Cohiba Minerals Limited

ABN 72 149 026 308

Annual Report - 30 June 2016

Cohiba Minerals Limited
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30 June 2016

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The Company’s 2016 Corporate Governance Statement has been released to ASX on 27 September 2016 and is available on the Company’s website.

Directors	Mr Mordechai Benedikt (Executive Chairman) Mr David Herszberg (Non-Executive Director) Mr Nachum Labkowski (Non-Executive Director)
Company secretary	Mr Justin Mouchacca
Registered office	Level 4, 100 Albert Road South Melbourne, VIC 3205 Ph: (03) 9692 7222 Fax: (03) 9077 9233
Principal place of business	Level 4, 100 Albert Road South Melbourne, VIC 3205
Share register	Security Transfer Registrars Pty Ltd 770 Canning Highway Applecross WA 6153 Telephone: (08) 9315 2333 Fax: (08) 9315 2233
Auditor	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne VIC 3000
Stock exchange listing	Cohiba Minerals Limited shares are listed on the Australian Securities Exchange (ASX code: CHK)
Website	www.cohibaminerals.com.au

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2016.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Mordechai Benedikt (Executive Chairman) (appointed Executive Chairman on 20 May 2016)
Mr David Herzsberg (Non-Executive Director)
Mr Nochum Labkowski (Non-Executive Director)
Mr Patrick Volpe (Executive Director and Deputy Chairman) (resigned 5 August 2015)

Principal activities

The principal activity of the Company during the year was the exploration for natural resources, including metals, precious metals and minerals. There have been no significant changes in the nature of those activities during the period.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the company after providing for income tax amounted to $1,025,892 (30 June 2015: $932,076).

Financial Position

The Company had $820,593 (30 June 2015: $511,358) in cash and cash equivalents at 30 June 2016. The net assets of the Company have increased by $306,671 during the financial year from $538,122 as at 30 June 2015 to $844,793 at 30 June 2016.

Working capital, being current assets less current liabilities, increased by $294,368 to $863,250 (30 June 2015: $538,122). The Company had negative cash flows from operating activities for the period of $803,136 (30 June 2015: $939,446).

Greenbushes Lithium Project

On 22 April 2016, the Company entered into a Heads of Agreement (HOA) in which the company has an option to acquire 100% interest in two exploration licence applications which comprise the Greenbushes Lithium project. The Project area is prospective for the potential discovery of lithium mineralisation and other associated minerals such as tin and tantalum. The two tenements the subject of the Applications have seen minimal modern exploration, and contain similar host geology to the nearby Talison Greenbushes Mine. The Applications for the Exploration Licences were submitted by the vendors under the HOA (Vendors) to the Western Australian Department of Mines and Petroleum (Department) on 29 March 2016.

Additional Lithium Licence Portfolio

On 26 July 2016, the Company announced that it executed a binding Terms Sheet with Charge Lithium Pty Ltd (Charge) to acquire 100% of the shares on issue in Charge. Charge Lithium is involved in the business of mineral exploration and has assembled a portfolio of lithium projects in the immediate vicinity of Australia’s largest and highest grade lithium deposits. Charge controls 100% of 5 projects (comprising 6 ELA’s and 1 granted exploration licence) within and around the Mt Cattlin, Pilgangoora and Greenbushes lithium provinces. Of these 5 projects, 4 are prospective for hard rock lithium deposits, whilst the fifth provides exposure to lithium brine via a large salar lake specifically identified by Geoscience Australia as being highly prospective for lithium in brine mineralisation. All projects are located in Western Australia.

On 25 August 2016, the Company announced that it has completed its due diligence in relation to the proposed acquisition of Charge Lithium Pty Ltd (Charge) and that the proposed acquisition was subject to approval by shareholders at a general meeting to be held in early October 2016.

Santy Well Project

On 19 April 2016, the Company settled the legal claim against West Peak Iron Limited (WPI) in respect to the farm-in joint venture agreement covering the Santy Wells tenements in Western Australia which have been forfeited. The company dismissed all claims which had previously been lodged with the district Court of Western Australia.

Significant changes in the state of affairs
On 7 September 2015 the Company completed a share placement issuing 12,500,000 fully paid ordinary shares at an issue price of $0.01 (1 cent) per share raising $125,000 before costs.

