-	164,250
2014	150,000	-	-	13,875	-	-	-	163,875
J Palermo - Non-Executive Director [4]								
2015	98,750	-	-	1,781	-	-	37,500[(6)]	138,031
2014	132,500	-	-	14,822	-	-	-	147,322
J Hills - Non-Executive Director [5]								
2015	25,000	-	-	2,375	-	-	-	27,375
2014	25,000	-	-	578	-	-	-	25,578
Total Remuneration:								
2015	316,000	-	-	18,406	-	-	37,500	371,906
2014	307,500	-	-	29,275	-	-	-	336,775

Notes:
(1) Appointed 24 March 2015
(2) Appointed 29 June 2015
(3) Resigned 25 March 2015
(4) Deceased 15 March 2015
(5) Resigned 29 June 2015
(6) Termination benefit

Other related party transactions of key management personnel are disclosed in Note 17.

Remuneration Options

There were no options issued as part of director remuneration for the years ended 30 June 2015 and 30 June 2014.

During the year ended 30 June 2015, no remuneration options were forfeited, expired or exercised by the directors.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Shareholdings by Directors

2015	Balance 01/07/14 (No. of Shares)	Received Remuneration (No. of Shares)	No. of Options Exercised	Net Other Change (No. of Shares)	Balance 30/06/15 (No. of Shares)
A Torresan [1]	-	-	-	59,193,981	59,193,981
C Chenu [2]	-	-	-	-	-
A Pismiris [1]	-	-	-	12,000,000	12,000,000
M Bue [3]	-	-	-	-	-
J Palermo [4]	20,822,928	-	-	(20,822,928)	-
J Hills [5]	11,811,292	-	-	(11,811,292)	-
Total	32,634,220	-	-	38,559,761	71,193,981

Notes:
(1) Appointed 24 March 2015
(2) Appointed 29 June 2015
(3) Resigned 25 March 2015
(4) Deceased 15 March 2015
(5) Resigned 29 June 2015

2014	Balance 01/07/13 (No. of Shares)	Received Remuneration (No. of Shares)	No. of Options Exercised	Net Other Change (No. of Shares)	Balance 30/06/14 (No. of Shares)
J Palermo	25,895,126	-	-	(5,072,198)	20,822,928
J H Hills	11,811,292	-	-	-	11,811,292
M Bue	-	-	-	-	-
Total	37,706,418	-	-	(5,072,198)	32,634,220

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Listed Options Holdings by Directors

2015	Balance 01/07/14 (No. Options)	Granted as Remuneration (No. Options)	No. of Options Acquired	No. of Options Exercised	Net Change Other (No. Options)	Balance 30/06/15 (No. Options)
A Torresan [1]	-	-	-	-	9,407,667	9,407,667
C Chenu [2]	-	-	-	-	-	-
A Pismiris [1]	-	-	-	-	-	-
M Bue [3]	-	-	-	-	-	-
J Palermo [4]	21,754,400	-	21,754,400	-	(43,508,800) [6]	-
J Hills [5]	-	-	-	-	-	-
Total	21,754,400	-	21,754,400	-	(34,101,133)	9,407,667

Notes:
(1) Appointed 24 March 2015
(2) Appointed 29 June 2015
(3) Resigned 25 March 2015
(4) Deceased 15 March 2015
(5) Resigned 29 June 2015
(6) 21,754,400 options expired on 1 July 2014

2014	Balance 01/07/13 (No. Options)	Granted as Remuneration (No. Options)	No. of Options Acquired	No. of Options Exercised	Net Change Other (No. Options)	Balance 30/06/14 (No. Options)
M Bue	-	-	-	-	-	-
J Palermo	21,754,400 [1]	-	-	-	-	21,754,400
J Hills	-	-	-	-	-	-
Total	21,754,400	-	-	-	-	21,754,400

Notes: (1) 21,754,400 options expired on 1 July 2014.

Unlisted Options Holdings by Directors

There were no unlisted options held by or granted to directors during the years ended 30 June 2014 and 30 June 2015.

Performance Rights

On 24 December 2010, 500,000 Performance Rights were issued to Mike Bue. The rights will convert to shares upon completion of the first shipment of ore from Sibuyan Island under the Company's Romblon Nickel Project. On 25 March 2015, Mike Bue resigned as Executive Director and the 500,000 performance rights lapsed.

End of remuneration report (audited).

DIRECTORS' REPORT (CONTINUED)

Signed in accordance with a resolution of the board of directors.

Dated at Perth this 25th day of September, 2015

Alec Pismiris
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated 2015 $	2014 $
Revenue	2(a)	970,115	1,058,123
Other income	2(b)	17,934	43,303
Corporate	3(c)	(613,067)	(512,694)
Salaries and wages		(301,138)	(289,067)
Exploration expenditure written-off		(200,591)	(1,840,773)
Diminution in value of investments		(327,715)	(81,905)
Doubtful debts provision		(945,493)	(157,654)
Other expenses		(31,555)	(31,696)
Loss before income tax		(1,431,510)	(1,812,363)
Income tax	4	-	-
Loss for the year		(1,431,510)	(1,812,363)
Other comprehensive income/(loss)			
Item that may be classified to profit or loss:			
Currency translation differences		115,907	(20,473)
Other comprehensive income/(loss) for the year		115,907	(20,473)
Total comprehensive loss for the year		(1,315,603)	(1,832,836)
Loss attributable to:			
Members of the parent entity		(1,424,841)	(1,425,543)
Non-controlling interest		(6,669)	(386,820)
		(1,431,510)	(1,812,363)
Total comprehensive loss attributable to:			
Members of the parent entity		(1,323,277)	(1,445,447)
Non-controlling interest		7,674	(387,389)
		(1,315,603)	(1,832,836)
Basic and diluted loss per share (cents per share)	20	(0.58)	(0.59)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	Consolidated 2015 $	Consolidated 2014 $
Current Assets			
Cash and cash equivalents	5	1,107,805	762,231
Security deposits		131,000	131,000
Trade and other receivables	6	41,005	673,170
Other current assets	7	9,267	35,419
Assets held for sale	28	2,371,772	-
Total Current Assets		3,660,849	1,601,820
Non Current Assets			
Other financial assets	8	-	27,715
Plant and equipment	9	28,600	51,418
Mineral exploration and evaluation expenditure	10	-	2,100,000
Total Non Current Assets		28,600	2,179,133
Total Assets		3,689,449	3,780,953
Current Liabilities			
Trade and other payables	11	192,029	228,905
Deferred revenue	12	470,000	-
Liabilities associated with assets held for sale	28	1,255,335	-
Total Current Liabilities		1,917,364	228,905
Non Current Liabilities			
Other payables	13	-	991,240
Total Non Current Liabilities		-	991,240
Total Liabilities		1,917,364	1,220,145
Net Assets		1,772,085	2,560,808
Equity			
Issued capital	14	13,634,103	13,286,471
Reserves	15	1,878,428	1,597,616
Accumulated losses		(12,932,920)	(11,508,079)
Total parent entity interest		2,579,611	3,376,008
Non-controlling interest		(807,526)	(815,200)
Total Equity		1,772,085	2,560,808

