ARDIDEN LIMITED

ABN 82 110 884 252

ANNUAL REPORT

30 JUNE 2016

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DIRECTORS

Neil Hackett (Non-Executive Chairman)
Piers Lewis (Non-Executive Director)
Brad Boyle (Executive Director)
Dr Michelle Li (Non-Executive Technical Director)

JOINT COMPANY SECRETARIES

Arron Canicais
Neil Hackett

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AUSTRALIAN SECURITIES EXCHANGE

Ardiden Limited shares (ADV) are listed on the Australian Securities Exchange.

Your Directors present their report for Ardiden Limited (the 'Company') and its controlled entities ('Consolidated Entity' or 'Group') for the financial year ended 30 June 2016.

1. DIRECTORS

The names of the Directors of the Company in office during the financial year and up to the date of this report are as follows:

- Neil Hackett (Non-Executive Chairman)	- Appointed 5 June 2012
- Piers Lewis (Non-Executive Director)	- Appointed 27 March 2012
- Brad Boyle (Executive Director)	- Appointed 17 February 2016
- Dr Michelle Li (Non-Executive Technical Director)	- Appointed 7 July 2016
- James Thompson (Non-Executive Director)	- Appointed 5 June 2012, Resigned 17 February 2016

Directors were in office from the beginning of the financial year until the date of this report unless otherwise stated.

The particulars of the qualifications, experience and special responsibilities of each director are as follows:

Neil Hackett (Non-Executive Chairman /Joint Company Secretary), Appointed 5 June 2012
B. Ec, FFin, GAICD (Merit)

Mr Neil Hackett joined Ardiden as Director in June 2012 and was appointed Chairman in December 2015. He holds a Bachelor of Economics from the University of Western Australia, Post-graduate qualifications in Applied Finance and Investment, and Financial Planning, and is a Graduate (Order of Merit) with the Australian Institute of Company Directors. Mr Hackett is an Affiliate of the Governance Institute of Australia and a Fellow of the Financial Services Institute of Australia. He is currently Non-Executive Director of ASX listed entity Azonto Petroleum Limited and Chairman of WestCycle Inc and Company Secretary of ThinkSmart Ltd and Steel Blue Pty Ltd. Neil's experience includes 15 years in the funds management industry, 10 years of ASX200 Senior Executive roles and regulatory experience with the ASIC.

Other directorships in listed companies in the last 3 years:

- Azonto Petroleum Ltd (Current),
- Modun Resources Ltd (Resigned 11 March 2015),
- JustKapital Litigation Partners Limited (Resigned 28 February 2014).

Piers Lewis (Non-Executive Director), Appointed 27 March 2012
B Comm, GIA, CA

Mr Lewis has more than 15 years global corporate experience and is currently Company Secretary for several ASX listed companies. In 2001 Mr Lewis qualified as a Chartered Accountant with Deloitte (Perth), and brings to the Ardiden board extensive and diverse financial and corporate experience from previous senior management roles with Credit Suisse (London), Mizuho International and NAB Capital.

Other directorships in listed companies in the last 3 years:

- Voyager Global Group Limited (Current),
- Talga Resources Limited (Resigned 20 February 2014),
- Zeta Petroleum PLC (Resigned 26 September 2013).

Brad Boyle (Executive Director), Appointed 17 February 2016
LLB, GradDipBusAdmin, GradDipAppCorpGov, AdvDipBusMan

Mr Boyle has had considerable experience working in the resource and energy sectors, with a key focus on renewable energy. He has had extensive experience in industrial minerals including marketing to and negotiating off-take agreements with key end-users such as lithium-ion battery manufactures.

Mr Boyle is a driven and experienced CEO and Managing Director of Private and ASX-listed oil and gas and diversified mineral explorer companies and has established a global network of key stakeholders and strategic organisations with expertise in the renewable energy sector.

Other directorships in listed companies in the last 3 years:

- Triton Minerals Limited (Resigned 4 December 2015).

Dr Michelle Li (Non-Executive Technical Director), Appointed 7 July 2016
PhD, Master of Metallurgical Engineering, Bachelor of Processing Engineering, Diploma of Business, GAICD

Dr Li, has more than 20 years of international mining experience, including senior executive roles with mining companies such as Grange Resources, Citic Pacific, Rio Tinto and Iluka Resources. She brings valuable technical and operational expertise to the Company as it advances its key lithium and graphite projects in Canada to the next stage.

She holds a PhD of metallurgical engineering from the University of Queensland, and also has a Bachelor degree and a Master's degree of mineral processing engineering from the China University of Mining Technology.

Her distinguished career has involved positions with leading global mining companies such as Rio Tinto in R&D roles and its iron ore expansion projects, Iluka Resources at its Eneabba operations, Grange Resources and Citic Pacific Mining.

Other directorships in listed companies in the last 3 years:
- Grange Resources Limited (Current),
- Orion Metals (Resigned 21 March 2016),
- Sherwin Iron (Resigned 5 December 2013).

James Thompson (Non-Executive Director), Appointed 5 June 2012, Resigned 17 February 2016

Mr Thompson has 20 years' experience in principal investment, private equity and investment banking. He has held senior positions in New York, Sydney, London, HK/China and Perth with organisations including Macquarie Bank, Quadrant Private Equity and KPMG.

Mr Thompson is a qualified chartered accountant, admitted legal practitioner, Fellow of FINSIA and holds a Bachelor of Commerce and Bachelor of Laws. He has been a director of various private and public companies and is currently a director of RZJ Capital Management LLC.

Other directorships in listed companies in the last 3 years:
- Voyager Global Group Limited (Resigned 22 August 2013),
- Modun Resources Ltd (Resigned 14 October 2013).

2. INTEREST IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the directors in the shares and options of Ardiden Limited were:

	Number of Ordinary Shares	Number of Options Over Ordinary Shares
Neil Hackett	12,259,845	5,000,000
Piers Lewis	30,348,580	5,000,000
Brad Boyle	2,324,678	10,000,000
Dr Michelle Li	-	-

3. JOINT COMPANY SECRETARIES

Arron Canicais and Neil Hackett

Arron Canicais: Mr Canicais is a corporate advisory executive of corporate advisory firm SmallCap Corporate which specialises in corporate advice and compliance administration to public companies. Mr Canicais has been involved in financial reporting and corporate compliance for over 9 years. Mr Canicais is an associate member of the Institute of Chartered Accountants and an associate member of the Governance Institute of Australia.

Neil Hackett: Refer above for details of experience and qualifications.

4. CORPORATE STRUCTURE

Ardiden Limited is a limited liability company that is incorporated and domiciled in Australia. Ardiden Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year as follows:

Ardiden Limited	-	Parent Entity
Knights Landing Limited	-	100% owned controlled entity
Billiton Island Pte Ltd	-	100% owned controlled entity

5. NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal continuing activities during the year of entities within the Consolidated Entity were the exploration for and evaluation of mineral resources.

6. OPERATING AND FINANCIAL REVIEW

PROJECT ACQUISITIONS

On 6 January 2016 the Company announced it had executed an option agreement with Stockport Exploration Inc. and subject to the completion of due diligence to acquire 100% of the advanced Seymour Lake Lithium project which is located in Ontario, Canada. Later, on 3 June 2016, after the successful completion of the due diligence drilling program and data review, Ardiden announced that it had exercised its option to acquire 100% interest in the Seymour Lake Lithium project.

On 10 February 2016, Ardiden announced it had executed a further option agreement with Landore Resources Canada Inc. and subject to the completion of due diligence to acquire 100% of the advanced Root Lake Lithium project, also located in Ontario, Canada. Subsequent to the end of this financial year, on 11 July 2016 Ardiden confirmed that it had also exercised its option to acquire 100% interest in the Root Lake Lithium project.

The acquisitions were consistent with Ardiden's strategy of acquiring commodity projects located in Tier-1 jurisdictions with exposure to structural and transformational change and outstanding market fundamentals (such as those required to supply the rapidly growing lithium-ion battery sector). Coupled with its existing 100%-owned Manitouwadge Graphite Project, these two acquisitions of Lithium projects has now positioned Ardiden as a potential supplier of both of the key ingredients in the manufacture of lithium-ion batteries.

These acquisitions of Lithium projects are highly complementary and synergistic with Ardiden's existing Graphite project for a number of key reasons:

- Lithium-ion batteries use lithium as the cathode and graphite as the anode. Transformational growth is predicted in the lithium-ion battery market and the ability to supply both key ingredients provides expanded growth opportunities and optionality in the future;
- Both the Seymour Lake and Root Lake Lithium projects can be developed by Ardiden's existing experienced Ontario-based team, which has led the highly successful graphite drilling program in 2015 which made the Silver Star North discovery at the Manitouwadge Graphite Project. The team has extensive experience in exploring and developing projects in Ontario;
- All projects are within close proximately to great infrastructure including all weather roads and highways, national East/West railway and hydroelectricity, whilst being located less than 5 hours drive from a key infrastructure hub at Thunder Bay which is less than 100km from the US border and has existing national rail, road and port facilities which can also access the Atlantic and service European markets. Ardiden's project locations in relation to Thunder Bay, the US border and Lake Superior (accessible to Atlantic and US inland ports) are shown in Figure 1 below.

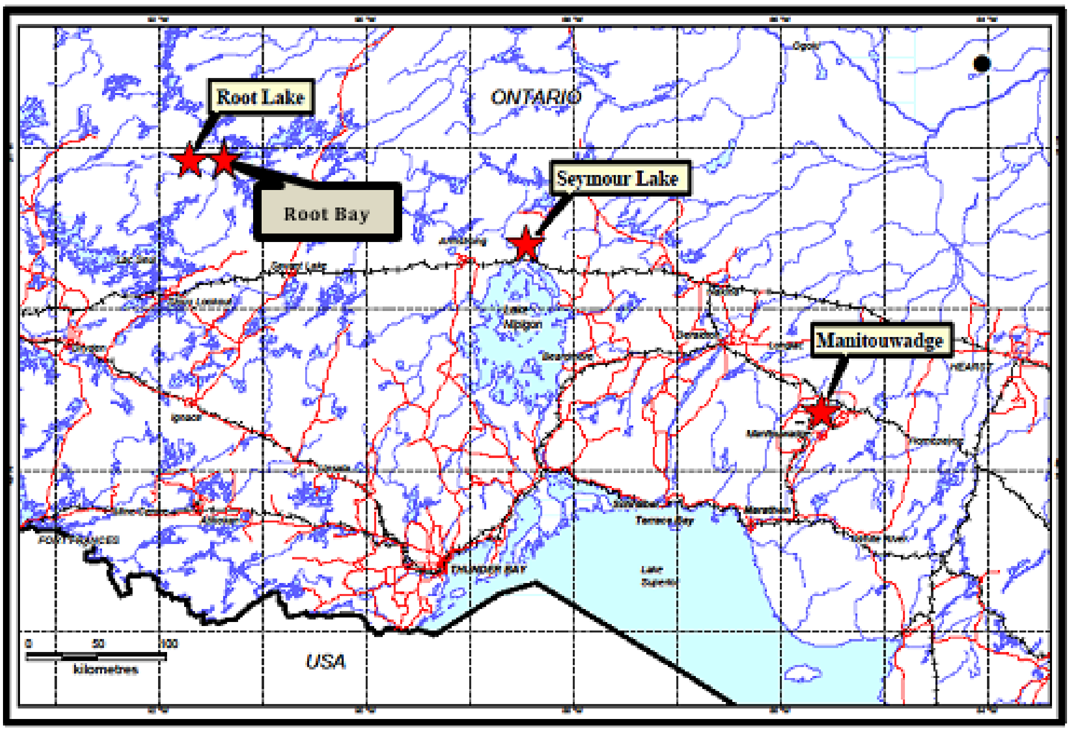

Figure 1. *Location of Ardiden Projects (Root Lake Lithium, Seymour Lake Lithium, Manitouwadge Graphite) in Ontario, Canada. All projects are able to be serviced from Thunder Bay which is less than 100kms from the US border.*

SEYMOUR LAKE LITHIUM PROJECT

As previously advised on 6 January 2016, Ardiden Limited executed an option agreement with Stockport Exploration Inc. to acquire 100% of the Seymour Lake Lithium Project. The key terms of the option agreement were:

1. An exclusivity/holding deposit of C$75,000 to be paid on signing of the agreement to commence a 150-day option and due diligence period;
2. C$75,000 plus C$250,000 in ADV equity (at the 20-day VWAP prior to 6 January 2016) to be paid at the end of a 150-day due diligence period or on exercising the option;
3. Following the due diligence period after Ardiden has exercised the option, the vendor will be paid in quarterly instalments of C$25,000 per quarter to a total of a further C$350,000;
4. A further C$250,000 of Ardiden shares (at the 20 day VWAP prior to 6 January 2016) will be issued at the completion of the option agreement (or no later than 24 months from execution of option) for a total compensation of C$1,000,000 to finalise the transfer of 100% of Seymour Lake;
5. Ardiden reserves both the right to accelerate all payments or withdraw from the option agreement at any time. The vendor will retain 100% of the Seymour Lake rights should Ardiden fail to complete any requirements of the option agreement; and
6. The property has an existing 3% net smelter royalty (NSR) held by an independent third party. The vendor maintains the option to purchase or buy back from the third party a 1.5% NSR for payment of C$1,000,000.