On 16 October 2015 the Company announced a 1-for-2 pro-rata Non-Renouncable Rights Issue offer at an issue price of $0.015 (1.5 cents) seeking to raise up to $723,375.

On 17 November 2015 the Company completed a Non-Renounceable Rights Issue were 17,319,810 fully paid ordinary shares where subscribed to at an issue price of $0.015 (1.5 cents) per share raising a total of $259,797 before costs.

On 10 February 2016 the Company announced that it had issued 30,905,190 fully paid ordinary shares at an issue price of $0.015 (1.5 cents) per share raising $463,578 before costs, in accordance with the shortfall shares following the Company's Pro-rata Non-renounceable Rights Issue Offer dated 16 October 2015.

On 19 April 2016 the Company announced that it settled its legal dispute with West Peak Iron Limited. A settlement deal was agreed to by both partied and was agreed to be kept confidential.

On 22 April 2016, the Company announced that it has entered into a Heads of Agreement (HOA) under which the Company has been granted an option to acquire a 100% interest in applications for exploration licences over two tenement areas which comprise the Greenbushes Lithium Project.

The Company issued 3,500,000 fully paid ordinary shares at an issue price of $0.016 (1.6 cents) per share, for the option to acquire 100% interest in applications for exploration licences over two tenement areas which comprise the Greenbushes Lithium Project.

On 27 May 2016, the Company announced that it had completed a share placement issuing 16,334,374 fully paid ordinary share at an issue price of $0.02 (2 cents) per share raising a total of $326,687. As part of the terms of the share placement the company issued one free attaching unlisted option for every two share applied for. The options are excercisable at $0.032 (3.2 cents) per options on or before 27 May 2019. A total of 8,167,187 free attaching unlisted options were issued.

The company also issued a total of 8,000,000 unlisted options with the same terms to corporate advisors and consultants of the company.

There were no other significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year
On 26 July 2016, the Company announced that it has executed a binding Term Sheet with Charge Lithium Pty ('Charge') Ltd to acquire 100% of the shares on issue in Charge. Charge is involved in the business of mineral exploration and has assembled a portfolio of lithium projects, controlling 100% of 5 projects within and around the Mt Cattlin, Pilgangoora and Greenbushes lithium provinces.

The Company will acquire 100% of the shares on issue on Charge, giving Cohiba full ownership of the interest associated with the Licence Applications, in consideration for Cohiba issuing a total of 17,500,000 shares to the Charge vendors (Completion Shares). In addition, the Charge vendors will be entitiled to 3,500,000 fully paid ordinary shares upon the grant of any License Application have been granted. The proposed acquisition is subject to shareholder approval to be sought at a general meeting of shareholder on 6 October 2016.

On 22 August 2016 the Company announced the terms for a 1-for-2.5 non-renouncable rights issue for up to 65,803,750 new fully paid ordinary shares in the Company at an issue price of $0.015 (1.5 cents) per share payable in full on application.

On 15 September 2016 the Company announced the completion of the rights issue, raising a total of $162,043 for 10,802,834 fully paid ordinary shares at $0.015 (15 cents) per share. There are currently 55,000,916 shortfall shares available after the completion of the rights issue.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations
It is likely that the Company will continue to search for new business opportunities within its principal activity of natural resource exploration and seek to expand its technical and geological management expertise in the coming year.

During and subsequent to the end of the financial year, the Company has entered into agreements to acquire new projects and the success of the Company will depend on exploration activities proposed to be carried out once the projects have been acquired.

The Company is always reviewing potential new opportunities, if the Directors are successful in acquiring new projects or entering into a joint venture, it is expected that part of the funding held by the Company may be directed to the purchase of that project and to the exploration and development plan for that project. It may be that additional cash will be required to fund any of these events should they eventuate. In that case the Directors will be required to review the funding options available to the Company.

Environmental regulation
The directors are not aware of any significant breaches of these requirements during the period.