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

Consolidated	Issued Capital $	Options Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Non-Controlling Interest $	Total Equity $
Balance at 01/07/2013	13,283,621	1,528,725	88,795	(10,082,536)	(427,811)	4,390,794
Total comprehensive income for the year						
Loss for the year	-	-	-	(1,425,543)	(386,820)	(1,812,363)
Other comprehensive income						
Foreign currency translation differences	-	-	(19,904)	-	(569)	(20,473)
Net changes in fair value of Securities	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(19,904)	(1,425,543)	(387,389)	(1,832,836)
Transactions with owners recorded directly into equity						
Shares issued during the year	2,850	-	-	-	-	2,850
Options issued during the year	-	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
Balance at 30/06/2014	13,286,471	1,528,725	68,891	(11,508,079)	(815,200)	2,560,808
Balance at 01/07/2014	13,286,471	1,528,725	68,891	(11,508,079)	(815,200)	2,560,808
Total comprehensive income for the year						
Loss for the year	-	-	-	(1,424,841)	(6,669)	(1,431,510)
Other comprehensive income						
Foreign currency translation differences	-	-	101,564	-	14,343	115,907
Total comprehensive income / (loss) for the year	-	-	101,564	(1,424,841)	7,674	(1,315,603)
Transactions with owners recorded directly into equity						
Share-based payments	-	195,700	-	-	-	195,700
Shares issued during the year	603,528	-	-	-	-	603,528
Options issued during the year	-	5,973	-	-	-	5,973
Transaction costs	(255,896)	(22,425)	-	-	-	(278,321)
Balance at 30/06/2015	13,634,103	1,707,973	170,455	(12,932,920)	(807,526)	1,772,085

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

		Consolidated	
		2015	**2014**
	Note	**$**	**$**
Cash Flows from Operating Activities			
Payments to suppliers and employees		(896,465)	(720,714)
Interest received		44,106	27,297
Royalties received		358,978	551,703
Other		-	3,125
Net Cash Used in Operating Activities	16(b)	(493,381)	(138,589)
Cash Flows from Investing Activities			
Payments for exploration expenditure		(156,039)	(368,083)
Payments for plant and equipment		(1,886)	(36,761)
Proceeds from sale of plant and equipment		-	1,616
Proceeds from sale of investments		-	40,792
Proceeds from deposit for sale of project		470,000	-
Net Cash Provided by / (Used in) Investing Activities		312,075	(362,436)
Cash Flows from Financing Activities			
Proceeds from issue of shares and options		609,501	2,850
Payments for capital raising costs		(82,621)	-
Net Cash Provided by Financing Activities		526,880	2,850
Net increase / (decrease) in cash and cash equivalents held		345,574	(498,175)
Cash and cash equivalents at the beginning of the financial year		762,231	1,265,184
Effect of exchange rate changes on cash holdings		-	(4,778)
Cash and cash equivalents at the end of the financial year	16(a)	1,107,805	762,231

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pelican Resources Limited is a company domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2015 comprise the Company and its subsidiaries (referred to as the Group or Consolidated Entity).

The significant policies, which have been adopted in the preparation of this financial report, are:

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001.

The financial report was authorised for issue by the Board on 25 September 2015.

The financial report has been prepared on an accruals basis and is based on historical costs except for certain assets which are carried at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

Going Concern

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

The directors confirm that there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable and is a going concern because of the following factors:

- The ability to issue additional shares under the Corporations Act 2001;
- The ability to sell a project; and/or
- The Consolidated Entity receives royalties of $1.00 per metric tonnes of ore shipped. Payment of the royalty may also be deferred in the event if mining operations on Cockatoo Island are suspended due to force majeure events.

If the Consolidated Entity is unable to continue as a going concern then it may be required to realise its assets and extinguish its liabilities, other than in the normal course of business and at amounts different from those stated in the financial statements.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) New and Revised Accounting Standards and Interpretations adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current year. The adoption of all the new and revised Standards and Interpretations has not resulted in any material changes to the Group's accounting policies in order to comply with these amendments. However, the changes in accounting policies have no effect on the amounts reported for the current or prior years.

(d) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Pelican Resources Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent entity shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed, in addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(d) Principles of Consolidation *(continued)*

Business Combinations ***(continued)***

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

(e) Income Tax

The charge for current income tax is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the rates that have been enacted or are substantively enacted by the statement of financial position date.

Deferred tax is accounted for using the statement of financial position liability method in respect of temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future profit will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(f) Plant and Equipment

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(f) Plant and Equipment *(continued)*

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

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 assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on either a diminishing value method or prime cost method commencing from the time the asset is held ready for use.

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

Plant and equipment	2.5 – 100%

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date and where adjusted, shall be accounted for as a change in accounting estimate. Where depreciation rates or method are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method.

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 profit or loss and other comprehensive income.

(g) Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) Exploration and Development Expenditure *(continued)*

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 carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility 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 clauses of the mining 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 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.

(h) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, that are transferred to entities in the Consolidated Entity are classified as finance leases. All other leases are classified as operating leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property of the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Share Based Payments

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The fair value of the options granted excluded the impact of any non-market vesting condition (for example, profitability and sale growth targets). Non-market vesting conditions are included in assumption about the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to these options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(j) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

Controlled Entities

Investments in controlled entities are carried at cost less, where applicable, any impairment losses.

Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a "joint venture" and accounted for using the equity method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(j) Financial Instruments *(continued)*

Interests in Joint Arrangements *(continued)*

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.
Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

Impairment

At each reporting date, the directors assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

(k) Impairment of Assets

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

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

(l) Fair Value of Assets and Liabilities

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Fair Value of Assets and Liabilities *(continued)*

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

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

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

Valuation Techniques

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

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value; and
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) Fair Value of Assets and Liabilities *(continued)*

Fair Value Hierarchy

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

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

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

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3
Measurements based on unobservable inputs for the asset or liability.

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

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

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting where significant influence is exercised over an investee. Significant influence exists where the investor has the power to participate in the financial and operating policy decisions of the investees but does not have control or joint control over those policies. The equity method of accounting recognises the Consolidated Entity's share of post-acquisition reserves of its associates.

(n) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Consolidated Entity's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Controlled entities

The financial results and position of foreign operations whose functional currency is different from the Consolidated Entity's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the period.
- Retained profits are translated at the exchange rates prevailing at the date of the transaction.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(n) Foreign Currency Transactions and Balances *(continued)*

Exchange differences arising on translation of foreign operations are transferred directly to the Consolidated Entity's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed. The functional currency of the subsidiaries incorporated in the Philippines (refer Note 19) is the Philippine PESO.

(o) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

(p) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

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

Royalty revenue is recognised on an accruals basis based on tonnages shipped.

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

(q) Borrowing Costs

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

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

(r) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(s) (Loss)/Earnings per share

(i) *Basic (Loss)/Earnings per share*
Basic (loss)/earnings per share is determined by dividing the operating (loss)/profit after income tax attributable to members of Pelican Resources Limited by the weighted average number of ordinary shares outstanding during the financial year.

(ii) *Diluted (Loss)/Earnings per Share*
Diluted (loss)/earnings per share adjusts the amounts used in the determination of basic (loss)/earnings per share by taking into account unpaid amounts on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

(t) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(u) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Consolidated Entity's assessment of the new and amended pronouncements that are relevant to the Consolidated Entity but applicable in future reporting periods is set out below:

- *AASB 9 Financial Instruments* and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)

  The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  Key changes made to this standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

  The directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(u) New Accounting Standards and Interpretations for Application in Future Periods (continued)

- *AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2017).*
  When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

  The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
    - identify the contract(s) with a customer;
    - identify the performance obligations in the contract(s);
    - determine the transaction price;
    - allocate the transaction price to the performance obligations in the contract(s); and
    - recognise revenue when (or as) the performance obligations are satisfied.