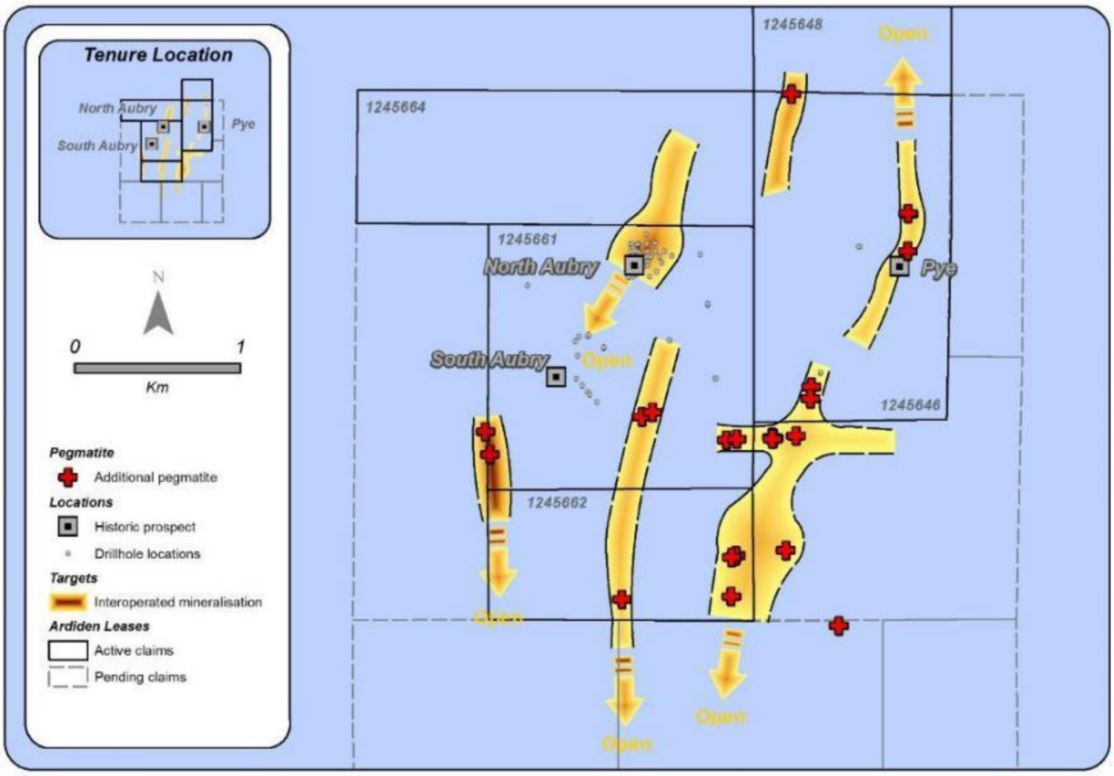

Figure 2. *Overview of the Seymour Lake project showing the known and additional pegmatite occurrences and the interpreted mineralised zones and structures*

ROOT LAKE LITHIUM PROJECT

As previously advised on 10 February 2016, Ardiden Limited executed an option agreement with Landore Resources Canada Inc. to acquire 100% of the Root Lake Lithium Project. Key deal terms of the option agreement include:

1. An exclusivity/holding deposit of C$50,000 to be paid on signing of the agreement to commence a 150-day option and due diligence period;
2. C$150,000 in ADV equity (at the 20-day VWAP prior to the announcement on 10 February 2016) and C$150,000 cash to be paid at the end of a 150-day due diligence period (subject to successful completion of due diligence) to exercise the option;
3. Ardiden reserves both the right to accelerate all payments or withdraw from the option agreement at any time. The vendor will retain 100% of the Root Lake rights should Ardiden fail to complete any requirements of the option agreement; and
4. Should Ardiden exercise the option, the vendor will retain a 3% net smelter royalty (NSR). Ardiden will retain the option to purchase or buy back a 1.5% NSR for payment of C$1,000,000.

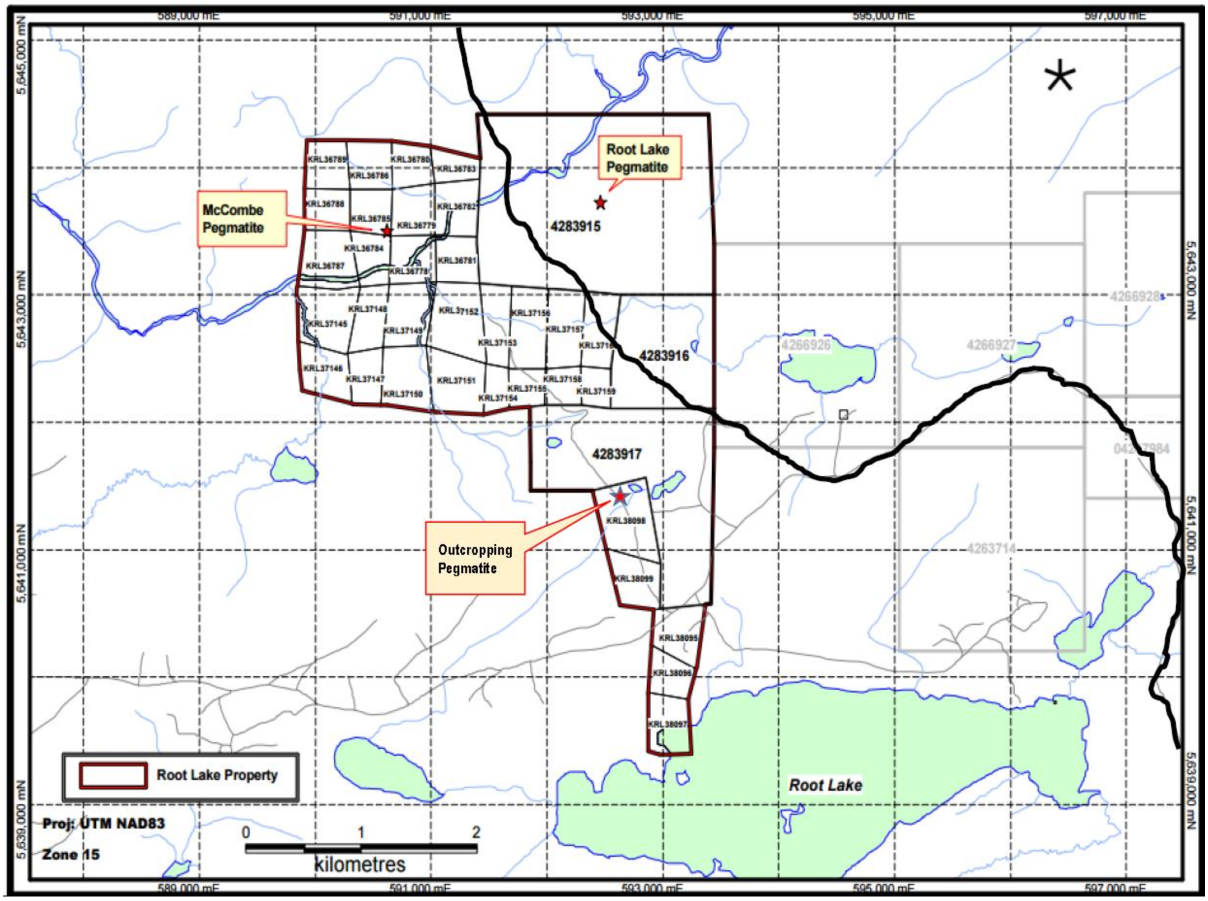

Figure 3. *Overview of the Root Lake project claims showing the McCombe and Root Lake prospects.*

ROOT BAY LITHIUM PROJECT

Subsequently to the end of this financial period, on 13 July 2016, Ardiden confirmed further expansion of its lithium portfolio in Canada after staking and securing the grant of the Root Bay Lithium project in Ontario, Canada, located approximately 5km to the east to its recently acquired Root Lake Lithium project.

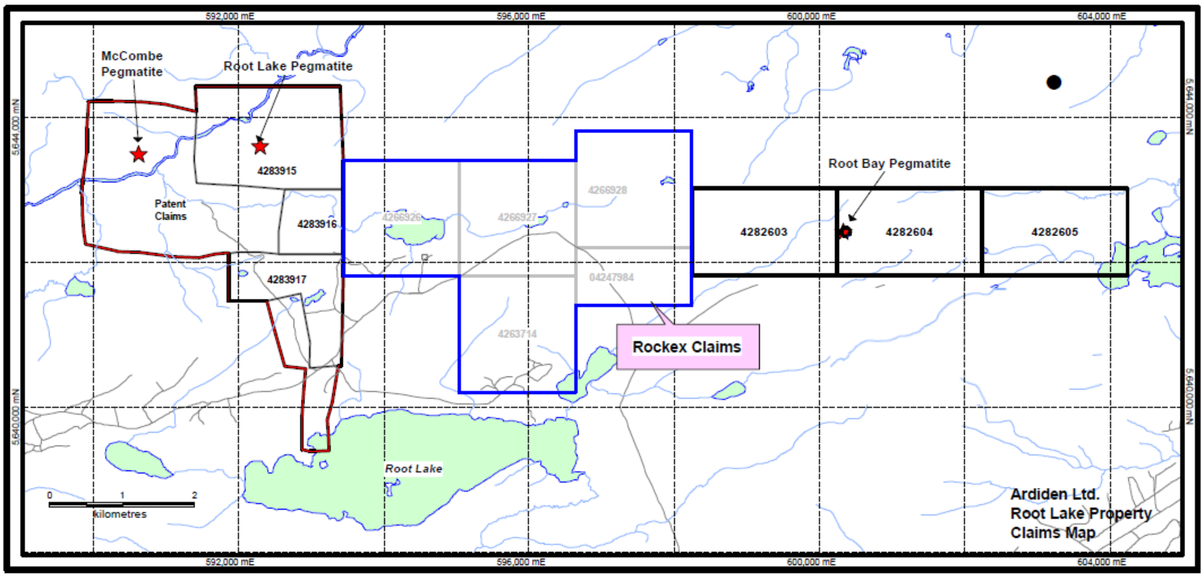

Figure 4. *Overview of the Root Bay project claims.*

SEYMOUR LAKE LITHIUM PROJECT

In 2016, Ardiden released assay results from the 150 drill core samples obtained during the maiden due diligence drilling program completed at the North Aubry prospect on the advanced **Seymour Lake Lithium Project** in Ontario, Canada. The assay results from the six drill holes verified the strong presence of lithium mineralisation at various grades, with outstanding lithium grades of up to **5.4% Li_2O** in drill hole SL-16-43, and mineralization being identified close to surface.

The logging and sampling of all six diamond drill holes **indicated that** more than 52% of the drill core (147.2m) being readily identified as spodumene pegmatite close to surface.
The assay results confirmed the original visual logging of the drill core, with 30% of all 150 drill core samples showing assay results greater than **2.0% Li_2O** and 15% of samples with grades above **3.0% Li_2O**.
Ardiden notes that 55% of assay results (82 samples) from the drill core graded above 1% Li_2O, and weighted an average grade of **2.4% Li_2O**.

Table 1 below highlights the various intervals of the drill holes, which contained lithium mineralisation that reported with the cut-off grade of 0.5% Li_2O and is expressed as the average grade for each drilled interval.