Information on directors

Name:	Mr Mordechai Benedikt
Title:	Executive Chairman (appointed Executive Chairman 20 May 2016)
Experience and expertise:	Mr Benedikt is an experienced businessman with an extensive background in food imports for over 12 years. He is very active in export trade from Australia to Asia, building a vast network overseas. More recently he has been actively involved in commercial property and substantial investments in the public sector. Mr Benedikt controls Jascot Rise Pty Ltd, a substantial shareholder in the Company.
Other current directorships:	Abilene Oil and Gas Limited (ASX: ABL) (appointed on 14 June 2013) and Real Estate Partners USA (ASX: RCU) (appointed 21 September 2016)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	16,958,732 fully paid ordinary shares
Interests in options:	1,500,000 expiring on the 17 November 2018

Name:	Mr David Herzsberg
Title:	Non-Executive Director (stepped down as Chairman on 28 August 2015)
Experience and expertise:	Mr Herszberg has more than 20 years of corporate and management experience. He has served in various positions as President or Director of a number of private companies, both in Australia and the United States. Mr Herszberg has extensive consumer electronics experience and was active in bringing electronic products to Australia. He also has extensive experience in the commercial property market in both developments and investments.
Other current directorships:	Bisan Limited (ASX: BSN) (appointed on 10 May 2012)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	4,400,005 fully paid ordinary shares
Interests in options:	1,500,000 expiring on the 17 November 2018

Name:	Mr Nachum Labkowski
Title:	Non-executive Director (appointed 5 August 2015)
Experience and expertise:	Nachum Labowski is the CEO and principal investor in Halevi Enterprises, a private equity firm. Halevi Enterprises with, Mr Labowski's leadership, currently holds equity in over 30 private companies, which invest in real estate worldwide. Mr Lubowski's unique approach to investing has provided significant returns to those companies he has invested in to date.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	5,061,000 fully paid ordinary shares
Interests in options:	1,500,000 expiring on the 17 November 2018

Name:	Mr Patrick Volpe
Title:	Executive Director and Deputy Chairman (resigned 5 August 2015)
Experience and expertise:	Mr Volpe has extensive experience in mining, media, transport, manufacturing, banking and stockbroking with a particular emphasis on corporate restructuring, business acquisitions, investment advising and capital raisings. He has a strong financial background and is a member of CPA Australia. Mr Volpe controls Vermar Pty Ltd, a substantial shareholder in the Company.
Other current directorships:	N/A
Former directorships (last 3 years):	Bisan Limited (ASX: BSN)
Special responsibilities:	N/A
Interests in shares:	N/A

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Mr Justin Mouchacca (appointed 5 August 2015)

Justin Mouchacca holds a Bachelor of Business majoring in Accounting. He graduated from RMIT University in 2008, became a Chartered Accountant in 2011 and since July 2013 has been a principal of chartered accounting firm, Leydin Freyer Corp Pty Ltd.

Justin has over 8 years' experience in the accounting profession and has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations.

Ramon Jimenez (resigned 5 August 2015)

Mr Ramon Jimenez was Company Secretary from 23 October 2013 to 5 August 2015. His qualifications are a Bachelor of Commerce with an Accounting major, Bachelor of Laws with Honours and a Graduate Diploma of Legal Practice with Honours. He has held similar positions with listed and unlisted companies over the past 10 years.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2016, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
David Herzsberg	5	5
Mordechai Benedikt	5	5
Nochum Labkowski	5	5

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth and growth in share price and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board as a whole. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 16 May 2012, where the shareholders approved an aggregate remuneration of $250,000.

Executive remuneration
The company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the company and comparable market remunerations.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, leadership contribution and product management.

The long-term incentives ('LTI') include share-based payments.

Entity performance and link to remuneration
Non-executive Directors have been granted options over shares in the current period. The recipients of options are responsible for growing the entity and increasing shareholder value. The options provide an incentive to the recipients to remain with the entity and to continue to enhance the group's value.

These incentives are not performance based and have been granted to align director and shareholder objectives.

Voting and comments made at the company's 2015 Annual General Meeting ('AGM')
At the 2015 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2015. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the company are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2016	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mordechai Benedikt**	102,710	-	-	-	-	12,300	115,010
David Herzsberg	49,000	-	-	-	-	12,300	61,300
Nochum Labkowski	44,000	-	-	-	-	12,300	56,300
Executive Directors:							
Patrick Volpe***	15,000	-	-	-	-	-	15,000
Other Key Management Personnel:							
Justin Mouchacca*	77,000	-	-	-	-	61,250	138,250
	287,710	-	-	-	-	98,150	385,860

* Fees paid to Leydin Freyer Corp Pty Ltd in respect of Company secretarial and accounting services
** Appointed Executive Chairman on 20 May 2016
*** Patrick Volpe resigned on 6 August 2015