  This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

  Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- *Other standards not yet applicable*
  There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(v) Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:
Note 4 – Income Tax
Note 6 – Trade and Other Receivables
Note 10– Mineral Exploration and Evaluation Expenditure
Note 23– Risk Management Objectives and Policies
Note 26– Share Based Payments

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 2: REVENUE	Consolidated	
	2015	2014
(a) Revenue	$	$
Royalties	970,115	1,058,123
(b) Other income		
Interest earned	17,934	39,504
Profit on sale of plant and equipment	-	674
Miscellaneous	-	3,125
Total	17,934	43,303

NOTE 3: EXPENSES AND GAINS/(LOSSES)

(a) Expenses		
Depreciation of non-current assets		
Plant and equipment	14,139	10,133
(b) Gains/(losses)		
Net foreign exchange gains/(losses)	(6,362)	391
Gain on disposal of investments	-	692
	(6,362)	1,083

(c) Significant Items

Loss before income tax includes the following expenses whose disclosure is relevant in explaining the financial performance of the entity**:**

(i) included in corporate expenses		
Accounting and administration fees	171,640	149,872
Consulting	194,750	186,750

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 4: INCOME TAX

The prima facie tax on loss before income tax is reconciled to the income tax as follows:	Consolidated 2015 $	2014 $
Loss before income tax	(1,431,510)	(1,812,363)
Income tax calculated at 30%	(429,453)	(543,709)
Add back:		
(Income accrued)/doubtful debt expense	198,158	(63,562)
Non deductible expenses	15	95
Unrealised foreign exchange (gains)	(1,909)	(117)
Provisions	97,715	24,572
Capitalised exploration written off	60,178	450,279
Capital raising costs	(37,375)	(41,047)
Foreign losses movement	(29,897)	1,477,530
Future income tax (charge)/benefits not brought to account	142,568	(1,304,041)
Income tax expense	-	-
Deferred tax assets:		
Capital raising costs	24,632	47,135
Provisions	314,100	216,386
Carried forward tax losses (including foreign tax losses)	2,565,067	2,422,500
	2,903,799	2,686,021
Deferred tax liabilities:		
Capitalised exploration costs	(616,633)	(629,999)
Accrued income	(29)	(198,188)
	(616,662)	(828,187)

NOTE 5: CASH AND CASH EQUIVALENTS

Cash at bank	1,107,805	112,231
Term deposits	-	650,000
	1,107,805	762,231

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 6: TRADE AND OTHER RECEIVABLES

	Consolidated	
	2015	**2014**
	$	**$**
Current		
Accrued royalties	1,103,147	792,010
Doubtful debt provision (i)	(1,103,147)	(157,654)
Goods and services tax	25,260	27,211
Advances/loans – other parties	15,745	11,603
	41,005	673,170

(i) On 8 September 2015, Pluton announced that it has appointed voluntary administrators and receivers and managers in order to execute a recapitalization and restructure proposal. As a result, the Company has raised a provision for doubtful debts against the full amount owing by Pluton which is past the due date.

NOTE 7: OTHER CURRENT ASSETS

Accrued revenue	98	26,269
Prepayments	9,169	9,150
	9,267	35,419

NOTE 8: OTHER FINANCIAL ASSETS

Non Current

Listed investments at fair value:		
Shares in other entities(i)	-	27,715

(i) As at 30 June 2015, the Company held 32,725,000 shares and 2,084,167 options exercisable at $0.055 on or before 31 March 2017 in Pluton Resources Limited. At the date of signing this report, the value of those securities held has been provided for in full as the shares in Pluton Resources Limited were in suspension on the Australian Securities Exchange.

NOTE 9: PLANT AND EQUIPMENT

	Consolidated 2015 $	Consolidated 2014 $
Plant and equipment at cost	124,340	111,227
Less: accumulated depreciation	(95,740)	(59,809)
Total plant and equipment	28,600	51,418

Reconciliation of the carrying amount for plant and equipment is set out below:

	2015 $	2014 $
Plant and equipment		
Carrying amount at beginning of year	51,418	35,776
Additions	1,886	36,761
Net book value of plant and equipment disposed	-	(942)
Depreciation expense	(14,139)	(10,133)
Foreign exchange impact	(10,565)	(10,044)
Carrying amount at end of year	28,600	51,418

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 10: MINERAL EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2015 $	Consolidated 2014 $
Balance at beginning of year	2,100,000	3,600,929
Exploration and mining expenditure incurred during the year	156,039	368,083
Foreign exchange movement	312,272	(28,239)
Expenditure written off	(200,591)	(1,840,773)
Transfer to assets held for sale (note 28)	(2,367,720)	-
Balance at end of year	-	2,100,000
Exploration expenditure carried forward in respect of areas of interest in the exploration and evaluation phase	-	2,100,000

The value of the exploration tenements carried forward is dependent upon:

(a) The continuance of the Consolidated Entity's rights to tenure of the area of interest;

(b) The results of future exploration; and

(c) The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

The carrying value of the exploration expenditure as at 30 June 2015 relates to the Romblon project which is subject to a cease and desist order. The Company has entered into a Memorandum of Understanding for the sale of the Romblon project for $4.7 million which exceeds the carrying value at 30 June 2015. (refer to the Directors' Report - Review of Operations for further details).

NOTE 11: TRADE AND OTHER PAYABLES

	Consolidated 2015 $	Consolidated 2014 $
Trade payables and accrued expenses	44,223	129,122
Goods and services tax	145,862	95,046
Withholding tax	665	964
Advances/loans – other parties	1,279	3,773
	192,029	228,905

NOTE 12: DEFERRED REVENUE

	Consolidated 2015 $	Consolidated 2014 $
Deposit on sale of subsidiary	470,000	-

On 25 June 2015, the Company entered into a Memorandum of Understanding with Dynamo Atlantic Limited, a BVI registered company to sell 100% ownership of Sibuyan Nickel Properties Development Corporation and received an initial payment of $470,000 representing 10% of the purchase price agreed of $4.70 million. As the sale has not completed, the Company has deferred this revenue and will recognize the full proceeds upon completion of the sale.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 13: OTHER PAYABLES	Consolidated 2015 $	2014 $
Loans – other parties	-	991,240

The amount owing to other parties is denominated in Philippine Peso, is unsecured and non-interest bearing. The loan has been reclassified as liabilities associated with assets held for sale in 2015 (note 28).

NOTE 14: ISSUED CAPITAL

	Consolidated 2015 $	2014 $
(a) Issued Capital		
361,923,540 Ordinary shares fully paid (2014: 241,274,320)	13,634,103	13,286,471

(b) Movements in ordinary share capital of the Company:

Date	Details	No. of Shares	Issue Price	$
01/07/2013	Opening balance	241,203,068		13,283,621
09/06/2014	Conversion of listed options	13,067	$0.04	523
11/06/2014	Conversion of listed options	683	$0.04	27
12/06/2014	Conversion of listed options	304	$0.04	12
23/06/2014	Conversion of listed options	35,548	$0.04	1,422
26/06/2014	Conversion of listed options	1,125	$0.04	45
27/06/2014	Conversion of listed options	12,500	$0.04	500
30/06/2014	Conversion of listed options	8,025	$0.04	321
30/06/2014	Closing balance	241,274,320		13,286,471

Date	Details	No. of Shares	Issue Price	$
01/07/2014	Opening balance	241,274,320	-	13,286,471
02/07/2014	Conversion of listed options	8,040	$0.04	322
15/06/2015	Entitlements offer allotment	57,314,330	$0.005	286,572
22/06/2015	Entitlements offer allotment	63,326,850	$0.005	316,634
	Less: transaction costs arising on share issues			(255,896)
30/06/2015	Closing balance	361,923,540		13,634,103

(c) Capital Risk Management

When managing capital, management's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 14: ISSUED CAPITAL (continued)

(c) Capital Risk Management (continued)

The Company does not have a defined share buy-back plan.

No dividends were paid in 2015 and no dividends are expected to be paid in 2016.

There is no current intention to incur further debt funding on behalf of the Company as on-going expenditure will be funded via cash reserves or equity.