Table 1. *Average Grade (AG) results for drill holes SL-16-42, SL-16-43, SL-16-45 and SL-16-46 at Seymour Lake Lithium Project, using a cut-off grade of 0.5% Li_2O.*

Hole ID	East	North	Total Depth (m)	Dip	From (m)	To (m)	Interval (m)	Li_2O% (0.5% cut off)
SL-16-42	396965	5585125	47	90°	**11**	**16**	**5**	**2.6**
SL-16-42				includes	12	15	3	3.2
SL-16-42				includes	12	13	1	4.6
SL-16-42	396965	5585125	47	90°	**20**	**33**	**13**	**2.3**
SL-16-42				includes	21	23	2	3.1
SL-16-42				includes	24	30	6	2.9
SL-16-42				includes	22	23	1	3.7
SL-16-42				includes	24	25	1	4.1
SL-16-42				includes	28	29	1	4.3
SL-16-42				includes	29	30	1	3.6
SL-16-43	396949	5585098	27	90°	**2.8**	**14**	**11.2**	**2.7**
				includes	2.8	6.9	4.1	3.9
SL-16-43				includes	4.8	5.9	1	5.4
SL-16-43				includes	2.8	12	9	3
SL-16-45	396949	5585132	57	45°	**1.5**	**15.5**	**14**	**1.8**
SL-16-45				Includes	1.5	6.5	5	2.4
SL-16-45				Includes	4.5	6.5	2	3.0
SL-16-45				Includes	9.5	10.5	1	3.3
SL-16-45	396949	5585132	57	45°	**18.5**	**30.5**	**12**	**2.6**
SL-16-45				Includes	19.5	22.5	3	2.6
SL-16-45				Includes	25.5	30.5	5	3.5
SL-16-45	396949	5585132	57	45°	**31.5**	**35.5**	**4**	**1.5**
SL-16-46	396949	5585098	39	45°	**7**	**10**	**3**	**2.2**
SL-16-46				Includes	8	9	1	4.1
SL-16-46	396949	5585098	39	45°	**12**	**15**	**3**	**2.9**
SL-16-46				Includes	13	15	2	3.3
SL-16-46	396949	5585098	39	45°	**16**	**21**	**9**	**2.1**
SL-16-46				Includes	17	19	2	3
SL-16-46	396949	5585098	39	45°	**22**	**23**	**1**	**2.4**
SL-16-46	396949	5585098	39	45°	**25**	**28**	**3**	**2.4**

The Company confirms that 67% of the assay results (100 samples) from the drill core reported above the 0.5% Li_2O cut-off grade. The remaining 50 samples fell below the cut-off grade and were not reported.

Latest drill core results indicated that the potential of Seymour Lake is a quality lithium deposit. The results have increased the Company's confidence in the historical drill data and the prospectivity of the Seymour Lake Project.

The significant potential of the Seymour Lake Project was highlighted by drill hole SL-16-45, which intersected almost 36 metres of spodumene mineralisation with an average lithium grade of **1.8% Li_2O** (refer to Table 2 below).

Table 2. *Overall length and average grade of the lithium mineralisation zones for drill holes SL-16-42, SL-16-43, SL-16-45 and SL-16-46 at Seymour Lake Lithium Project*

Hole ID	East	North	Total Depth (m)	Dip	From (m)	To (m)	Interval (m)	Li_2O%
SL-16-42	396965	5585125	47	90°	8	35.1	**27.1**	1.7
SL-16-43	396949	5585098	27	90°	1.5	16.7	**15.2**	1.9
SL-16-45	396949	5585132	57	45°	1.5	37	**35.5**	1.8
SL-16-46	396949	5585098	39	45°	6	35.5	**29.5**	1.3

The results are very encouraging comparing to other spodumene-lithium deposits around the world, where average lithium grades between 1.1% to 1.3% Li_2O are deemed to be economic.

Average lithium grades from the latest drilling results show that each drill hole is equal to or above this global average. The average grade of all six drill holes (which encountered a total of 147.2m of spodumene mineralisation) is **1.46% Li_2O**.

Figure 5. *Drill core from the Seymour Lake Project showing multiple intersections of spodumene mineralisation in the pegmatite structures.*

Ardiden's targeted due diligence drilling program validated historical drill holes and provided sufficient drill core samples to undertake full metallurgical analysis for the due diligence review.

The cross-section (Figure 6 below) highlights the large outcropping zone of the pegmatite structure at the North Aubry prospect. The main pegmatite structure at the North Aubry prospect is hosted in a vertically stacked series of gently dipping pegmatite sills. The structure has been confirmed at least 250m wide and 300m long, and remains open in two or more directions.

The assay results from drill holes SL-16-42 and SL-16-45 (highlighted in blue) in Figure 6 below, validate the previous historical drill results, which show substantial and continuous zones of high grade lithium mineralisation.

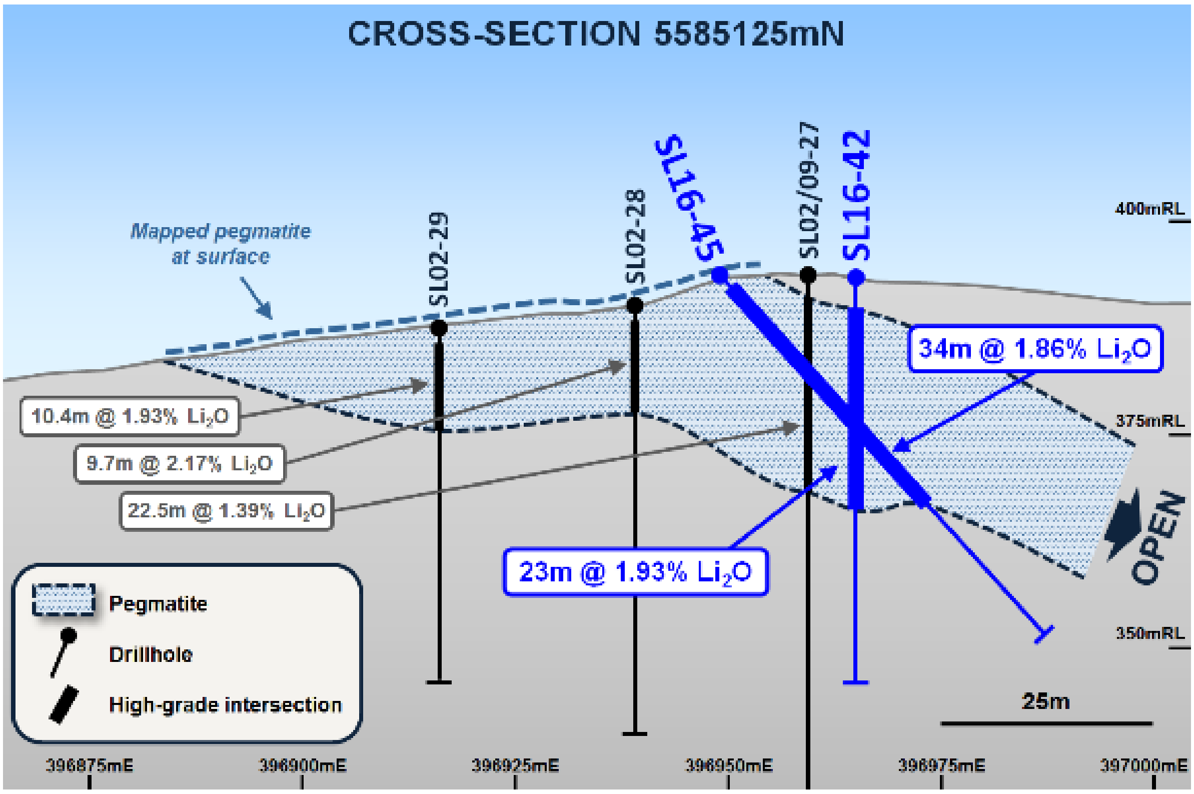

Figure 6. *Cross Section showing high grade lithium oxide intercepts on pegmatite structure at North Aubry. Highlighted in blue are the Ardiden due diligence drill holes SL-16-42 and SL-16*

FURTHER LITHIUM POTENTIAL
From the due diligence review, Ardiden confirmed that at least five additional drill-ready targets have been identified at the North and South Aubry prospects at the Seymour Lake Lithium Project (see Figure 7 below).

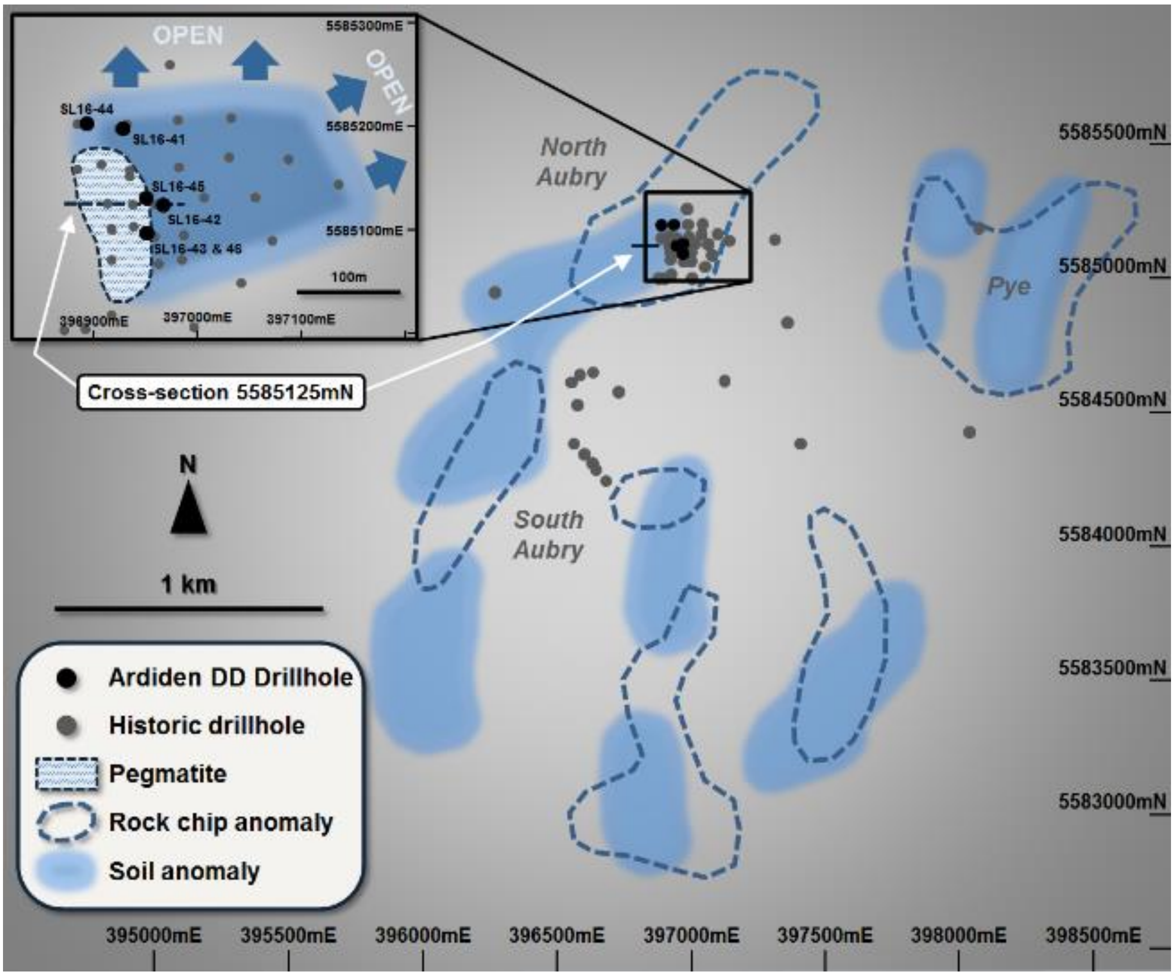

Figure 7. *Drill collar map for North and South Aubry prospects. Further drill targets identified at the Seymour Lake lithium project in the Rock Chip and Soil anomalous zones.*

In addition, regional mapping at the project identified a further pegmatite structure (Pye), located approximately 1km due east of the North Aubry prospect, which has not been explored or drilled. The Pye prospect provides a further significant opportunity for Ardiden to expand the known high grade lithium mineralisation zones at the project.

At the end of the financial year, Ardiden's geological team has now successfully mapped and channel sampled across the North Aubry, South Aubry and Pye prospects, with further mapping underway in surrounding areas. The structural mapping program has confirmed the presence of significant lithium mineralisation throughout the pegmatite swarm at North Aubry.

The channel samples will help Ardiden to identify the most prospective zones and allow definitive target generation within the pegmatite structures, while also providing data for planned drilling program and future resource definition.

Figure 8. *North Aubry – close-up of spodumene crystal horizontal at surface (left); Prolific showing of spodumene crystals which have formed horizontally and vertically in the pegmatite (right)*

The information on the structural controls and morphology of the mineralisation at the North Aubry, South Aubry and Pye prospects should assist the Company's geological team to locate and identify sufficient mineralisation at the Seymour Lake project, to underpin resource delineation drilling programs, which are aimed at defining a lithium resource in accordance with JORC (2012) guidelines.