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2015	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mordechai Benedikt	60,000	-	-	-	-	2,368	62,368
David Herzsberg	60,000	-	-	-	-	2,368	62,368
Executive Directors:							
Patrick Volpe	180,000	-	-	-	-	11,843	191,843
	300,000	-	-	-	-	16,579	316,579

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2016	2015	2016	2015	2016	2015
Non-Executive Directors:						
Mordechai Benedikt	89%	96%	-	-	11%	4%
David Herzsberg	80%	96%	-	-	20%	4%
Nochum Labkowski	78%	-	-	-	22%	-
Key Management Personnels						
Justin Mouchacca	56%	-	-	-	44%	-
Patrick Volpe	100%	94%	-	-	-	6%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mordichai Benedikt
Title:	Executive Director
Agreement commenced:	20 May 2016
Term of agreement:	Contract is for a period of 2 years from the commencement date
Details:	Mr Benedikt will be remunerated at $180,000 per annum (inclusive of any superannuation). Mr Benedikt's role as Executive Chairman may be terminated at any time with 3 months' written notice being provided by either the Company or Mr Benedikt.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Additional information

The earnings of the company for the five years to 30 June 2016 are summarised below:

	2016 $	2015 $	2014 $	2013 $	2012* $
Revenue	11,648	38,764	47,813	126,242	51,235
Loss after income tax	(1,002,892)	(932,076)	(395,449)	(547,596)	(126,028)

* The Company was incorporated on 28 January 2011

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2016	2015	2014	2013	2012
Share price at financial year end ($)	0.02	0.02	0.04	0.05	0.14

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the company, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mordechai Benedikt	6,700,002	-	4,813,377	-	11,513,379
David Herzsberg	3,000,003	-	1,000,001	-	4,000,004
Nachum Labkowski**	-	-	1,205,000	2,410,000	3,615,000
Patrick Volpe*	14,082,201	-	-	(14,082,201)	-
Justin Mouchacca	-	-	2,800,000	-	2,800,000
	23,782,206	-	9,818,378	(11,672,201)	21,928,383

* On 5 August 2015, Mr Patrick Volpe resigned as an Executive Director and Deputy Chairman of the Company. Balance was held at date of resignation.

** On 5 August 2015, Mr Nochum Labkowski was appointed a Non-Executive Director.

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the company, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mordechai Benedikt	-	1,500,000	-	-	1,500,000
David Herzberg	-	1,500,000	-	-	1,500,000
Nochum Labkowski	-	1,500,000	-	-	1,500,000
Justin Mouchacca	-	3,500,000	-	-	3,500,000
	-	8,000,000	-	-	8,000,000

Other transactions with key management personnel and their related parties
Consulting Fees - Trayburn Pty Ltd ("Trayburn")

Trayburn invoiced the Company $15,000 during the year, $180,000 during the previous year, for additional services provided by Mr Pat Volpe over and above his duties as a Non-executive Director. The sum of $15,000 (plus GST) was paid during the current financial year. Mr Pat Volpe is a Director and substantial shareholder of Trayburn.

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of the company under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
17/11/2015	17/11/2018	$0.032	4,500,000
27/05/2016	27/05/2019	$0.032	16,167,187
			20,667,187

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2016 and up to the date of this report.

Indemnity and insurance of officers
The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

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 immediately after this directors' report.

Auditor
William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Rounding of amounts
Cohiba Minerals Limited is a type of Company that is referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest dollar.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mordechai Benedikt
Executive Chairman

27 September 2016

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF COHIBA MINERALS LIMITED

I declare that, to the best of my knowledge and belief during the year ended 30 June 2016 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J.C. Luckins
Director

Dated this 27th day of September, 2016

CHARTERED ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
PO Box 185
Toorak VIC 3142
Telephone: +61 3 9824 8555
williambuck.com