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

NOTE 15: RESERVES

	Consolidated 2015 $	Consolidated 2014 $
(a) Composition		
Share based payments reserve	1,707,973	1,528,725
Foreign currency translation reserve	170,455	68,891
	1,878,428	1,597,616

(b) Movements in options and performance rights on issue during the last two years were as follows:

Date	Details	Performance Rights	No. of Listed Options	No. of Unlisted Options	Fair Value of Options and Performance Rights Issued	Exercise Price	Expiry Date
01/07/2013	Opening balance	500,000	88,175,767	12,875,000	$1,528,725		
30/09/2013	Unlisted options expired	-	-	(1,000,000)	-	$0.15	30/09/2013
23/12/2013	Unlisted options expired	-	-	(11,875,000)	-	$0.10	23/12/2013
09/06/2014	Conversion of listed options	-	(13,067)	-	-	$0.04	30/06/2014
11/06/2014	Conversion of listed options	-	(683)	-	-	$0.04	30/06/2014
12/06/2014	Conversion of listed options	-	(304)	-	-	$0.04	30/06/2014
23/06/2014	Conversion of listed options	-	(35,548)	-	-	$0.04	30/06/2014
26/06/2014	Conversion of listed options	-	(1,125)	-	-	$0.04	30/06/2014
27/06/2014	Conversion of listed options	-	(12,500)	-	-	$0.04	30/06/2014
30/06/2014	Conversion of listed options	-	(8,025)	-	-	$0.04	30/06/2014
30/06/2014	Closing balance	500,000	88,104,515 (i)	-	$1,528,725		

(i) On 2 July 2014, 8,040 listed options were converted with the balance of 88,096,475 expiring on 3 July 2014.

NOTE 15: RESERVES (continued)

(b) Movements in options and performance rights on issue during the last two years were as follows (continued):

Date	Details	Performance Rights	No. of Listed Options	No. of Unlisted Options	Fair Value of Options and Performance Rights Issued	Exercise Price	Expiry Date
01/07/2014	Opening balance	500,000[i]	88,104,515	-	$1,528,725		
02/07/2014	Conversion of listed options	-	(8,040)	-	-	$0.04	30/06/2014
03/07/2014	Listed options expired	-	(88,096,475)	-	-	$0.04	30/06/2014
19/09/2014	Pursuant to prospectus dated 26 August 2014	-	59,475,571	-	$5,948	$0.02	30/06/2017
25/09/2014	Private placement to investors	-	250,000	-	$25	$0.02	30/06/2017
25/03/2015	Lapse of performance rights	(500,000)	-	-	-		
12/05/2015	Underwriter options (to be issued)[ii]	-	-	50,000,000	$195,700	$0.01	30/06/2019
	Less: transaction costs arising on issues				($22,425)		
30/06/2015	Closing balance	-	59,725,571	50,000,000	$1,707,973		

(i) Performance Rights will convert to shares upon completion of the first shipment of ore from Sibuyan Island under the Company's Romblon Nickel Project.

(ii) Underwriter options relating to the Entitlements Offer undertaken in June 2015 were issued on 12 August 2015 following shareholder approval. As services were rendered prior to 30 June 2015, the value of the services have been recognized in the year ended 30 June 2015.

NOTE 16: NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated 2015 $	Consolidated 2014 $
a) Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash and cash equivalents (Note 5)	1,107,805	762,231
b) Reconciliation of net cash and cash equivalents used in operating activities to loss for the year:		
Loss for the year	(1,431,510)	(1,812,363)
Exploration and evaluation expenditure written off / impaired	200,591	1,840,773
Depreciation	14,139	10,133
Diminution in value of investments	327,715	81,905
Net (gain) on disposal of plant and equipment	-	(674)
Foreign exchange (gains)	-	(391)
Net (gain)/loss on disposal of investments	-	(692)
Doubtful debt provision	945,493	157,654
Movements in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(541,580)	(421,325)
(Increase)/Decrease in other assets	26,152	-
Increase/(Decrease) in trade and other payables	(34,382)	6,391
Net cash used in operating activities	(493,381)	(138,589)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 16: NOTES TO THE STATEMENT OF CASH FLOWS (continued)

c) Non-cash operating, investing and financing activities

2015

During the year, the Company received 30,000,000 shares in Pluton Resources Limited in consideration for royalties owed to the value of $300,000.

2014

There were no non-cash operating, investing and financing activities during the year ended 30 June 2014.

NOTE 17: KEY MANAGEMENT PERSONNEL

This note is to be read in conjunction with the Remuneration Report which is included in the Directors' Report.

(a) Compensation of Key Management Personnel	**Consolidated**	
	2015	**2014**
Compensation by category:	**$**	**$**
Short-term	316,000	307,500
Post employment	18,406	29,275
Termination benefit	37,500	-
	371,906	336,775

(b) Transactions with Key Management Personnel

Either individually or through companies under their control, or through companies under the control of a director related entity, John Hills, Alec Pismiris, Antonio Torresan, Mike Bue and John Palermo received and/or accrued payment for the provision of geological consulting and general consultancy, management services, underwriting services and disbursements under normal commercial terms and conditions during this financial year.

Aggregate amount of each type of transaction with directors and their director related entities were as follows:

	Consolidated	
	2015	**2014**
	$	**$**
Geological expenses (Mike Bue)	-	22,573
Management and disbursements (John Palermo)	-	100
Capital raising fees (Alec Pismiris – Capital Investment Partners)	36,795	-

Subsequent to year end, 50,000,000 options were issued to Capital Investment Partners as part of the underwriting fee for a total value of $195,700. Mainview Holding Pty Ltd (a company controlled by Antonio Torresan) and ACP Investments Pty Ltd (a company controlled by Alec Pismiris) were the sub-underwriters and received a fee of $71,375 and $23,484 respectively. Amounts payable or receivable to directors and their director related party entities at balance date arising from these transactions was $nil (2014: $18,822).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 18: REMUNERATION OF AUDITORS

	Consolidated	
	2015	**2014**
	$	**$**
Audit services – Stantons International	30,538	27,038
– Overseas auditors	7,077	4,978
	37,615	32,016

NOTE 19: INTEREST IN SUBSIDIARIES

(a) Information about Principal Subsidiaries

The consolidated financial statements include the financial statements of Pelican Resources Limited and the subsidiaries listed in the following table:

	Country of Incorporation	Equity Interest	
		2015	**2014**
		%	**%**
Sunrise Exploration Pty Ltd	AUS	100	100
Sunshine Gold Pty Ltd	AUS	100	100
Pelican Pacific Pty Ltd	AUS	100	100
Sunpacific Resources Philippines, Inc.	PHP	100	100
Sunrom Philippines Holdings Corp'n.	PHP	100	100
Sibuyan Nickel Properties Dev. Corp'n.	PHP	75	75
Bato Mining Resources, Inc.	PHP	100	100
Dore 5 Resources Inc.	USA	100	100

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 19: INTEREST IN SUBSIDIARIES *(continued)*

(b) Summarised Financial Information of Subsidiaries with Material Non-Controlling Interests

Set out below is the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

	Sibuyan Nickel Properties Development Corporation	
	As at 30 June 2015 $	**As at 30 June 2014 $**
Summarised Financial Position		
Current Assets	4,052	4,012
Non Current Assets	1,591,287	1,279,014
Current Liabilities	(702)	(280)
Non Current Liabilities	(4,761,155)	(4,479,960)
Net Assets	(3,166,518)	(3,197,214)
Carrying amount of non-controlling interest	(807,526)	(815,200)

	Sibuyan Nickel Properties Development Corporation	
Summarised Financial Performance	**Year Ended 30 June 2015 $**	**Year Ended 30 June 2014 $**
Revenue	3	6
Loss before income tax	(26,677)	(1,547,281)
Income tax	-	-
Post-tax loss	(26,677)	(1,547,281)
Other Comprehensive Income	-	-
Total Comprehensive Loss	(26,677)	(1,547,281)

The information above is the amount before intercompany eliminations.

Loss attributable to non-controlling interests	(6,669)	(386,820)
Distributions paid to non-controlling interest	-	-

	Sibuyan Nickel Properties Development Corporation	
	Year Ended 30 June 2015 $	**Year Ended 30 June 2014 $**
Summarised Cash Flow Information		
Net cash flows (used in) operating activities	(25,885)	(22,757)
Net cash flows from financing activities	-	19,696

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 20: LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted (loss)/profit per share:

	Consolidated	
	2015	**2014**
	$	**$**
Loss before income tax – Group	(1,431,510)	(1,812,363)
Adjustments:		
Loss attributable to non-controlling interest	6,669	386,820
Loss used in calculating basic and diluted loss per share	(1,424,841)	(1,425,543)

	2015 Number of Shares	**2014 Number of Shares**
Weighted average number of ordinary shares used in calculating:		
Basic loss per share	245,356,231	241,204,862
Diluted loss per share	245,356,231	241,204,862

Diluted loss per share is the same as basic loss per share as no options are in the money and the Consolidated Entity incurred a loss for the year.