The structural knowledge has already assisted the Company to identify potential extensions of known mineralised zones and new mineralised areas. To date, the geological team has now identified 19 additional pegmatite occurrences at the Seymour Lake project.

Ardiden looks forward to providing further updates and results from this mapping, sampling and exploration programs as they come to hand.

ROOT LAKE LITHIUM PROJECT

Ardiden confirmed on 10 May 2016, the commencement of the due diligence drilling program on the McCombe pegmatite at the 100% owned advanced **Root Lake Lithium Project** in Ontario, Canada.

Early intersection of spodumene-bearing pegmatite structures at the Root Lake Lithium Project meant that Ardiden only needed to complete 8 diamond drill holes, for a total of 467.5 drilled metres.

The limited and targeted twin holes of the drilling program was completed and validated historical drill holes and resource results.

The drilling provided Ardiden with sufficient drill core samples in order to undertake full metallurgical analysis, including a metallurgical drill-hole of almost 69 metres of pegmatite. The results verified the down-dip extension of the mineralisation zones of the historic resource at the McCombe pegmatite.

Initial logging of the completed drill holes has immediately confirmed the strong presence of **lithium** mineralisation at the Root Lake Project, with numerous occurrences being readily identified as spodumene pegmatite.

Figure 9. *Drill Core from the Root Lake project showing multiple intersection of Spodumene mineralisation in the pegmatite structures.*

Ardiden confirms 162 drill core samples were logged, cut and prepared from the eight diamond drill holes delivered to the ActLabs in Thunder Bay for analysis.

A review of the drill core has shown that there are substantial zones of the spodumene pegmatite near-surface with the widths of up to 14m.

The drilling has delivered visible confirmation of the spodumene pegmatite structures in supporting of the historical data and continuity of the mineralisation zones at Root Lake.

The drilling results assisted Ardiden to define the boundaries of the main outcropping spodumene-bearing pegmatite structures at the project and assay results validated the historical reported lithium grades at the McCombe pegmatite. This provided Ardiden with greater confidence in the prospectivity of the project and potential to define a JORC Compliant lithium resource.

The Root Lake Lithium Project includes a number of known lithium occurrences including the McCombe pegmatite (*known strike length of 550m*) and the Root Lake pegmatite (*known strike length of 1,200m*). The claims area and location of the pegmatites is shown in Figure 10 below.

MCCOMBE SPODUMENE-BEARING PEGMATITE

Lithium mineralisation at the Root Lake Project is associated with spodumene bearing pegmatites which are found at several locations in the project area. A significant occurrence, the McCombe pegmatite, is located in the north-western portion of the Root Lake project.

Capital Lithium Mines Ltd completed a diamond drilling programme on the Root Lake property in 1956, consisting of 55 drill holes for 10,442m. Capital Lithium Mines Ltd estimated a 2,333,752 tonne resource (NB: Not JORC or NI 43-101 compliant) of McCombe pegmatite with grade of 1.3% Li_2O. This non-compliant resource covers less than 5% of the Project area.

The McCombe pegmatite is located on a patent claim. Patent claims are an historical form of land tenure granted in Ontario that is more akin to freehold land and may therefore (in certain circumstances) allow for a more accelerated development pathway. A further technical review of the Root Lake patent claims will be undertaken as part of the due diligence process. The due diligence review also includes a review of available borehole logs, assay depths, drill collar coordinates, drill orientations and cross-sections from the McCombe and Root Lake pegmatites.

FURTHER LITHIUM POTENTIAL

Ardiden confirms that a review of historical mapping and exploration reports has enabled the Company's exploration team to identify a further outcropping pegmatite structure which is located approximately 3km to the south of the Root Lake pegmatite structure and has not yet been properly explored or drilled.

The review has also identified the potential expansion of the McCombe and Root Lake lithium-bearing pegmatite structures which are yet to be fully defined and remain open in all directions. **This will provide Ardiden with the opportunity to further expand the known lithium mineralisation zones on the Root Lake Lithium Project.**

The assay results included **several thick intercepts of lithium mineralisation** with all 151 drill core samples from the program returning various grades of lithium, including an exceptional grade of **3.8% lithium oxide** (Li_2O).

Figure 10. *Drill core from the Root Lake Project showing multiple intersections of spodumene mineralisation in the pegmatite structures.*

Logging and sampling of all eight diamond drill holes **confirmed the strong presence of spodumene**. In addition, the assay results have confirmed the original visual logging of the drill core, with **60%** of all 151 drill core samples returning assay results greater than **1.0% Li_2O** (averaging 1.8% Li_2O) and 38% of samples returning lithium grades above **1.5% Li_2O** (averaging 2.2% Li_2O).

Table 3 below highlights the various intervals of the drill holes which contained lithium mineralisation that reported above the cut-off grade of 1.0% Li_2O and is expressed as the average grade for each drilled interval.

Table 3. *Average grade results for drill holes RL-16-01, RL-16-01A, RL-16-02, RL-16-03, RL-16-04, RL-16-05, RL-16-06 and RL-16-07 at Root Lake Lithium Project, using a cut-off grade of 1.0% Li_2O.*

Hole ID	East	North	Total Depth (m)	Dip	From (m)	To (m)	Interval (m)	Li_2O% 1.0% Cut-off
RL-16-01	590794	5643600	30	-45	27.3	30	2.7	1.3
RL-16-01A	590792	5643600	75	-45	26.2	33.2	7	1.5
RL-16-02	590790	5643615	26.5	-73.8	13	15	2	1.6
RL-16-02	590790	5643615	26.5	-73.8	16	20	4	1.8
				includes	17	19	2	2.2
RL-16-03	590725	5643582	72	-46.3	52.5	57.5	5	1.6
RL-16-04	590726	5643623	41	-46	20	22	2	1.3
RL-16-04	590726	5643623	41	-46	26	30	4	2.0
RL-16-05	590853	5643552	80	-46	69.4	72.4	3	1.7
RL-16-05	590853	5643552	80	-46	74.4	75.4	1	1.4
RL-16-06	590734	5643650	90	-59	4	6	2	1.3
RL-16-06	590734	5643650	90	-59	7	22	15	1.8
				includes	7	13	6	2.2
				includes	8	9	1	3.8
				includes	12	13	1	2.7
RL-16-06	590734	5643650	90	-59	24	33	9	2.0
				includes	26	29	3	2.3
				includes	26	27	1	2.5
RL-16-06	590734	5643650	90	-59	34	41	7	2.4
				includes	36	40	4	3.1
				includes	36	37	1	3.6
RL-16-06	590734	5643650	90	-59	42	44	2	1.1
RL-16-06	590734	5643650	90	-59	45	52	7	2.5
				includes	46	52	6	2.7
				includes	46	49	3	3.3
RL-16-06	590734	5643650	90	-59	53	56	3	2.7
				includes	53	54	1	3.2
RL-16-06	590734	5643650	90	-59	58	62	4	2.0
				includes	59	61	2	2.3
RL-16-06	590734	5643650	90	-59	64	71	7	1.7
				includes	65	70	5	2.0
RL-16-07	590848	5643594	54	-46	27	28	1	1.3
RL-16-07	590848	5643594	54	-46	42	45	3	1.7

The significant potential of the Root Lake Project is highlighted by drill hole RL-16-06, which intersected 70 metres of lithium mineralisation with an average lithium grade of **1.7% Li_2O** (refer to Table 4 below). Importantly, this hole verifies the down-dip extension of the lithium mineralisation zones of the historical resource at the McCombe pegmatite.

Table 4. *Overall length and average grade of the lithium mineralisation zones for drill holes RL-16-01, RL-16-01A, RL-16-02, RL-16-03, RL-16-04, RL-16-05, RL-16-06 and RL-16-07 at Root Lake Lithium Project*

.Hole ID	East	North	Total Depth (m)	Dip	From (m)	To (m)	Interval (m)	Li_2O%
RL-16-01	590794	5643600	30	-45	25.3	30	4.7	0.99
RL-16-01A	590792	5643600	75	-45	24.2	35.9	11.7	1.0
RL-16-02	590790	5643615	26.5	-73.8	9	22.4	13.4	1.0
RL-16-03	590725	5643582	72	-46.3	51.5	62.5	11	1.1
RL-16-04	590726	5643623	41	-46	17	33	16	0.94
RL-16-05	590853	5643552	80	-46	67.4	77	9.6	0.86
RL-16-06	590734	5643650	90	-59	4	74	70	1.7
RL-16-07	590848	5643594	54	-46	27	47	20	0.62

The assay results from the maiden drill program have verified the presence of various significant zones of high-grade lithium mineralisation located at or close to surface at the McCombe pegmatite, validating historical reports that the Root Lake Project has the potential to host multiple high-grade spodumene structures.

Ardiden notes that a review of all 151 drill core samples taken from the eight drill holes completed as part of the due diligence drill program at Root Lake indicated that the average grade was an impressive **1.3% Li_2O**.

FURTHER LITHIUM POTENTIAL

The assay results from the limited maiden drill program have validated historic results and confirmed the potential for the Root Lake Project to contain multiple high quality spodumene structures.

The McCombe pegmatite structure is hosted in a vertically stacked series of dipping pegmatite sills. The best exposed part of these pegmatite dikes, situated toward the west end, has been mapped historically. Dike 1 is the largest and is intermittently exposed for a strike length of 176m and maximum width of 15m. Dike 2 is lens-shaped in plan and measures 19m by 87m (Figure 11).

As a result of the due diligence review, Ardiden confirms that multiple drill-ready targets have now been identified on the McCombe and Root Lake pegmatite structures at the Root Lake Lithium Project (see Figures 11 and 12 below) which have the potential to significantly expand the known zones of lithium mineralisation.

These drill targets have been identified covering the McCombe pegmatite (known strike length of 550m) and the Root Lake pegmatite (known strike length of 1,200m).

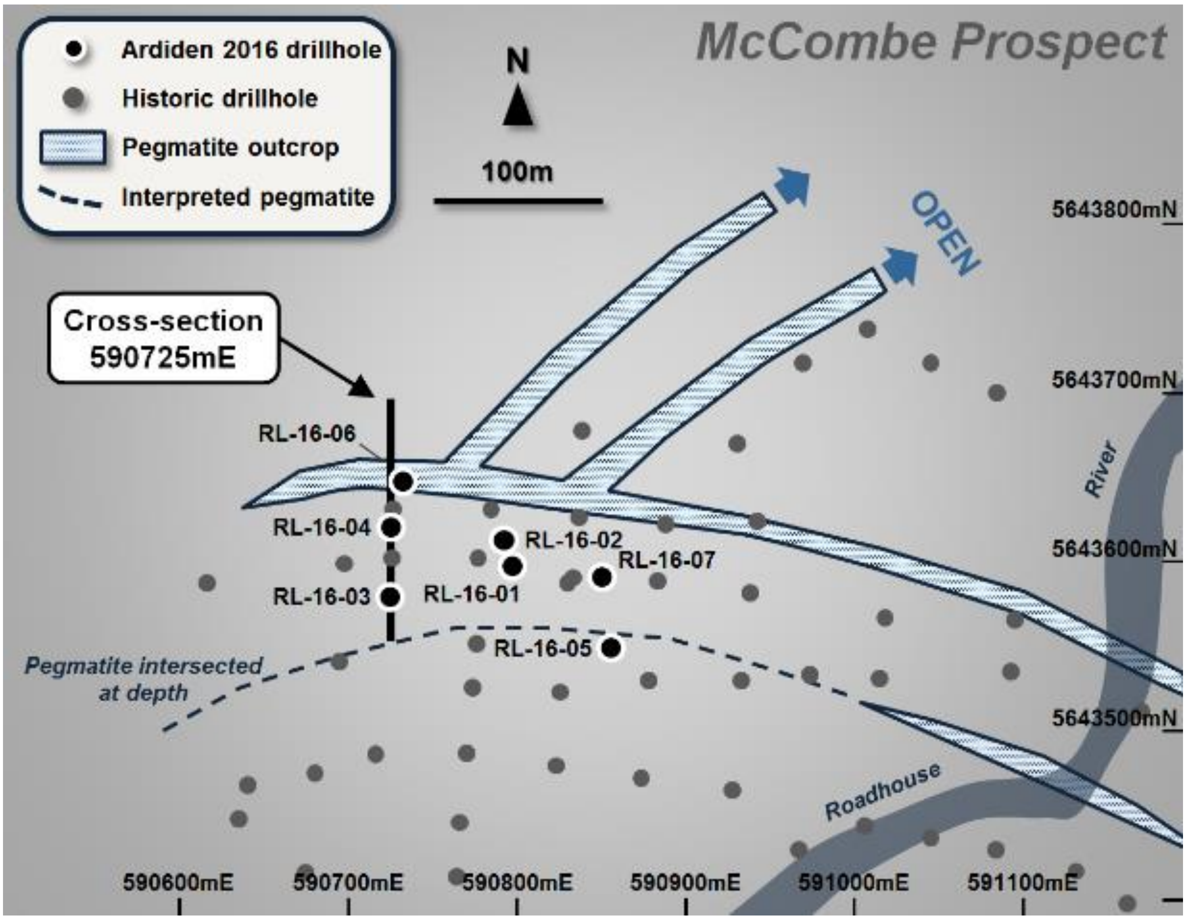

Figure 11. *Drill collar map for the historic and current drilling completed at the McCombe pegmatite. Also highlighted are the outcropping pegmatites structures and potential extensions of the mineralisation zones*

The review has confirmed that the majority of the exploration has previously been focused on the McCombe prospect and only limited and incomplete exploration has been undertaken across the rest of the project area, including the Root Lake prospect; highlighted that the lithium-bearing pegmatite structures at the McCombe and Root Lake prospects.