Cohiba Minerals Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2016

	Note	2016 $	2015 $
Revenue			
Interest Income		8,166	13,167
Rental Income		3,482	25,597
		11,648	38,764
Expenses			
Administrative and corporate expenses		(455,634)	(237,291)
Director fees		(210,710)	(300,000)
Employee benefits expense		(6,072)	(28,798)
Due Diligence expenses - Latin Argentina		-	(307,153)
Depreciation and amortisation expense		(330)	(165)
Impairment of receivables		(23,000)	-
Legal expenses		(84,229)	(70,855)
Share based payments expense	22	(241,663)	(16,579)
Other expenses		(15,902)	(9,999)
Loss before income tax expense		(1,025,892)	(932,076)
Income tax expense	5	-	-
Loss after income tax expense for the year attributable to the owners of Cohiba Minerals Limited		(1,025,892)	(932,076)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Cohiba Minerals Limited		(1,025,892)	(932,076)
		Cents	**Cents**
Basic loss per share	21	(0.86)	(1.11)
Diluted loss per share	21	(0.86)	(1.11)

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

Cohiba Minerals Limited
Statement of financial position
As at 30 June 2016

	Note	2016 $	2015 $
Assets			
Current assets			
Cash and cash equivalents	6	820,593	511,358
Trade and other receivables	7	29,002	38,921
Other	8	13,655	18,603
Total current assets		863,250	568,882
Non-current assets			
Property, plant and equipment	9	-	2,307
Total non-current assets		-	2,307
Total assets		863,250	571,189
Liabilities			
Current liabilities			
Trade and other payables	10	18,457	29,916
Employee benefits		-	3,151
Total current liabilities		18,457	33,067
Total liabilities		18,457	33,067
Net assets		844,793	538,122
Equity			
Issued capital	11	3,705,649	2,549,599
Reserves	12	176,513	16,579
Accumulated losses		(3,037,369)	(2,028,056)
Total equity		844,793	538,122

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

Cohiba Minerals Limited
Statement of changes in equity
For the year ended 30 June 2016

	Issued capital $	Share Based Payment Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2014	2,151,361	-	(1,095,980)	1,055,381
Loss after income tax expense for the year	-	-	(932,076)	(932,076)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(932,076)	(932,076)
Transactions with owners in their capacity as owners:				
Issued capital	431,917	-	-	431,917
Capital raising costs	(33,679)	-	-	(33,679)
Grant of performance rights	-	16,579	-	16,579
Balance at 30 June 2015	2,549,599	16,579	(2,028,056)	538,122

	Issued capital $	Share based payment reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2015	2,549,599	16,579	(2,028,056)	538,122
Loss after income tax expense for the year	-	-	(1,025,892)	(1,025,892)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,025,892)	(1,025,892)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 11)	1,231,062	-	-	1,231,062
Share-based payments (note 22)	-	176,513	-	176,513
Capital raising costs	(75,012)	-	-	(75,012)
Lapse of performance rights	-	(16,579)	16,579	-
Balance at 30 June 2016	3,705,649	176,513	(3,037,369)	844,793

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

Cohiba Minerals Limited
Statement of cash flows
For the year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,482	3,584
Payments to suppliers & employees (inclusive of GST)		(814,785)	(956,198)
Interest recieved		8,167	13,168
Net cash used in operating activities	20	(803,136)	(939,446)
Cash flows from investing activities			
Proceeds from refund of security deposits		10,450	-
Proceeds from sale of fixed assets		1,872	(2,472)
Net cash from/(used in) investing activities		12,322	(2,472)
Cash flows from financing activities			
Proceeds from issue of shares	11	1,175,062	349,792
Payments for capital raising costs		(75,013)	(33,679)
Net cash from financing activities		1,100,049	316,113
Net increase/(decrease) in cash and cash equivalents		309,235	(625,805)
Cash and cash equivalents at the beginning of the financial year		511,358	1,137,163
Cash and cash equivalents at the end of the financial year	6	820,593	511,358

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

Note 1. General information

The financial statements cover Cohiba Minerals Limited as an individual entity. The financial statements are presented in Australian dollars, which is Cohiba Minerals Limited's functional and presentation currency.

Cohiba Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4, 100 Albert Road
South Melbourne, VIC 3205
Ph: (03) 9692 7222
Fax: (03) 9077 9233

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 September 2016. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted
The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest
Interest revenue is recognised as interest accrues using the effective interest method.