NOTE 21: COMMITMENTS FOR EXPENDITURE

In order to maintain current rights of tenure to mining tenements, the Consolidated Entity will be required to outlay in 2015/16 amounts noted below in respect of minimum tenement expenditure requirements and lease rentals. The obligations are not provided for in the accounts and are payable as follows:

	Consolidated	
	2015	**2014**
	$	**$**
Not later than one year	3,000	220,000
Later than one year but not later than 2 years	-	220,000
Later than 2 years but not later than 5 years	-	660,000
	3,000	1,100,000

The Company has a number of avenues available to continue the funding of its current exploration program and, as and when decisions are made, the Company will disclose this information to shareholders.

The commitments referred to above represent the Group's share of obligations under farm-in agreements without allowing for dilution (2014).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 22: SEGMENT INFORMATION

Business 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 separate identifiable business segments.

The operations and assets of Pelican Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Australia, Philippines and the USA.

	Australia		Philippines		USA		Eliminations		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Geographical Segments	$	$	$	$	$	$	$	$	$	$
Revenue										
Sales to customers outside the Consolidated Entity	970,115	1,058,123	-	-	-	-	-	-	970,115	1,058,123
Other revenues from customers outside the Consolidated Entity	17,905	43,190	29	113	-	-	-	-	17,934	43,303
Total segment revenue	988,020	1,101,313	29	113	-	-	-	-	988,049	1,101,426
Results										
Segment result	(888,500)	(374,270)	(340,948)	(1,874,821)	(124,510)	(87,054)	(77,552)	523,782	(1,431,510)	(1,812,363)
Assets										
Segment assets	2,201,962	7,660,586	2,510,539	1,811,426	937	101,327	(1,023,989)	(5,792,386)	3,689,449	3,780,953
Liabilities										
Segment liabilities	2,097,747	8,951,376	8,525,497	6,219,582	212,408	188,287	(8,918,288)	(14,139,100)	1,917,364	1,220,145

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: RISK MANAGEMENT OBJECTIVES AND POLICIES

The Consolidated Entity's principal financial instruments comprise cash and short-term deposits, short-term loans and investments in listed entities.

The main purpose of these financial instruments is to finance the Consolidated Entity's operations. The Consolidated Entity has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations. It is, and has been throughout the entire period under review, the Consolidated Entity's policy that trading in financial instruments may be undertaken.

The main risks arising from the Consolidated Entity's financial instruments is cash flow interest rate risk, credit risk, foreign exchange risk and market price risk. Other minor risks are either summarised below or disclosed at Note 14 in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

Cash Flow Interest Rate Risk

The Consolidated Entity's exposure to the risks of changes in market interest rates relates primarily to the Consolidated Entity's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Consolidated Entity to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Consolidated Entity does not engage in any hedging or derivative transactions to manage interest rate risk.

The Consolidated Entity has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Consolidated Entity does not have a formal policy in place to mitigate such risks.

The following tables set out the carrying amount by maturity of the Consolidated Entity's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. There were no fixed interest rate financial assets or liabilities held by the Consolidated Entity (2014: nil).

	Non Interest Bearing $		Weighted Average Effective Interest Rate %		Floating Interest Rate $		Total $	
	2015	2014	2015	2014	2015	2014	2015	2014
Financial Assets								
- Cash and cash equivalents	1,107,805	112,231	3.30	3.85	-	650,000	1,107,805	762,231
- Deposits held	-	-	-	3.22	131,000	131,000	131,000	131,000
- Receivable other parties	15,745	11,603	-	-	-	-	15,745	11,603
- Accrued royalties (net)	-	634,356	-	-	-	-	-	634,356
- Accrued revenue	98	26,269	-	-	-	-	98	26,269
- Investments at fair value	-	27,715	-	-	-	-	-	27,715
- GST receivable	25,260	27,211	-	-	-	-	25,260	27,211
Total Financial Assets	1,148,908	839,385			131,000	781,000	1,279,908	1,620,385
Financial Liabilities								
- Trade creditors	44,223	129,122	-	-	-	-	44,223	129,122
- GST payable	145,862	95,046	-	-	-	-	145,862	95,046
- Loan – other parties	1,255,912	995,013	-	-	-	-	1,255,912	995,013
- Withholding tax payable	665	964	-	-	-	-	665	964
Total Financial Liabilities	1,446,662	1,220,145			-	-	1,446,662	1,220,145
Net Financial Assets / (Liabilities)	(297,754)	(380,760)			131,000	781,000	(166,754)	400,240

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Interest Rate Sensitivity

At 30 June 2015, if interest rates had changed by 10% during the entire year with all other variables held constant, profit/(loss) for the year and equity would have been $393 lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A 10% increase sensitivity would move short term interest rates at 30 June 2015 from around 3.3% to 3.6% (10% decrease: 3.0%) representing a 30 basis points shift. This would represent one increase which is reasonably possible in the current environment with the bias coming from the Reserve Bank of Australia and confirmed by market expectations that interest rates in Australia are more likely to move up than down in the coming period.

Based on the sensitivity analysis, only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

Credit Risk

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

As at 30 June 2015, the Consolidated Entity had a balance of $1,103,147 (2014: $792,010) owing from Pluton Resources Limited. A provision for doubtful debts has been raised for the full amount (2014: $157,654).

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash reserves and marketable securities and through the continuous monitoring of budgeted and actual cash flows.

	Consolidated	
	2015	**2014**
	$	**$**
Contracted maturities of liabilities at 30 June		
Payables		
- less than 30 days	44,223	130,086
- less than 12 months	145,862	95,046
Loans other parties		
- less than 12 months	8,174	3,773
- greater than 12 months	1,247,738	991,240
	1,445,997	1,220,145

The amount of $1,247,738 are liabilities associated with assets held for sale which have been disclosed under current liabilities as the disposal of Sibuyan Nickel Properties Development Corporation is expected within 12 months (note 28).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Foreign Exchange Risk

The Consolidated Entity is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the PESO and USD. No sensitivity analysis has been completed as the directors believe any impact would be immaterial.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the Company's and subsidiaries' functional currencies. The risk is measured using sensitivity analysis.

Market Price Risk

The Group is exposed to equity price risk which arises from available-for-sale-equity securities.

The Consolidated Entity is exposed to market price risk arising from investments in other companies carried at fair value. No sensitivity analysis has been completed as the directors believe any impact would be immaterial. The Company has provided in full for the investment in Pluton Resources Limited.

Net Fair Values

For assets and other liabilities the net fair value approximates their carrying value. The Consolidated Entity has no financial liabilities but does have financial assets that are readily traded on organised markets at balance date and has no financial assets where the carrying amount exceeds net fair values at balance date.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly as prices or indirectly (ie. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2015 $	2014 $
Available for sale financial assets - Level 1[(i)]	-	27,715
Available for sale financial assets - Level 2	-	-
Available for sale financial assets - Level 3	-	-
	-	27,715

[(i)] Refer Note 8(i).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 24: EVENTS SUBSEQUENT TO REPORTING PERIOD

Subsequent to the end of the financial year ended 30 June 2015, the following events had occurred:

At a general meeting held on 30 July 2015 the Company obtained shareholder approval for the issue of 50 million underwriter options at an issue price of $0.00001 which were subsequently issued.

On 31 July 2015 the Company announced the transfer of responsibility for the maintenance of its share register to Automic Registry Services, effective from 31 August 2015.