Figure 12 below shows a more regional view of the McCombe Root Lake prospects on the project, including the McCombe and Root Lake pegmatites and highlighting the various outcropping pegmatites structures, current and historical trenches and drilling, and the potential extensions of the lithium mineralisation zones.

The Root Lake prospect is encouraging with a known strike length of 1,200m which remains open both to the east and west. The historical drilling completed in 1956 intersected a pegmatite structure at depth (~25-30m below surface), confirmed the presence of spodumene with grades of up to 2.62% Li_2O being reported.

In 2009/2010, Golden Dory completed a trenching and sampling program on the outcropping zones of the pegmatite structure, which is located approximately 75m to 100m north of the historical drilling locations. Golden Dory reported grades of up 4.43% Li_2O being obtained from those trench samples.

These historical high grade intersection of Li_2O at the Root Lake prospect are consistent with the high grades identified at the McCombe prospect and provide Ardiden with greater confidence in the project.

The Company will undertake an exploration program to confirm if the pegmatite intersected at the Root Lake prospect in the historical drilling by Golden Dory is in fact the same pegmatite structure that is outcropping to the north.

The next phase of exploration for Ardiden at the Root Lake Project prior to undertaking further drilling is likely to include an analysis of the current and historical data in conjunction with a detailed geological and structural mapping program, in order to develop a better understanding of the pegmatites and the influence of the surrounding structures, and the relationship and potential connection between the McCombe and Root Lake pegmatites.

If the connection between the McCombe and Root Lake pegmatites is confirmed during this next phase of exploration, **Ardiden will dramatically expand the known lithium mineralisation zones** at the Project.

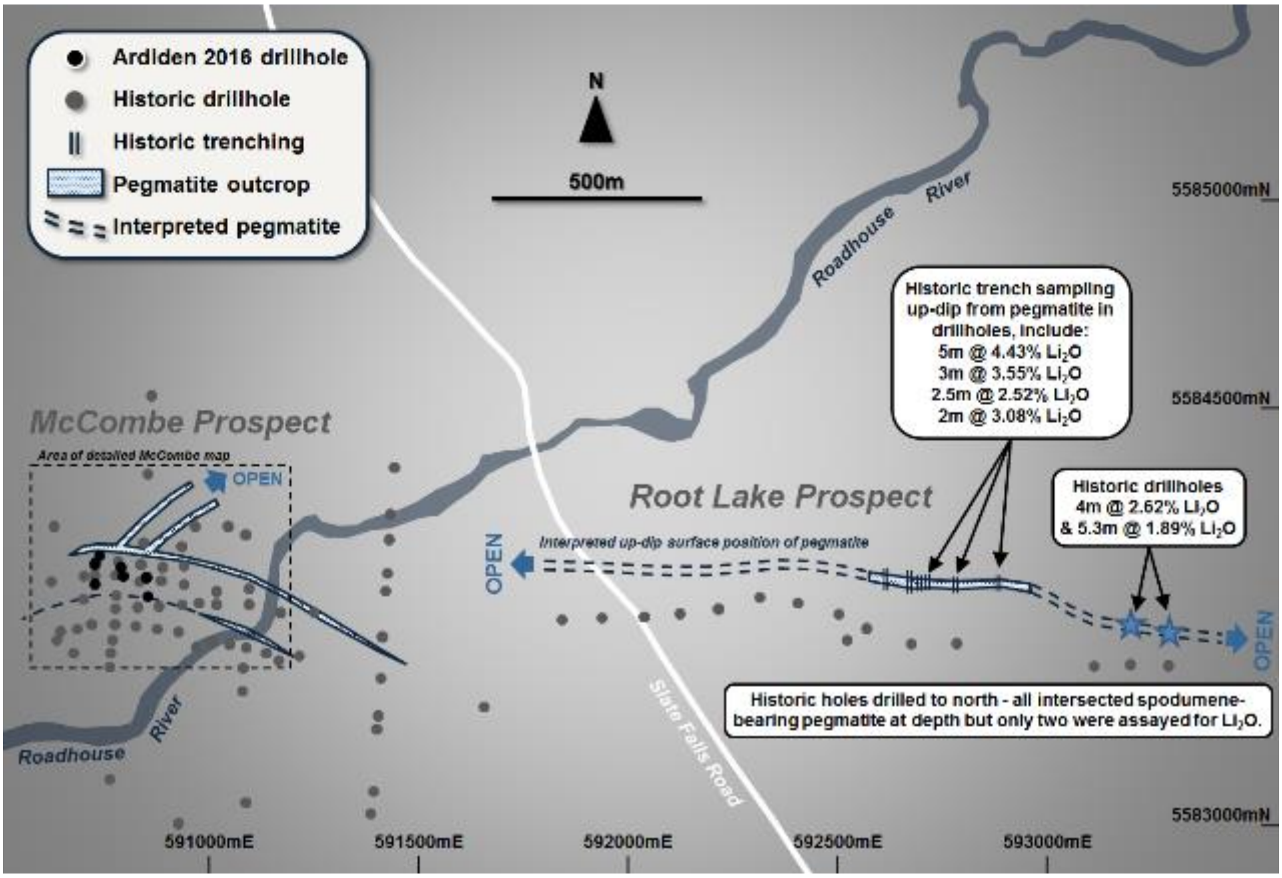

Figure 12. *Overall map showing the location of the McCombe and Root Lake pegmatites on the Root Lake lithium project. Highlighted are the outcropping pegmatites structures, current and historic trenches and drilling and the potential extensions of the mineralisation zones.*

MANITOUWADGE GRAPHITE PROJECT

The preliminary results from the 2015 drilling program at its 100%-owned Manitouwadge Graphite Project in Ontario, Canada, identified the Silver Star North prospect as a priority focus for resource definition and further significantly upgraded the potential scale and quality of the overall project.

The Manitouwadge Project is also located in the Thunder Bay District, a leading mining jurisdiction in Ontario with key infrastructure including a skilled mining workforce, excellent infrastructure (including a rail line 10km from tenements) and sealed and logging roads providing good access to site.

In late 2015 to early 2016, a 2,000m drilling program was completed at Manitouwadge Flake Graphite Project, Canada. Preliminary drilling and assay results confirm the potential for development of a high quality jumbo flake graphite project with key outcomes including:

Widths of up to 41.6m (true width ~30m) of graphitic gneiss intersected in drilling;

High grade assay results at the previously unexplored Silver Star North Project, including:

- 13.15m at 4.72%Cg (including 2.26m at 14.19% Cg) (MET-02)
- 18.0m at 4.52% Cg (including 2.07m at 12.5% Cg) (MET-02)
- 12.0m at 4.14% Cg (including 3.0m at 11.7% Cg) (EM 12-01)
- 6.0m at 4.59% Cg (including 1.0m at 9.1% Cg) (EM 12-01)
- 5.0m at 5.1% Cg (including 1.0m at 8.3% Cg) (EM 12-04)
- 41.6m at 2.71% Cg including 17m at 4.23% Cg (including 3m at 12.65% Cg) (EM 12-05)

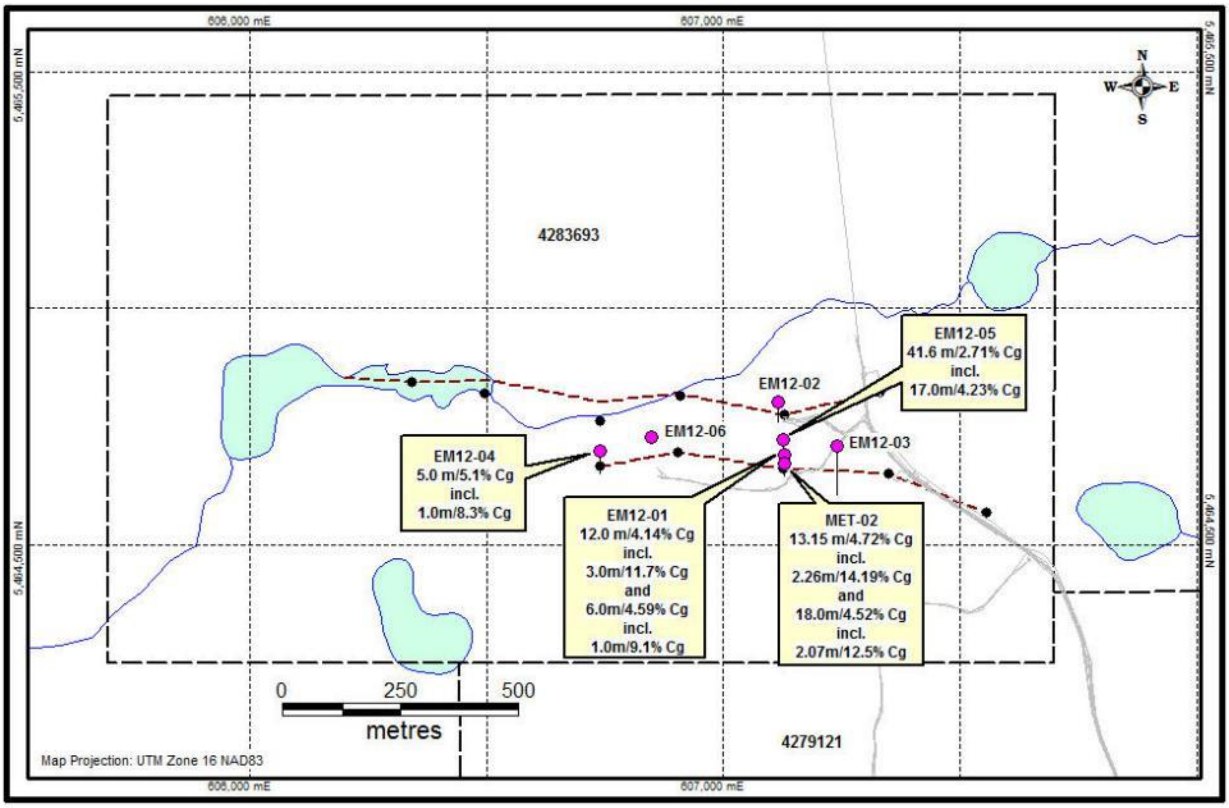

Figure 13. *Silver Star North with drill holes and grades noted*

The Silver Star North Project has provided outstanding results to date, and will now become the initial target for delineating a maiden JORC compliant resource. Silver Star North represents less than 5 per cent of the EM anomaly strike length identified at Manitouwadge, highlighting the immense potential of the landholding.

Exploration completed to date has confirmed high quality graphite coincident with strong EM anomalies along 10km of the potential 19.3km strike length identified using EM surveys. The remaining 9.3km of EM strike length was not tested in the current program and, remains highly prospective for additional discoveries during 2016 field programs.

Previous metallurgical testwork on drill core samples at the Thomas Lake Road Prospect confirmed that up to 80% of the graphite is jumbo or large flake in size, gravity and flotation beneficiation produces graphite product of 96.8% Cg for jumbo flake and 96.8% Cg for large flake. Further metallurgical test work will be conducted to confirm that high proportions of recoverable jumbo and large flake graphite are present at Silver Star North by previous petrographical studies.

Initial petrographic data sourced from Silver Star North indicates potential for jumbo (>300 microns) and super jumbo (>500 microns) flake size with graphite flakes measuring up to 4,200 microns confirmed to date (see below)–multiples larger than any identified at the project to date. Jumbo and super jumbo graphite attracts a significant price premium to fine and medium flake graphite.