Rent
Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Note 2. Significant accounting policies (continued)

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Note 2. Significant accounting policies (continued)

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Office and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled wholly 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, performance rights or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

Note 2. Significant accounting policies (continued)

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Loss per share

Basic loss per share
Basic loss per share is calculated by dividing the profit attributable to the owners of Cohiba Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted loss per share
Diluted loss per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2016. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

Note 2. Significant accounting policies (continued)

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

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be wholly settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 4. Operating segments

Identification of reportable operating segments
The Company has identified its operating segments based on the investment decisions of the board and used by the chief operating decision makers in assessing performance and in determining the allocation of resources. The Company operates in one segment being the evaluation and exploration of resources in the Oceania region.

Note 5. Income tax expense

	2016 $	2015 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(1,025,892)	(932,076)
Tax at the statutory tax rate of 30%	(307,768)	(279,623)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	72,499	-
Non-deductible expenses / (deductible tax adjustments)	385	-
Current year tax losses not recognised	234,884	279,623
Income tax expense	-	-

	2016 $	2015 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	2,718,782	1,831,533
Potential tax benefit @ 30%	815,635	549,460

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed or, failing that, the same business test is passed.

The taxation benefits of tax losses and temporary difference not brought to account will only be obtained if:

(i) the entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
(ii) the entity continues to comply with the conditions for deductibility imposed by law; and
(iii) no change in tax legislation adversely affects the entity in realising the benefits from deducting the losses.

	2016 $	2015 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprise differences and tax losses as follows:		
Tax losses	818,634	549,460
Temporary differences	119,885	163,176
Total deferred tax assets not recognised	938,519	712,636

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 6. Current assets - cash and cash equivalents

	2016 $	2015 $
Cash at bank	820,593	511,358

Note 7. Current assets - trade and other receivables

	2016 $	2015 $
Trade receivables	1,742	31,319
GST receivable	27,260	7,602
	29,002	38,921

Note 8. Current assets - other

	2016 $	2015 $
Prepayments	13,655	8,153
Security deposits	-	10,450
	13,655	18,603

During the financial year the Company ceased their rental agreement, returning their security deposit in full.

Note 9. Non-current assets - property, plant and equipment

	2016 $	2015 $
Office equipment - at cost	-	2,472
Less: Accumulated depreciation	-	(165)
	-	2,307

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Office equipment $	Total $
Balance at 1 July 2014	2,472	2,472
Depreciation expense	(165)	(165)
Balance at 30 June 2015	2,307	2,307
Disposals	(1,977)	(1,977)
Depreciation expense	(330)	(330)
Balance at 30 June 2016	-	-

Note 10. Current liabilities - trade and other payables

	2016 $	2015 $
Trade payables	5,957	10,566
Accrued expenses	12,500	19,350
	18,457	29,916

Refer to note 14 for further information on financial instruments.

Note 11. Equity - issued capital

	2016 Shares	2015 Shares	2016 $	2015 $
Ordinary shares - fully paid	164,509,373	83,949,999	3,705,649	2,549,599

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2014	18,250,000		2,151,361
Share Placement	4 July 2014	2,737,500	$0.030	82,125
Rights Issue Shares	24 November 2014	4,350,099	$0.050	217,505
Placement of shortfall shares	2 December 2014	2,645,734	$0.050	132,287
Share split - 3 for 1 basis	4 December 2014	55,966,666	$0.000	-
Less: capital raising costs		-	-	(33,679)
Balance	30 June 2015	83,949,999		2,549,599
Share Placement	07 September 2015	12,500,000	$0.010	125,000
Rights Issue Shares	17 November 2015	17,319,810	$0.015	259,797
Rights Issue Shares	10 February 2016	30,905,190	$0.015	463,578
Share Placement	26 April 2016	3,500,000	$0.016	56,000
Share Placement	27 May 2016	16,334,374	$0.020	326,687
Less: capital raising costs		-	-	(75,012)
Balance	30 June 2016	164,509,373		3,705,649

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

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 or sell assets to reduce debt.

Note 11. Equity - issued capital (continued)

The company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The company is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The company is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2015 Annual Report.

Note 12. Equity - reserves

	2016 **$**	**2015** **$**
Share-based payments reserve	176,513	16,579

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

	$	Total $
Balance at 1 July 2014	16,579	16,579
Balance at 30 June 2015	16,579	16,579
Grant of options	176,513	176,513
Lapse of performance rights	(16,579)	(16,579)
Balance at 30 June 2016	176,513	176,513

Note 13. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 14. Financial instruments

Financial risk management objectives
The company's activities expose it to liquidity risk from its use of financial instruments. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks for credit risk in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits.