On 15 September 2015, the Company announced the following matters:

- Cockatoo Island Project: Pitcher Partners have been appointed as Receivers and Managers of Pluton by General Nice Recursos Comercial Offshore De Macau Limitada, the first ranking creditor of Pluton and contemporaneously Pluton appointed Ernst & Young as joint and several voluntary administrators.
- Appointment of Corporate Advisor: Capital Investment Partners Pty Ltd (“CIP”) have been engaged as corporate advisor to the Company. Under the terms of the engagement, on completion of an acquisition by the Company, CIP will be entitled to receive a fee of 10% of the transaction value and satisfied by the issue of securities in the Company. CIP will also be granted 14.5 million Advisor Options which will vest on completion of an acquisition by the Company, exercisable at $0.02 expiring on 31 December 2019, subject to shareholder approval which will be sought at the Company’s Annual General Meeting.
- Grant of incentive options: The Company proposes to grant 20,000,000 Incentive Options to Directors exercisable at $0.02 expiring on 31 December 2019, subject to shareholder approval which will be sought at the Company’s Annual General Meeting.

On 17 September 2015, the Company announced that it had established a less than marketable parcel share sale facility for any registered shareholding of 62,500 shares or less held on 16 September 2015. The sale price will be equal to $0.008 and the closing date is 28 October 2015 with proceeds expected to be received by shareholders on or around 11 November 2015.

Subsequent to the Balance Date and in accordance with the terms of the Farm-in and Joint Venture Agreement, Pelican provided formal notice to AusROC of its intention to withdraw from the San Marcos Project Joint Venture and relinquished all rights in connection with the Agreement and the Tenements.

NOTE 25: CONTINGENT LIABILITIES

Under an agreement with a supplier, the Company is liable to pay a success fee of 6% of the transaction value upon completion of the sale of Sibuyan Nickel Development Corporation.

Other than as disclosed above, Pelican Resources Limited has no known material contingent liabilities at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 26: SHARE BASED PAYMENTS

There were no share based payments in the current year or the prior year.

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2015	Number of Options 2015	Weighted average exercise price 2014	Number of Options 2014
Outstanding at 1 July	$0.04	88,104,515	$0.10	101,050,767
Forfeited during the year	-	-	-	-
Exercised during the year	$0.04	(8,040)	$0.04	(71,252)
Expired during the year	$0.04	(88,096,475)	$0.125	(12,875,000)
Granted during the year	-	-	-	-
Issued during the year	$0.02	59,725,571	-	-
Outstanding at 30 June	$0.02	59,725,571	$0.04	88,104,515
Exercisable at 30 June	$0.02	59,725,571	$0.04	88,104,515

The options outstanding at 30 June 2015 have an exercise price of $0.02 and a weighted average remaining contractual life of 2 years (2014: Nil years).

On 12 August 2015, 50,000,000 options with an exercise price of $0.01 expiring 30 June 2019 were issued to underwriters in consideration for their services relating to the Entitlement Issue undertaken by the Company in June 2015. The fair value of $195,700 has been recognised as a cost of capital raising in the current financial year. The following inputs were used to calculate the value:

Share price: $0.006 | Expected share price volatility: 100%
Expected life of option: 4 years | Risk-free interest rate: 2.25%

On 24 December 2010, 500,000 Performance Rights were issued to Mike Bue. The rights will convert to shares upon completion of the first shipment of ore from Sibuyan Island under the Company's Romblon Nickel Project. On 25 March 2015, Mike Bue resigned as Executive Director and the 500,000 performance rights lapsed.

NOTE 27: PARENT ENTITY DISCLOSURES

(a) Financial Position

	2015 $	2014 $
Current Assets	1,213,372	1,538,644
Total Assets	2,184,011	2,551,143
Current Liabilities	178,202	188,567
Total Liabilities	178,202	188,567
Equity		
Issued capital	13,634,103	13,286,471
Reserves	1,707,973	1,528,725
Accumulated losses	(13,336,267)	(12,452,620)
Total Equity	2,005,809	2,362,576

(b) Financial Performance

	2015 $	2014 $
Loss for the year	(883,647)	(330,690)
Other comprehensive income	-	-
Total Comprehensive Loss	(883,647)	(330,690)

(c) Guarantees

The parent entity have not entered into any guarantees, in relation to the debts of subsidiaries.

(d) Contingent liabilities

Other than disclosed in note 25, the parent entity has no known material contingent liabilities at the end of the financial year.

(e) Commitments for expenditure

The parent entity has not entered into any commitments for expenditure as at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 28: ASSETS AND LIABILITIES HELD FOR SALE

In June 2015, the Company entered into a Memorandum of Understanding ("MOU") with Dynamo Atlantic Limited to sell 100% ownership of Sibuyan Nickel Properties Development Corporation ("SNPDC") for a purchase price of $4.7 million (refer Directors' Report for further detail).

Assets and liabilities held for sale

The major classes of assets and liabilities comprising the operations classified as held for sale at balance date are as follows:

	2015
	$
Cash	870
Trade and other receivables	3,182
Mineral exploration and evaluation expenditure (note 10)	2,367,720
Assets held for sale	2,371,772
Trade payables	702
Other payables	1,254,633
Liabilities associated with assets held for sale	1,255,335

DIRECTORS' DECLARATION

1. In the opinion of the Directors:

   a. the accompanying financial statements, notes and additional disclosures are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year then ended; and

      ii. complying with Accounting Standards and Corporations Regulations 2001; and

   b. subject to the matters set out in note 1 "Going Concern", there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

This declaration is signed in accordance with a resolution of the Board of Directors.

____

Alec Pismiris
Director
Dated this 25th day of September, 2015

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

Report on the Financial Report

We have audited the accompanying financial report of Pelican Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated 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 and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1(b), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

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

Auditor's opinion

In our opinion:

(a) the financial report of Pelican 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 (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

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

Emphasis of Matter Regarding Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matters:

As referred to in Note 1 (a) to the financial statements, the financial statements have been prepared on the going concern basis. At 30 June 2015, the entity had working capital of $1,743,485, cash and cash equivalents of $1,107,805 and had incurred a loss for the year amounting to $1,431,510. The ability of the entity to continue as a going concern is subject to successful recapitalisation of the entity. In the event that the Board is not successful in recapitalising the entity and in raising further funds, the Company may not be able to meet its liabilities as they fall due and the realisable value of the Company's assets may be significantly less than book values.

Report on the Remuneration Report

We have audited the remuneration report included in pages 17 to 21 of 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

Auditor's opinion
In our opinion the remuneration report of Pelican Resources Limited for the year ended 30 June 2015 complies with section 300 A of the *Corporations Act 2001.*

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International

Samir Tirodkar
Director

West Perth, Western Australia
25 September 2015

Stantons International Audit and Consulting Pty Ltd
trading as
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25 September 2015

Board of Directors
Pelican Resources Limited
Level 7, BGC Centre
28 The Esplanade
Perth, Western Australia 6000

Dear Directors

RE: PELICAN RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Pelican Resources Limited.

As the Audit Director for the audit of the financial statements of Pelican 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.

Yours sincerely
STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

ASX ADDITIONAL INFORMATION

QUOTED SECURITIES

(a) ORDINARY FULLY PAID SHARES

(i) DISTRIBUTION OF SHAREHOLDERS AS AT 8 SEPTEMBER 2015:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE OF ISSUED CAPITAL %
1 – 1,000	323	154,268	0.04
1,001 - 5,000	625	1,407,213	0.39
5,001 - 10,000	190	1,301,766	0.36
10,001 - 100,000	311	10,303,817	2.85
100,001+	180	348,756,476	96.36
	1,629	361,923,540	100.00

The number of shareholdings held in less than marketable parcels is 1370.