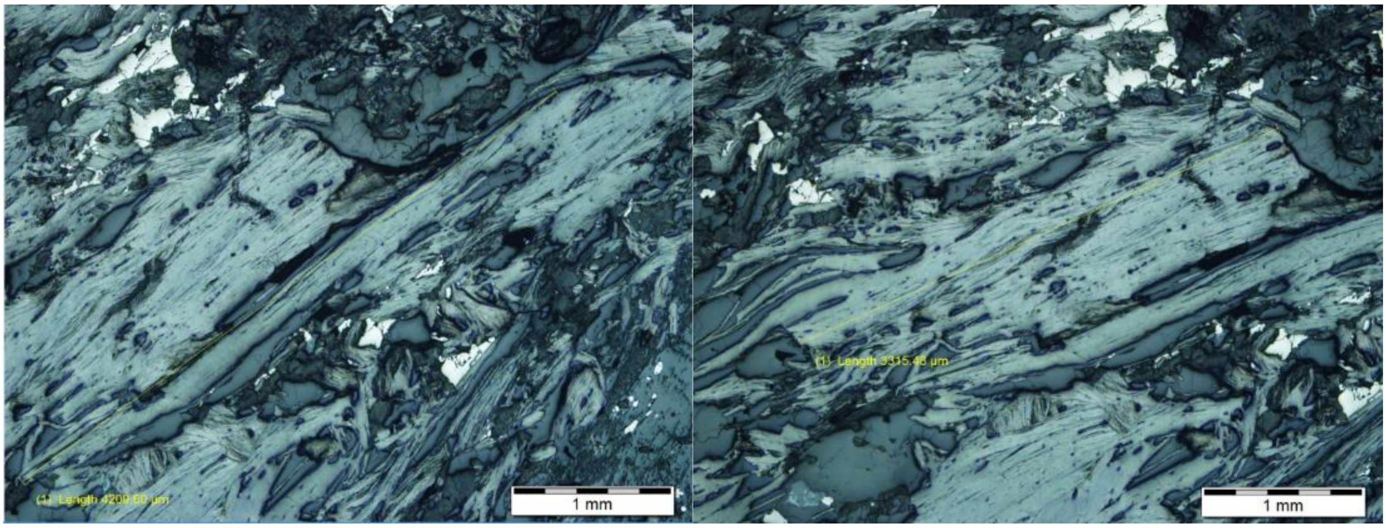

Figure 14. *Petrographic slices from EM 12-05 – Flake size of 4,209 micron on left and 3,315 micron on right. Super jumbo graphite is defined as graphite with a flake size of >500 microns. (Source: Vancouver Petrographics)*

Figure 15. *Graphite core from current drilling at Manitouwadge graphite project in Ontario, Canada (Hole EM 12-05 at Silver Star Prospect)*

The results from the 2015 drilling program are highly encouraging and have significantly enhanced the potential of the Manitouwadge Project to be developed into a supplier of the rapidly growing large and jumbo flake graphite markets. Ardiden is planning a limited structural review and interpretation of the drill core from Silver Star North prospect fromthe review. Adrilling program is planned for late 2016 to target a maiden resource at Silver Star North and to determine the extent of exceptionally high grade intercepts in holes MET-02, EM 12-01 and EM 12-05.

7. FINANCIAL POSITION & OPERATING RESULTS

The financial results of the Group for the financial year ended 30 June 2016 are:

	30-Jun-16	30-Jun-15	% Change
Cash and cash equivalents ($)	4,032,414	200,751	1909%
Net assets ($)	5,188,051	590,833	778%
Revenue ($)	6,336	109,864	(94%)
Net loss after tax ($)	(578,908)	(597,596)	(3%)
Loss per share (cents)	(0.10)	(0.18)	(46%)

8. FINANCING AND INVESTING ACTIVITIES

The Company issued the following securities during the year:

- On 22 October 2015, the Company completed its share purchase plan and raised $780,305 via the issue of 130,050,877 shares at $0.006 per share.
- On 22 October 2015, the Company completed a private placement to unrelated sophisticated investors and raised $245,000 via the issue of 40,833,333 shares at $0.006 per share.
- On 22 October 2015, the Company issued 3,000,000 shares at $0.006 per share to consultants in lieu of services provided to the Company.
- On 11 January 2016, 22 January 2016 and 12 February 2016, the Company issued 16,000,000, 19,000,000 and 6,500,000 shares respectively, via the conversion of performance options.
- On 22 January 2016, the Company issued 1,749,988 shares at $0.0114 per share to drilling and exploration contractors in lieu of cash payment for services rendered.
- On 4 April 2016, the Company completed a private placement to sophisticated investors and raised $1,250,000 via the issue of 48,076,923 shares at $0.026 per share.
- On 10 May 2016, the Company issued 131,574 shares at $0.038 per share to consultants in lieu of services provided to the Company.
- On 16 June 2016, the Company completed a private placement to sophisticated investors and raised $2,880,000 via the issue of 90,000,000 shares at $0.032 per share.

9. DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends.

10. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors, there were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year under review not otherwise disclosed in this report or in the financial report.

11. EVENTS SUBSEQUENT TO REPORTING DATE

On 1 July 2016, the Company issued conditional performance options to Directors as approved by Resolutions 1 to 6 at the Company's General Meeting. The following unlisted conditional performance options were issued:

- 10,000,000 options at an exercise price of $0.02, with an expiry date of 31 December 2017 and
- 10,000,000 options at an exercise price of $0.04, with an expiry date of 1 July 2019.

On 1 July 2016, the Company issued 1,000,000 conditional performance options at an exercise price of $0.04, with an expiry date of 1 July 2019 to an employee under the Company's ESOP.

On 7 July 2016, the Company appointed highly experienced international mining executive Dr Michelle Li as a non-executive Technical Director. Dr Li, has more than 20 years of international mining experience, including senior executive roles with mining companies such as Grange Resources, Citic Pacific, Rio Tinto and Iluka Resources. Dr Li brings valuable technical and operational expertise to the Company as it advances its key lithium and graphite projects in Canada to the next stage.

On 11 July 2016, the Company formally exercised its option to acquire 100% of the Root Lake Lithium Project in Ontario, Canada, following completion of a due diligence review of the project, including a successful maiden drilling program. Following the exercise of the option to acquire 100% of the Root Lake Lithium Project and receipt of appropriate documentation from Landore Resources Canada Inc. ("Landore"), arrangements were made to pay the option fee of C$150,000 cash and C$150,000 worth of Ardiden shares (at the 20-day VWAP prior to the ASX Announcement dated 10 February 2016) to Landore. On 26 July 2016 the Company met the final payment of cash and issued the required shares to Landore as per the terms of the option agreement.

On 13 July 2016, the Company further expanded its lithium portfolio in Canada after staking and securing the grant of the Root Bay Lithium Project in Ontario, Canada, located immediately adjacent to its recently acquired Root Lake Project.

On 26 July 2016 the company issued 500,000 ordinary shares to a consultant of the Company for the services rendered in relation to the acquisition of the Root Lake Lithium Project.

On 22 August 2016 the Company issued the first of two tranches comprising of CAD 250,000 ordinary shares as required under the option agreement for the acquisition of the Seymour Lake Lithium Project from Stockport. Ardiden also continued to make progress payments of CAD $25,000 every 90 days to Stockport as per the terms of the option agreement. The Company therefore issued 22,054,112 fully paid ordinary shares, the issue price per share was a 20 day VWAP calculated before the option was announced which was $0.0114 per share.

Apart from the above, no other matters or circumstances have arisen, since the end of the financial year, which significantly affected, or may significantly affect, the operations of the Consolidated entity, the results of those operations, or the state of affairs of the Consolidated entity in subsequent financial years.

12. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company will continue to pursue its principal activity of exploration and evaluation, particularly in respect to its Lithium and Graphite Projects, as outlined under the heading 'Operating and Financial Review' of this Report. The Company will also continue to pursue other potential investment opportunities to enhance shareholder value.

Exploration Risk

Mineral exploration and development are high-risk undertakings, and there is no assurance that exploration of the Tenements will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents and many other factors beyond the control of the Company.

13. MEETINGS OF DIRECTORS

The numbers of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended
Neil Hackett	8	8
Piers Lewis	8	8
Brad Boyle	5	5
Dr Michelle Li	n/a	n/a
James Thompson	3	3

14. REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director and executive of Ardiden Limited. The information provided in the remuneration report includes remuneration disclosures that are audited as required by the Corporations Act 2001 and its regulations.

For the purposes of this report Key Management Personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report the term "executive" includes those key management personnel who are not directors of the parent company.

Remuneration Committee

During the year the Board carried out the role and responsibilities of the Remuneration Committee and is responsible for determining and reviewing the compensation arrangements for the Directors themselves. On 5 August 2016 a formalised remuneration committee was set up and the committee charter can be found on the Company website in the corporate governance section.

Executive remuneration is reviewed annually having regard to individual and business performance, relevant comparative remuneration and internal and independent external advice.

A. Remuneration policy

The Board policy is to remunerate directors at market rates for time, commitment and responsibilities. The Board determines payments to the directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of non-executive directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. Fees for non-executive directors are not linked to the performance of the Consolidated Entity. However, to align directors' interests with shareholders' interests, the directors are encouraged to hold shares in the Company.

The Company's aim is to remunerate at a level that will attract and retain high-calibre directors and employees. Company officers and directors are remunerated to a level consistent with the size of the Company.

The Company does not have a policy for limiting directors and executives' exposure to compensation shares or options.

B. Remuneration structure

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

Non-Executive Director Compensation

Objective

The Board seeks to set aggregate compensation at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure
The Constitution and the ASX Listing Rules specify that the aggregate fees of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination approved by shareholders was an aggregate fees of $250,000 per year.

The amount of aggregate compensation sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. Non-Executive Directors' remuneration may include an incentive portion consisting of options, as considered appropriate by the Board and so as to conserve cash, which may be subject to Shareholder approval in accordance with ASX listing rules.

Separate from their duties as Directors, the Non-Executive Directors undertake work for the Company directly related to the evaluation and implementation of various business opportunities, including mineral exploration/evaluation and new business ventures, for which they receive a daily rate. If required, these payments are made pursuant to individual agreement with the non-executive Directors and are not taken into account when determining their aggregate remuneration levels.

Executive Compensation
Objective
The Company aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the Company so as to:

- reward executives for company and individual performance against targets set by appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Company; and
- ensure total compensation is competitive by market standards.

Structure
In determining the level and make-up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Remuneration consists of a fixed remuneration and a long term incentive portion as considered appropriate.

Compensation may consist of the following key elements:

- Fixed Compensation; and
- Variable Compensation;
  - Short Term Incentive (STI); and
  - Long Term Incentive (LTI).

Fixed Remuneration
The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board having regard to the Company and individual performance, relevant comparable remuneration in the mining exploration sector and external advice.

The fixed remuneration is a base salary or monthly consulting fee.

Variable Pay - Long Term Incentives
The objective of long term incentives is to reward directors/executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The incentive portion is payable based upon attainment of objectives related to the director's/executive's job responsibilities. The objectives vary, but all are targeted to relate directly to the Company's business and financial performance and thus to shareholder value. Due to the exploration phase of the Company current remuneration is not linked to performance conditions and the Board has established detailed performance conditions which are reflected within LTI securities.

Long term incentives (LTI's) granted to directors/executives are delivered in the form of options.

LTI grants to Executives are delivered in the form of employee share options. These options are issued at an exercise price determined by the Board at the time of issue. The employee share options generally vest over a selected period.

The objective of the granting options is to reward Executives in a manner which aligns the element of remuneration with the creation of shareholder wealth. As such LTI's are made to Executives who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance. The Board feels that the expiring date and exercise price of options currently on issue to the directors and the executives are sufficient to align those of directors and executives with those of the shareholders. The Board will continue to monitor this policy to ensure that it is appropriate for the Company in future years.

The level of LTI granted is, in turn, dependent on the Company's recent share price performance, the seniority of the Executive and the responsibilities the Executive assumes in the Company.

Typically, the grant of LTIs occurs at the commencement of employment or in the event that the individual receives a promotion and, as such, is not subsequently affected by the individual's performance over time.

C. Employment contracts of directors and senior executives

<u>Contract with Neil Hackett as Non- Executive Chairman</u>
Term of Office: The contract is ongoing and on commercial terms with no additional termination benefits.
Fees: Mr Hackett is entitled to $2,500 per month plus GST. From 1 July 2016 this was increased to $3,500 per month plus GST.