Note 14. Financial instruments (continued)

Liquidity risk
Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company did not have any undrawn facilities at its disposal as at reporting date. Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

Remaining contractual maturities
All financial liabilities are expected to be settled within 1 years.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 15. Key management personnel disclosures

Directors
The following persons were directors of Cohiba Minerals Limited during the financial year:

Mr Mordechai Benedikt	Executive Chairman
Mr David Herzsberg	Non-Executive Director
Mr Nochum Labkowski	Non-Executive Director (appointed 5 August 2015)
Mr Patrick Volpe	Executive Director (resigned 5 August 2015)
Mr Justin Mouchacca	Company Secretary (appointed 5 August 2015)
Mr Ramon Jimenez	Company Secretary (resigned 5 August 2015)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2016 $	2015 $
Short-term employee benefits	287,710	300,000
Share-based payments	98,150	16,579
	385,860	316,579

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit Australia Pty, the auditor of the company:

	2016 $	2015 $
Audit services - William Buck Audit Australia Pty		
Audit or review of the financial statements	20,000	16,000

Note 17. Contingent liabilities

On 18 August 2016, the Company announced that it had obtained a waiver of ASX Listing Rule 7.3.2 to permit the issue of shares to the vendors of Charge Lithium in tranches over 18 months after the date of the meeting. The waiver permits the Company to issue of up to 14,000,000 CHK shares to the Charge vendors more than 3 months after the date of the general meeting.

The waiver has been granted on the following condition:

- The shares are issued to the Charge vendor no later than 20 March 2018, subject to approval at the shareholder's meeting.
- The milestone which must be satisfied for the shares to be issued are not varied.
- As at the date of this annual report, no shares have been issued in accordance with this waiver.

Note 18. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 15 and the remuneration report included in the directors' report.

Transactions with related parties
Consulting Fees - Trayburn Pty Ltd ("Trayburn")

Trayburn invoiced the Company $15,000 during the year, $180,000 during the previous year, for additional services provided by Mr Pat Volpe over and above his duties as a Non-executive Director. The sum of $15,000 (plus GST) was paid during the current financial year. Mr Pat Volpe is a Director and substantial shareholder of Trayburn.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 19. Events after the reporting period

On 26 July 2016, the Company announced that it has executed a binding Term Sheet with Charge Lithium Pty ('Charge') Ltd to acquire 100% of the shares on issue in Charge. Charge is involved in the business of mineral exploration and has assembled a portfolio of lithium projects, controlling 100% of 5 projects within and around the Mt Cattlin, Pilgangoora and Greenbushes lithium provinces.

The Company will acquire 100% of the shares on issue on Charge, giving Cohiba full ownership of the interest associated with the Licence Applications, in consideration for Cohiba issuing a total of 17,500,000 shares to the Charge vendors (Completion Shares). In addition, the Charge vendors will be entitled to 3,500,000 fully paid ordinary shares upon the grant of any License Application have been granted. The proposed acquisition is subject to shareholder approval to be sought at a general meeting of shareholder on 6 October 2016.

On 22 August 2016 the Company announced the terms for a 1-for-2.5 non-renouncable rights issue for up to 65,803,750 new fully paid ordinary shares in the Company at an issue price of $0.015 (1.5 cents) per share payable in full on application.

On 15 September 2016 the Company announced the completion of the rights issue, raising a total of $162,043 for 10,802,834 fully paid ordinary shares at $0.015 (15 cents) per share. There are currently 55,000,916 shortfall shares available after the completion of the rights issue.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 20. Reconciliation of loss after income tax to net cash used in operating activities

	2016 $	2015 $
Loss after income tax expense for the year	(1,025,892)	(932,076)
Adjustments for:		
Depreciation and amortisation	330	165
Share-based payments	176,513	16,579
Shares payment expense	56,000	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	27,277	(22,013)
Decrease/(increase) in prepayments	(5,502)	9,054
Decrease in trade and other payables	(30,021)	(11,155)
Decrease in employee benefits	(1,841)	-
Net cash used in operating activities	(803,136)	(939,446)

Note 21. Loss per share

	2016 $	2015 $
Loss after income tax attributable to the owners of Cohiba Minerals Limited	(1,025,892)	(932,076)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	118,833,271	83,949,999
Weighted average number of ordinary shares used in calculating diluted earnings per share	118,833,271	83,949,999
	Cents	**Cents**
Basic earnings per share	(0.86)	(1.11)
Diluted earnings per share	(0.86)	(1.11)

Note 22. Share-based payments

During the financial year the Company granted 4,500,000 unlisted options to Directors a of the Company following approved sought at the Company's 2015 Annual General Meeting.