(ii) TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES:

The names of the twenty largest shareholders of ordinary fully paid shares are listed below:

	NAME	NO. OF ORDINARY SHARES HELD	PERCENTAGE OF ISSUED SHARES %
1.	Mainview Holdings Pty Ltd	42,843,981	11.84
2.	Mr Grant Raymond Jefferies	21,699,591	6.00
3.	Mr Joe Leuzzi & Mrs Sally Leuzzi	16,350,000	4.52
4.	DF Lynton-Brown Pty Ltd <Df Lynton-Brown P/L S/F A/C>	13,932,885	3.85
5.	Monslit Pty Ltd <A Torresan Super Fund A/C>	13,350,000	3.69
6.	Gallant (WA) Pty Ltd <Gallant A/C>	12,094,137	3.34
7.	Finebase Holdings Pty Ltd <Finebase A/C>	11,990,000	3.31
8.	Veltox Pty Ltd <The Hills Super Fund A/C>	10,593,650	2.93
9.	Topaze Enterprises Pty Ltd	9,484,049	2.62
10.	Alitime Nominees Pty Ltd <Honeyham Family A/C>	8,747,571	2.42
11.	GAB Superannuation Fund Pty Ltd	7,873,785	2.18
12.	Mr Jose Mari Moraza & Mr Antonio Moraza	7,272,445	2.01
13.	Topaze Enterprises Pty Ltd <Gbm A/C>	6,229,134	1.72
14.	Finebase Holdings Pty Ltd <Finebase A/C>	6,019,666	1.66
15.	ACP Investments Pty Ltd <A & L Pismiris S/F A/C>	6,000,000	1.66
16.	ACP Investments Pty Ltd	6,000,000	1.66
17.	Darlot Investments Pty Ltd <Jones Super Fund A/C>	5,849,676	1.62
18.	Cityscan Pty Ltd <City A/C>	5,177,757	1.43
19.	J P Morgan Nominees Australia Limited	5,136,265	1.42
20.	Mr Paul Gabriel Sharbanee <The Scorpion Fund A/C>	5,007,434	1.38
		221,652,026	61.24

ASX ADDITIONAL INFORMATION *(continued)*

QUOTED SECURITIES *(continued)*

(a) ORDINARY FULLY PAID SHARES *(continued)*

(iii) VOTING RIGHTS

Article 15 of the Constitution specify that on a show of hands every member present in person, by attorney or by proxy shall have:

(a) for every fully paid share held by him one vote

(b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

(iv) SUBSTANTIAL SHAREHOLDERS

Name	Ordinary Shares No.	%
Mainview Holdings Pty Ltd	42,843,981	11.84
Mr Grant Raymond Jefferies	21,699,591	6.00
	64,543,572	17.84

(b) OPTIONS

As at 8 September 2015, there existed the following quoted options:

59,725,571 OPTIONS EXERCISABLE AT $0.02 EACH ON OR BEFORE 30 JUNE 2017

(i) DISTRIBUTION OF OPTIONHOLDERS:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF OPTIONS	PERCENTAGE OF QUOTED OPTIONS %
1 - 1,000	2	534	0.00
1,001 - 5,000	6	19,848	0.03
5,001 - 10,000	4	28,184	0.05
10,001 - 100,000	26	854,273	1.43
100,001+	34	58,822,732	98.49
	72	59,725,571	100.00

ASX ADDITIONAL INFORMATION *(continued)*

QUOTED SECURITIES *(continued)*

(b) OPTIONS *(continued)*

(ii) TOP 20 HOLDERS OF QUOTED OPTIONS:-

The names of the twenty largest optionholders are listed below:

	NAME	NO. OF OPTIONS HELD	PERCENTAGE OF QUOTED OPTIONS %
1.	Finebase Holdings Pty Ltd <Finebase A/C>	21,754,400	36.42
2.	Mainview Holdings Pty Ltd	8,357,666	13.99
3.	Mulloway Pty Ltd <John Hartley Poynton Fm A/C>	6,337,412	10.61
4.	Mulloway Pty Ltd <John Hartley Poynton Fam A/C>	4,000,000	6.70
5.	Goffacan Pty Ltd	2,328,609	3.90
6.	Topaze Enterprises Pty Ltd	2,257,584	3.78
7.	Stonehurst (WA) Pty Ltd	1,425,000	2.39
8.	Mr Raymond Sharp	1,250,000	2.09
9.	J P Morgan Nominees Australia Limited	1,221,457	2.05
10.	Surfboard Pty Ltd <ARW Super Fund No 1 A/C>	1,136,095	1.90
11.	Darlot Investments Pty Ltd <Jones Super Fund A/C>	816,667	1.37
12.	Mr Gabriel Hewitt	750,000	1.26
13.	Monslit Pty Ltd <A Torresan Super Fund A/C>	683,334	1.14
14.	Surfboard Pty Ltd <ARW Super Fund No 1 A/C>	680,572	1.14
15.	Mr Chad Jonathon Jones	516,667	0.87
16.	Mr Brett David Jones	500,000	0.84
17.	Virtus Capital Pty Ltd	445,000	0.75
18.	Mulloway Pty Ltd <Family A/C>	405,668	0.68
19.	Mr Matthew Burford	403,334	0.68
20.	Monslit Pty Ltd <Anthony Torresan A/C>	366,667	0.61
		55,636,132	93.15

(iii) VOTING RIGHTS

Holders of options are not entitled to vote at a General Meeting of Members in person, by proxy or upon a poll, in respect of their option shareholding.

UNQUOTED SECURITIES

(a) UNLISTED OPTIONS ON ISSUE

The Company has 50,000,000 unlisted options exercisable at $0.01 each on or before 30 June 2019 on issue.

(b) PERFORMANCE RIGHTS

The Company has no performance rights on issue.

CORPORATE GOVERNANCE STATEMENT

This statement outlines the main corporate governance practices adopted by the Board of Pelican Resources Limited ("Pelican" or the "Company"), which comply with the ASX Corporate Governance Council recommendations unless otherwise stated.

The Board and management of Pelican recognise their duties and obligations to shareholders and other stakeholders to implement and maintain a proper system of corporate governance. The Company believes that good corporate governance adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council ("Recommendations") in the reporting period. The Recommendations are guidelines designed to improve the efficiency, quality and integrity of the Company. They are not prescriptive, sit that if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the Recommendations, it must identify which Recommendations have not been followed and give reasons for not following them.

This Corporate Governance Statement ("Statement") sets out a description of the Company's main corporate practices and provides details of the Company's compliance with the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation.

This Statement is current as at 25 September 2015 and has been approved by the Board of Directors of Pelican.

Principle 1 – Lay solid foundations for management and oversight

Recommendation	**Requirement**	**Comply Yes/No**
1.1	A listed entity should disclose: (a) The respective roles and responsibilities of its board and management: and (b) Those matters expressly reserved to the board and those delegated to management.	Yes
1.2	A listed entity should: (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director: and (b) Provide security holders with all material information in its possession relevant to a decision on where or not to elect or re-elect a director.	Yes
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Requirement	Comply Yes/No
1.5	A listed entity should: (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them: (b) Disclose the policy or a summary of it: and (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: 1) The respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes): or 2) If the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act.	Yes
1.6	A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors: and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
1.7	A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes

Commentary

The Corporate Governance Policies set out the functions and responsibilities of the Board of Pelican, and are available on the Pelican website.

The Company seeks to have a board comprising directors with an appropriate variety of skill, experience and expertise who are competent in dealing with current and emerging issues of the business and who can effectively review and challenge the performance of management and exercise independent judgement. The Board has procedures for the selection and appointment of new directors and the re-election of incumbent directors, which are set out in the Corporate Governance Policies which are available on the Pelican website.

Non-executive directors have written agreement with the Company setting out the terms of their appointment as directors, the two executive directors have employment contracts.

The Board meets on a regular basis. The agenda for these meetings is prepared by the Company Secretary who is also the Managing Director, in conjunction with the Chairman. Relevant information is circulated to directors in advance of the Board meetings. The Company Secretary is accountable directly to the Board on matters to do with the proper functioning of the Board.