<u>Contract with Piers Lewis as Non- Executive Director</u>
Term of Office: The contract is ongoing and on commercial terms with no additional termination benefits.
Fees: Mr Lewis is entitled to $2,500 per month plus GST. From 1 July 2016 this was increased to $3,500 per month plus GST.

<u>Contract with Brad Boyle as Executive Director</u>
Commencement Date: 11 February 2016
Term of Office: Continuing until the expiry date of 31 December 2016, otherwise renewable by agreement by the Board.
Salary: Part-time base salary of $78,000 per annum to work one day per week (8 hours). Should additional hours be required in excess of the base salary, the Company will pay an hourly rate of $200, capped to $1,600 per day.
Bonus: Each year the Company may pay a bonus up to the amount of 50% of the salary. Any bonus payable shall be at the discretion of the Board and shall not give rise to any obligation on the Company with respect to future Bonus payments.
Options: 10 million options in two tranches with the hurdles set as follows:

- Tranche 1 – a grant of 5 million options with a strike price of 2 cents per share, with an expiry date of 30 June 2017. The vesting hurdle for these options will include a minimum 20 day VWAY of 4 cents per share and subject to appropriate due diligence verifying the suitability of the projects for the company to proceed and either the successful close of Seymour lake acquisition, the Root Lake acquisition equivalent project. These options were approved by shareholders at the General Meeting on 1 July 2016.
- Tranche 2 – a grant of 5 million options with a strike price of 2 cents per share, with an expiry date of 30 June 2017. The vesting hurdle for these options will include a minimum 20 day VWAY of 4 cents per share and subject to the successful execution of an off-take agreement on terms acceptable to the Board of a minimum of 5,000tpa of contained lithium and / or 10,000tpa of contained graphite. These options were approved by shareholders at the General Meeting on 1 July 2016.

<u>Contract with Dr Michelle Li as Non- Executive Director</u>
Term of Office: The contract is ongoing and on commercial terms with no additional termination benefits.
Fees: Dr Li is entitled to $3,500 per month plus GST.

<u>Contract with James Thompson as Non- Executive Director</u>
Term of Office: The contract is ongoing and on commercial terms with no additional termination benefits.
Fees: Mr Thompson was entitled to $2,500 per month plus GST.
Resignation: Mr Thompson resigned as Non-Executive Director on 17 February 2016.

D. Details of remuneration for year

The following persons were directors of Ardiden Limited during the financial year:

- Neil Hackett (Non-Executive Chairman) - Appointed 5 June 2012
- Piers Lewis (Non-Executive Director) - Appointed 27 March 2012
- Brad Boyle (Executive Director) - Appointed 17 February 2016
- Dr Michelle Li (Non-Executive Technical Director) - Appointed 7 July 2016
- James Thompson (Non-Executive Director) - Appointed 5 June 2012, Resigned 17 February 2016

Executives

There were no other persons that fulfilled the role of a key management person, other than those disclosed as Executive Directors.

Remuneration

Details of the remuneration of each Director and named executive officer of the Company, including their personally-related entities, during the year was as follows:

	Short-term employee benefits			Post-employment benefits	Share-based payments		Percentage of remuneration consisting of options for the year
30-Jun-16	**Salary & fees $**	**Consulting fees $**	**Other fees $**	**Super-annuation $**	**Options & rights $**	**Total $**	**%**
Directors							
N Hackett (i)	30,000	-	-	-	5,835	**35,835**	16%
P Lewis (ii)	30,000	85,511	484	-	5,835	**121,830**	5%
B Boyle	52,039	-	-	4,944	-	**56,983**	-
J Thompson (iii)	18,966	105,862	-	-	29,174	**154,002**	19%
Sub-total	**131,005**	**191,373**	**484**	**4,944**	**40,844**	**368,650**	
Other Key Management							
None	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	
Total	**131,005**	**191,373**	**484**	**4,944**	**40,844**	**368,650**	

(i) Corporate Starboard Pty Ltd (a Company which Neil Hackett is a Director) received the following fees:

- 'Salary & fees' represent Director Fees totalling $30,000. Of these fees $2,500 is outstanding at 30 June 2016.
- Share-Based Payments: On 28 November 2014 the Company issued 3,000,000 unlisted conditional performance options to Mr Hackett. At 31 December 2015 the Board revalued the probability of the options being exercised to 40%, from 10% in 2015 financial year. As a result, the Company recorded an additional share based payment of $5,835.

(ii) Smallcap Corporate Pty Ltd (a Company which Piers Lewis is a Director) received the following fees:

- 'Salary & fees' represent Director fees totalling $30,000. Of these fees $2,500 is outstanding at 30 June 2016.
- 'Consulting fees' represent corporate services & accounting fees totalling $85,511. Of these fees $6,636 was outstanding at 30 June 2016.
- 'Other fees' represent telephone & storage fees totalling $484. Of these fees $40 is outstanding at 30 June 2016.
- Share-Based Payments: On 28 November 2014 the Company issued 3,000,000 unlisted conditional performance options to Mr Lewis. At 31 December 2015 the Board revalued the probability of the options being exercised to 40%, from 10% in 2015 financial year. As a result, the Company recorded an additional share based payment of $5,835.

(iii) Ophiolite Consultants Pty Ltd (a Company which James Thompson is an Associate) received the following fees:

- 'Salary & fees' represent Director Fees totalling $18,966.
- 'Consulting fees' represent corporate service fees to review Canadian Graphite and Lithium Projects, totaling $105,862.
- Share-Based Payments: On 28 November 2014 the Company issued 15,000,000 unlisted conditional performance options to Mr Thompson. At 31 December 2015 the Board revalued the probability of the options being exercised to 40%, from 10% in 2015 financial year. As a result, the Company recorded an additional share based payment of $29,174.

	Short-term employee benefits			Post-employment benefits	Share-based payments		Percentage of remuneration consisting of options for the year
30-Jun-15	**Salary & fees $**	**Consulting fees $**	**Other fees $**	**Super-annuation $**	**Options & rights $**	**Total $**	**%**
Directors							
N Hackett (i)	40,000	-	-	-	18,445	**58,445**	32%
P Lewis (ii)	40,000	53,875	27,898	-	45,195	**166,968**	27%
J Thompson (iii)	40,000	90,000	-	-	66,225	**196,225**	34%
Sub-total	**120,000**	**143,875**	**27,898**	**-**	**129,865**	**421,638**	
Other Key Management							
None	-	-	-	-	-	-	-
Sub-total	**-**	**-**	**-**	**-**	**-**	**-**	
Total	**120,000**	**143,875**	**27,898**	**-**	**129,865**	**421,638**	

(i) Corporate Starboard Pty Ltd (a Company which Neil Hackett is a Director) received the following fees:
- Director Fees totalling $40,000. Of these fees $26,250 was paid in cash and $13,750 is outstanding at 30 June 2015 and were paid during the 2016 financial year.
- Share-Based Payments: As approved by shareholders at general meeting, $16,500 worth of shares were issued to settle prior year director fees. On 28 November 2014 the Company also issued 3,000,000 unlisted conditional performance options to Mr Hackett, which have a fair value of $1,945.

(ii) Smallcap Corporate Pty Ltd (a Company which Piers Lewis is a Director) received the following fees:
- Director fees totalling $40,000. Of these fees $26,250 was paid in cash and $13,750 is outstanding at 30 June 2015 and were paid during the 2016 financial year.
- Corporate service fees totalling $53,875. Of these fees $36,750 was paid in cash and $17,125 is outstanding at 30 June 2015 and were paid during the 2016 financial year.
- Rent, telephone and storage fees totalling $4,413. Of these fees $4,342 was paid in cash and $71 is outstanding at 30 June 2015 and were paid during the 2016 financial year.
- Accounting fees totalling $23,485. These fees were paid in cash during the financial year.
- Share-Based Payments: As approved by shareholders at general meeting, $43,250 worth of shares were issued to settle $23,100 worth of prior year director fees and $20,150 worth of prior year corporate service fees. On 28 November 2014 the Company also issued 3,000,000 unlisted conditional performance options to Mr Lewis, which have a fair value of $1,945.
- Mr Lewis reinvested $40,000 of his fees as equity pursuant to shareholder approval during the year.

(iii) Ophiolite Consultants Pty Ltd (a Company which James Thompson is an Associate) received the following fees:
- Director fees totalling $40,000. Of these fees $26,250 was paid in cash and $13,750 is outstanding at 30 June 2015 and were paid during the 2016 financial year.
- Corporate service fees to review Canadian Graphite and Lithium Projects totalling $90,000. Of these fees $60,000 was paid in cash and $30,000 is outstanding at 30 June 2015 and were paid during the 2016 financial year.
- Share-Based Payments: As approved by shareholders at general meeting, $56,500 worth of shares were issued to settle $23,100 worth of prior year director fees and $33,400 worth of prior year corporate service fees. On 28 November 2014 the Company also issued 15,000,000 unlisted conditional performance options to Mr Thompson, which have a fair value of $9,725.
- Mr Thompson reinvested $50,000 of his fees as equity pursuant to shareholder approval during the year.

Option holdings of Key Management Personnel

The movement during the reporting period in the number of options over ordinary shares in Ardiden Limited held, directly, indirectly or beneficially, by each key management person, including related parties, is as follows:

30-Jun-16

Directors	Opening Balance	Granted as Remuneration	Exercise of Options	Expired Options	Closing Balance
N Hackett	9,350,055	-	(3,000,000)	(6,350,055)	-
P Lewis	11,035,274	-	(3,000,000)	(8,035,274)	-
B Boyle	-	-	-	-	-
J Thompson	25,513,014	-	(15,000,000)	(10,513,014)	-
Total	**45,898,343**	**-**	**(21,000,000)**	**(24,898,343)**	**-**

Shareholdings of Key Management Personnel

The movement during the reporting period in the number of shares in Ardiden Limited held, directly, indirectly or beneficially, by each key management person, including related parties, is as follows:

30-Jun-16

Directors	Opening Balance	Granted as Remuneration	Exercise of Options	Acquired	Disposed	Closing Balance
N Hackett	14,384,845	-	3,000,000	1,875,000	(7,000,000)	12,259,845
P Lewis	27,598,580	-	3,000,000	1,250,000	(1,500,000)	30,348,580
B Boyle	-	-	-	2,074,678	-	2,074,678
J Thompson (i)	47,692,430	-	15,000,000	1,250,001	(7,400,000)	56,542,431
Total	**89,675,855**	**-**	**21,000,000**	**6,449,679**	**(15,900,000)**	**101,225,534**

(i) Mr Thompson held these shares at the date of his resignation as Non-Executive Director.

All equity transactions with the current key management personnel have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

Details of related corporations

There were no performance related payments made during the year. Performance hurdles are not attached to remuneration options; however the Board determines appropriate vesting periods to provide rewards over a period of time to key management personnel.

E. Compensation options to key management personnel

On 28 November 2014, the Company issued 21,000,000 unlisted conditional performance options to Directors, as approved by shareholders at the annual general meeting of shareholders held 28 November 2014. These options have an expiry date of 28 November 2017 and are subject to a 20 day VWAP of not less than 1.6 cents. (Refer to Note 14 in the notes to the financial report for further details). They were split between the directors as follows:

- 15,000,000 granted to Mr James Thompson (fair value of $9,725),
- 3,000,000 granted to Mr Neil Hackett (fair value of $1,945), and
- 3,000,000 granted to Mr Piers Lewis (fair value of $1,945).

At 31 December 2015 the Board revalued the probability of the options being exercised from 10% in 2015 financial year to 40% probability. As a result of the revaluation, the Company recorded an additional share based payment. (Refer to Note 14 in the notes to the financial report for further details).
They were split between the directors as follows:

- 15,000,000 granted to Mr James Thompson (fair value of $29,174),
- 3,000,000 granted to Mr Neil Hackett (fair value of $5,835), and
- 3,000,000 granted to Mr Piers Lewis (fair value of $5,835).

During the current financial year, 21,000,000 options were exercised at $0.005 per share, by key management personnel.

F. Shares issued to key management personnel on exercise of compensation options

No shares were issued to Directors and Executives on exercise of compensation options during the year.

G. Other related party transactions

In the previous financial year, the Company issued 180,466,848 free attaching options on conversion of the convertible note to Directors. These free attaching options issued to Directors are on the same terms as all other non-related convertible noteholders as approved by shareholders at the General Meeting dated 3 September 2014. The options have an exercise price of 0.1 cents (2 cents post-consolidation) and an expiry date of 30 November 2015. (Refer to Note 16 in the notes to the financial report for further details). They were split between the directors as follows:

- 90,260,274 (4,513,014 post-consolidation) granted to Mr James Thompson (fair value of $49,173),
- 32,001,095 (1,600,055 post-consolidation) granted to Mr Neil Hackett (fair value of $17,434), and
- 58,205,479 (2,910,274 post-consolidation) granted to Mr Piers Lewis (fair value of $31,710).