On 27 May 2016 the Company granted 8,000,000 unlisted options to consultant of the Company.

Set out below are summaries of options granted under the plan:

2016

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
17/11/2015	17/11/2018	$0.032	-	4,500,000	-	-	4,500,000
19/05/2016	19/05/2019	$0.032	-	8,000,000	-	-	8,000,000
			-	12,500,000	-	-	12,500,000
Weighted average exercise price			$0.000	$0.018	$0.000	$0.000	$0.018

The options issued during the financial year have been valued in accordance with the Black Scholes method of valuation.

Note 22. Share-based payments (continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2016 Number	2015 Number
17/11/2015	17/11/2018	4,500,000	-
19/05/2016	19/05/2019	8,000,000	-
		12,500,000	-

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
17/11/2015	17/11/2018	$0.014	$0.032	112.00%	-	-	$0.001
19/05/2016	19/05/2016	$0.025	$0.032	124.50%	-	-	$0.017

Cohiba Minerals Limited
Directors' declaration
30 June 2016

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and

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

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mordechai Benedikt
Executive Chairman

27 September 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COHIBA MINERALS LIMITED

Report on the Financial Report
We have audited the accompanying financial report of Cohiba Minerals Limited (the Company), which comprises the statement of financial position as at 30 June 2016, the statement of profit of loss and other comprehensive income, the statement of changes in equity and the 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.

Directors' Responsibility for the Financial Report
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

CHARTERED ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
PO Box 185
Toorak VIC 3142
Telephone: +61 3 9824 8555
williambuck.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COHIBA MINERALS LIMITED (CONT)

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 Cohiba Minerals Limited is in accordance with the *Corporations Act 2001*, including:
   i. giving a true and fair view of the Company's financial position as at 30 June 2016 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*; and

b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report
We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2016. 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 Cohiba Minerals Limited for the year ended 30 June 2016, complies with section 300A of the *Corporations Act 2001*.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J.C. Luckins
Director

Dated this 27th day of September, 2016

Cohiba Minerals Limited
Shareholder information
30 June 2016

The shareholder information set out below was applicable as at 27 September 2015.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	50
1,001 to 5,000	2
5,001 to 10,000	1
10,001 to 100,000	125
100,001 and over	157
	335
Holding less than a marketable parcel	109

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Vermar Pty Ltd (Cap A/C)	21,123,302	12.05
Jascot Rise Pty Ltd	15,470,005	8.82
Zaimo NOM PL	14,300,001	8.16
Polarity B Pty Ltd	9,495,475	5.42
Kushkush Investments Pty Ltd (Alexandra Discretionary A/C)	6,000,000	3.42
Heller Shimshon	5,526,666	3.15
ABN Amro Clearing Sydney (Custodian A/C)	5,166,545	2.95
Labkowski Nachum	5,061,000	2.89
Mr Itzchak Benedikt & Mrs Rozette Benedikt (Snider Carmel P/L S/F A/C)	4,475,366	2.55
Ben Port Jospeh PL	4,432,172	2.53
Launchpad (AUST) Pty Ltd	3,932,389	2.24
YAD Inv PL	3,000,002	1.71
IBH Cap LLC	3,000,000	1.71
BD Penfold PL	3,000,000	1.71
Tmena PL	2,800,000	1.60
Hasslinger Alban Horst	2,460,000	1.40
Lettered MGNT PL	2,000,000	1.14
Soon Enterprise PL	1,788,910	1.02
Yeoh Oon Tian + EN	1,587,899	0.91
Uddin Syed Mushleh	1,534,000	0.88
	116,153,732	66.26

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	20,667,187	15

Cohiba Minerals Limited
Shareholder information
30 June 2016

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Vermar Pty Ltd (Cap A/C)	21,123,302	12.05
Jascot Rise Pty Ltd	15,470,005	8.82
Zaimo NOM PL	14,300,001	8.16
Polarity B PL	9,495,475	5.42

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.