The Board has adopted a policy on achieving gender, age and ethnic diversity in the Company's board and employees.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation is as follows:

Gender	Total	Senior Management	Board
Female	0	-	-
Male	4	1	3
%Female	0	-	-

The evaluation of the performance of the Board and individual directors is undertaken annually and in accordance with the terms of their employment contract. Performance reviews were undertaken in the reporting period.

Principle 2 – Structure the Board to add value

Recommendation	Requirement	Comply Yes/No
2.1	The board of a listed entity should: (a) Have a nomination committee which: 1) Has at least three members, a majority of whom are independent directors; and 2) Is chaired by an independent director, and disclose 3) The charter of the committee: 4) The members of the committee; and 5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR (b) If it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Yes
2.2	A listed entity should have and disclose a board skills matric setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes
2.3	A listed entity should disclose: (a) The names of the directors considered by the board to be independent directors; (b) If a director has an interest, position, association or relationship of the type describe in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) The length of service of each director.	Yes
2.4	A majority of the board of a listed entity should be independent directors.	No
2.5	The Chair of the board of a listed entity should be independent director and, in particular, should not be the same person as the CEO/Managing Director of the entity.	Yes
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Commentary

The Board believes the Company is not of sufficient size to justify having a Nomination Committee. If any vacancies arise on the Board, the Board and all directors are involved in the search and recruitment of a replacement.

The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate to the Company and its business. The principal criterion for the appointment of new directors is their ability to add value to the Company and its business. In light of this, it has not been deemed necessary to create a formal document setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

The Board consists of Executive Director Mr Antonio Torresan (appointed 24 March 2015), Independent non-executive director Mr Colin Chenu (appointed 29 June 2015), Non-executive director Mr Alec Pismiris (appointed 24 March 2015), Executive Director Mr Mike Bue (resigned on 25 March 2015), Non-executive chairman Mr John Palermo (deceased 15 March 2015) and Independent non-executive director Mr John Hills (resigned 29 June 2015). The details of their skills, experience and expertise have been included in the 2015 Directors Report. The number of Board meetings and attendance of the directors are set out in the 2015 Directors Report.

Although the majority of the Board is not independent, the directors considers the current Board composition to be suitable in the present circumstances, with an appropriate range of qualifications and expertise, and directors who can understand and competently deal with current and emerging business issues as well as effectively review and challenge the performance of management. Furthermore, each individual member of the Board is satisfied that all directors bring an independent judgement to bear on board decisions.

New directors are provided with copies of all relevant documents and policies governing the Company's business, operations and management at the time of joining the Board. The Company is able to provide appropriate professional development opportunities for directors to assist in their roles. Directors are also encouraged to personally undertake appropriate training and refresher courses conducted by the Australian Institute of Company Directors.

Principle 3 – Act ethically and responsibly

Recommendation	Requirement	Comply Yes/No
3.1	A listed entity should: (a) Have a code of conduct for its directors, senior executives and employees; and (b) Disclose that code or a summary of it.	Yes

Commentary

As part of the Board's commitment to maintaining a proper system of corporate governance, the Company has adopted a Code of Conduct to guide directors and officers in carrying out their duties and responsibilities. The Code embraces the values of honesty, integrity, enterprise, excellence, accountability, justice, independence and equality of stakeholder opportunity. The Code of Conduct is available on the Pelican website.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle 4 – Safeguard integrity in corporate reporting

Recommendation	Requirement	Comply Yes/No
4.1	The board of a listed entity should: (a) Have an audit committee which: 1) Has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2) Is chaired by an independent director, who is not the chair of the board, and disclose; 3) The charter of the committee; 4) The relevant qualifications and experience of the members of the committee; and 5) In relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) If it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Yes
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive form its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true an fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes
4.3	A listed entity should that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes

Commentary

The board believes that due to the size and composition of the board and the size of the Company it is not appropriate to have an Audit Committee. The Board as a whole is responsible for the integrity of the Company's financial reporting, reviews and oversees the planning process for external audits, the conduct of the external audit process and the independence of all parties to the process as well as reviewing the performance of external auditors, the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Prior to the approval of the Company's annual financial statements, the board obtains a declaration from its Company Secretary and CFO that , in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company's external auditor attends every Annual General Meeting as required by the Corporations Act, and member are allowed a reasonable opportunity at the meeting to ask the auditor questions relevant to the audit, their report and independence, and the accounting policies adopted by the company.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle 5 – Make timely and balanced disclosure

Recommendation	Requirement	Comply Yes/No
5.1	A listed entity should: (a) Have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) Disclose that code or a summary of it.	Yes

Commentary

The Company's Disclosure Policy is available on the Pelican website. The Disclosure Policy sets out the key obligations of directors and employees in relation to continuous disclosure as well as the Company's obligation under the ASX Listing Rules and the Corporations Act. The Policy also provides procedures for internal notification and external disclosure, as well as procedures for promoting understanding of compliance with disclosure requirements.

Principle 6 – Respect the rights of security holders

Recommendation	Requirement	Comply Yes/No
6.1	A listed entity should provide information about itself and its governance to investors via a website.	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meeting so security holders.	Yes
6.3	A listed entity should give security holders to option to receive communicating from and send communications to, the entity and its security registry electronically.	Yes

Commentary

The Board is committed to open and accessible communications with holders of the Company's shares. In accordance with continuous disclosure obligations under the ASX Listing Rules, all disclosure are made in a time manner and posted on the Company's website.

Shareholders are forwarded the Company's Annual Report, if requested and documents relating to each General Meeting, being the Notice of Meeting, any Explanatory Memorandum and a Proxy Form, and shareholders are invited to attend these meetings. Shareholders may elect to receive communications electronically. The Company's external auditors are also required to be present at annual shareholder meetings to answer any queries shareholders may have with regard to the audit and preparation and content of the Audit Report.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Principle 7 – Recognise and manage risk

Recommendation	Requirement	Comply Yes/No
7.1	The board of a listed entity should: (a) Have a committee or committees to oversee risk, each of which; 1) Has at least three members, a majority of whom are independent directors; and 2) Is chaired by and independent director and disclose; 3) The charter of the committee 4) The ;members of the committee; and 5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	Yes
7.2	The board or a committee of the board should; (a) Review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) Disclose, in relation to each reporting period, whether such review has taken place.	Yes
7.3	A listed entity should disclose: (a) If it has an internal audit function, how the function is structured and what role it performs; or (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Yes
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes

Commentary

The board as a whole is ultimately responsible for establishing and reviewing the Company's policies on risk profile, oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control in accordance with the Company's Corporate Governance Policies.

The board believes that due to the size and composition of the board, and the size of the Company it is not appropriate to have a Risk Committee.

The Company's risk management program is implemented under the direction of the Chief Executive Officer to ensure matters affecting goals, objectives and performance of the Company and the safety of its stakeholders are identified and assessed by an operational risk management framework in accordance with industry accepted standards.

The Company's risk management framework is reviewed annually. A review was undertaken in the reporting period.

The board believes that the Company is not of a size to justify having an internal audit function for efficiency purposes. The Company evaluates its risk management and internal control processes in consultation with its external auditor with a view to continually improving its effectiveness.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The board does not believe the Company has any material exposure to economic, environmental and social sustainability risks at the present time.

Principle 8 – Remunerate fairly and responsibly

Recommendation	Requirement	Comply Yes/No
8.1	The board of a listed entity should: (a) Have a remuneration committee which' 1) Has at least three members, a majority of whom are independent directors; and 2) Is chaired by an independent director, and disclose 3) The charter of the committee; 4) The members of the committee; and 5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) If it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Yes
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes

Commentary

The Board believes it is not of a size to justify having a Remuneration Committee. The Company's remuneration policy is structured for the purpose of motivating executive directors and senior management to pursue the long-term growth and success of the Company. The Board sets the level and structure of remuneration to executive directors and senior executives for the purpose of balancing the Company's competing interest of attracting and retaining executive directors and senior management and not paying excessive remuneration.