REMUNERATION REPORT – END

15. DIRECTORS INDEMNIFICATION

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate:

(a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses of successfully defending legal proceedings; or

(b) 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.

16. SHARE OPTIONS

At the date of this report, the unissued ordinary shares of Ardiden Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
1 July 2016	31 December 2017	$0.02	10,000,000
1 July 2016	1 July 2019	$0.04	11,000,000
			21,000,000

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

17. ENVIRONMENTAL REGULATIONS

There have been no recorded incidents of non-compliance with any applicable international, national or local declarations, treaties, conventions or regulations associated with environmental issues during the reporting period. There have not been any known significant breaches of any environmental regulations during the year under review and up until the date of this report.

18. PROCEEDINGS ON BEHALF OF 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, and no proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237.

19. CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Ardiden Limited support and have adhered to the principles of corporate governance and have established a set of policies and manuals for the purpose of managing corporate governance. The Company's detailed Corporate Governance Statement is lodged with ASX and available from the Company's website.

20. AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The auditor's independence declaration for the year ended 30 June 2016, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 5 to the financial statements. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the integrity and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Signed in accordance with a resolution of directors.

Neil Hackett
Non-Executive Chairman

Perth, Western Australia
Dated: 21 September 2016

Accounting, Financial and Business Advisory

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF ARDIDEN LIMITED

In relation to our audit of the financial report of Ardiden Limited for the year ended 30 June 2016, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Mack

PKF MACK

SHANE CROSS
PARTNER

21 SEPTEMBER 2016
WEST PERTH,
WESTERN AUSTRALIA

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	30-Jun-16	30-Jun-15
		$	$
Interest revenue		6,336	7,886
Other income	3(a)	-	101,978
Expenses			
Administration, consulting and other expenses	3(b)	(296,513)	(229,804)
Borrowing costs		-	(5,927)
Directors fees		(98,634)	(177,000)
Fair value loss on investments		-	(706)
Foreign exchange gain / (loss)		693	(1,445)
Loss on sale of investments		-	(273)
Provision for impairment expense		(96,119)	(117,649)
Share based payments		(94,671)	(174,656)
Loss before income tax expense		**(578,908)**	**(597,596)**
Income tax expense	4	-	-
Net loss for the year		**(578,908)**	**(597,596)**
Other comprehensive income, net of tax		-	-
Total other comprehensive loss for the year		**(578,908)**	**(597,596)**

		Cents	Cents
Loss per share attributable to the ordinary equity holders of the Company:			
Basic and diluted loss per share from continuing operations	6	(0.10)	(0.18)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Notes	30-Jun-16	30-Jun-15
		$	$
ASSETS			
Current Assets			
Cash and cash equivalents	7	4,032,414	200,751
Trade and other receivables	8	140	20,560
Financial assets	9	131	131
Total Current Assets		**4,032,685**	**221,442**
Non-Current Assets			
Exploration and evaluation expenditure	10	1,422,758	579,503
Total Non-Current Assets		**1,422,758**	**579,503**
TOTAL ASSETS		**5,455,443**	**800,945**
LIABILITIES			
Current Liabilities			
Trade and other payables	11	264,819	210,112
Provisions	12	2,573	-
Total Current Liabilities		**267,392**	**210,112**
TOTAL LIABILITIES		**267,392**	**210,112**
NET ASSETS		**5,188,051**	**590,833**
EQUITY			
Issued capital	13	35,787,168	30,591,592
Reserves	14	-	1,633,350
Accumulated losses	15	(30,599,117)	(31,634,109)
TOTAL EQUITY		**5,188,051**	**590,833**

The accompanying notes form part of these financial statements.

	Issued Capital	Options Reserves	Accumulated Losses	Total Equity
	$	$	$	$
At 1 July 2014	**29,622,024**	**1,458,694**	**(31,036,513)**	**44,205**
Comprehensive income:				
Loss for the year	-	-	(597,596)	(597,596)
Total comprehensive loss for the year	-	-	**(597,596)**	**(597,596)**
Transactions with owners in their capacity as owners:				
Securities issued during the year	1,000,161	174,656	-	1,174,817
Capital raising costs	(30,593)	-	-	(30,593)
Total equity transactions	**969,568**	**174,656**	-	**1,144,224**
At 30 June 2015	**30,591,592**	**1,633,350**	**(31,634,109)**	**590,833**

	Issued Capital	Options Reserves	Accumulated Losses	Total Equity
	$	$	$	$
At 1 July 2015	**30,591,592**	**1,633,350**	**(31,634,109)**	**590,833**
Comprehensive income:				
Loss for the year	-	-	(578,908)	(578,908)
Total comprehensive loss for the year	-	-	**(578,908)**	**(578,908)**
Transactions with owners in their capacity as owners:				
Securities issued during the year	5,405,755	36,323	-	5,442,078
Capital raising costs	(324,300)	-	-	(324,300)
Vesting of options	-	58,348		58,348
Options expired	114,121	(1,728,021)	1,613,900	-
Total equity transactions	**5,195,576**	**(1,633,350)**	**1,613,900**	**5,176,126**
At 30 June 2016	**35,787,168**	**-**	**(30,599,117)**	**5,188,051**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	30-Jun-16	30-Jun-15
		$	$
Cash flows used in operating activities			
Payments to suppliers and employees		(447,149)	(277,675)
Interest received		6,336	7,036
Net cash flows used in operating activities	**7(i)**	**(440,813)**	**(270,639)**
Cash flows used in investing activities			
Payments for exploration expenditure		(1,152,078)	(540,679)
Proceeds from research and development rebate		156,099	199,389
Proceeds from sale of financial assets		-	7,121
Net cash flows used in investing activities		**(995,979)**	**(334,169)**
Cash flows from financing activities			
Proceeds from issue of securities and securities subscriptions		5,405,755	646,000
Payment of share issue costs		(137,300)	(30,593)
Net cash flows from financing activities		**5,268,455**	**615,407**
Net increase in cash and cash equivalents		**3,831,663**	**10,599**
Cash and cash equivalents at the beginning of the financial year		200,751	190,152
Cash and cash equivalents at the end of the financial year	**7**	**4,032,414**	**200,751**

The accompanying notes form part of these financial statements.

1. REPORTING ENTITY

Ardiden Limited (the "Company") is a Company limited by shares, incorporated in Australia. The Company is a for-profit entity for the purpose of preparing the financial statements. The financial statements of the Company are for the year ended 30 June 2016.

The address of the Company's registered office is Suite 6, 295 Rokeby Road Subiaco WA 6008. The consolidated financial statements of the Company as at and for the year ended 30 June 2016 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The accounting policies set out below have been consistently applied to all years presented.

(a) Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001, as appropriate for-profit orientated entities. The consolidated financial report of the Group and the financial report of the Company comply with International Financial Reporting Standards (lFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board of Directors on 21 September 2016. The directors have the power to amend and reissue the financial statements.

(b) Basis of Measurement

The financial statements have been prepared on an accruals basis and are based on historical costs, except for the following material items in the consolidated statement of financial position:

- financial instruments at fair value through profit or loss are measured at fair value;
- available-for-sale financial assets are measured at fair value; and
- Liabilities for cash-settled share-based payment arrangements are measured at fair value.

(c) Functional and Presentation Currency

The consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Critical Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 estimates are revised and in any future periods affected. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share Based Payment Transactions

The Group 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 an internal valuation using Black-Scholes option pricing 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 transactions would have no impact on the carrying amounts of assets or liabilities within the next annual reporting period but may impact profit or loss or equity. Refer to note 14 for further details.

Exploration and Evaluation Costs

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not at reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing. Refer to Note 10 for further details.

Impairment of Exploration and Evaluation Assets and Investments in and Loans to Subsidiaries

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgment in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgment and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements;
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

Refer to Note 10 for further details.

Classification of Investments

The Company has decided to classify investments in listed securities as available for sale. These securities are accounted for at fair value. Any increments or decrements in their value at year end are charged or credited to the asset revaluation reserve. Refer to Note 9 for further details.

Income Tax Expenses

Judgment is required in assessing whether deferred tax assets and liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised. Refer to Note 4 for further details.

Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as Level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. Refer to note 20 for further details.

(e) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Ardiden Limited ('company' or 'parent entity') as at 30 June 2016 and the results of all subsidiaries for the year then ended. Ardiden Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated entity' or 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(f) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

(g) 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 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 apply 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
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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 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 entity's which intend to settle simultaneously.

(h) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- such costs are expected to be recouped through successful development and exploitation or from sale of the area; or
- exploration and evaluation activities in the area have not, at reporting date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made.

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.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation or alternatively sale of the respective areas of interest.

(i) 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 current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve 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 twelve months after the reporting period. All other assets are classified as non-current.

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

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

(j) Earnings Per Share

Basic earnings per share (“EPS”) is calculated by dividing the net loss attributable to members for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated as net loss attributable to members, adjusted for, costs of servicing equity (other than dividends) and preference share dividends; the after tax effect of dividends and interest associated with dilutive potential ordinary shares that would have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(k) Revenue and Other Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest revenue is recognised as the interest accrues.

(l) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant rise of change of value

For the purposes of the Statement of Cash Flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 consolidated statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(n) Impairment

(i) Financial Assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised either in the income statement or revaluation reserves in the period in which the impairment arises.

(ii) Exploration and Evaluation Assets

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount at the reporting date.

Exploration and evaluation assets are tested for impairment in respect of cash generating units, which are no larger than the area of interest to which the assets relate.

(iii) Non-Financial Assets Other Than Exploration and Evaluation Assets

The carrying amounts of the Consolidated entity’s non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset’s recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units, then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(o) Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the reporting date.

(p) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outlay of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(q) Share-Based Payment Transactions

Equity settled transactions:
The Group provides benefits to executive directors, employees and consultants of the Group in the form of share-based payments, whereby those individuals render services in exchange for shares or rights over shares (equity-settled transactions).

When provided, the cost of these equity-settled transactions with these individuals is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares Ardiden Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(r) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Group.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(s) Issued Capital

Ordinary shares are classified as equity.

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

(t) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(u) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for impairment is raised when there is objective evidence that the Group will not be able to collect the debt.

(v) New, revised or amending Accounting Standards and Interpretations adopted

The Group 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.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

There was no significant impact on the accounting policies of the Group from the adoption of Accounting Standards and Interpretations during the year.

(w) New, revised or amending Accounting Standards and Interpretations not yet adopted

The AASB has issued the following new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards and, has not yet determined the potential impact on the financial statements from the adoption of these standards and interpretations.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers'	1 January 2018	30 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020

(x) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets for in-specie distributions.

The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities. The Group monitors capital on the basis of the gearing ratio, however there are no external borrowings as at reporting date. Capital includes accumulated profits and fair value reserve.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor its subsidiaries is subject to externally imposed capital requirements.

	30-Jun-16	30-Jun-15
	$	$
Capital Risk Management		
Total liabilities	267,392	210,112
Less: cash and cash equivalents	(4,032,414)	(200,751)
Net cash and cash equivalents (asset) / deficiency	**(3,765,022)**	**9,361**
Total equity	**5,188,051**	**590,833**
Debt to equity ratio at 30 June	-73%	2%

3. REVENUE AND EXPENSES

	30-Jun-16	30-Jun-15
	$	$
(a) Other income		
Forgiveness of creditors	-	55,000
Gain on extinguishment of liability	-	46,978
	-	**101,978**
(b) Administration, consulting and other expenses		
Loss has been determined after the following specific expenses:		
Accounting and company secretary fees	67,136	23,485
ASX and registry fees	58,561	46,100
Audit fees	24,715	20,849
Corporate consultings fees	27,000	10,000
Insurance fees	16,436	16,350
Tax fees	16,484	43,763
Marketing fees	39,500	24,000
Other expenses	46,681	45,257
Total Administration, consulting and other expenses	**296,513**	**229,804**

4. INCOME TAX EXPENSE

	30-Jun-16	30-Jun-15
	$	$
The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
The income tax expense for the year differs from the prima facie tax as follows:		
Loss before income tax expense	(578,908)	(597,596)
Prima facie income tax benefit at 28.5% (2015: 30%)	(164,989)	(179,279)
Add/(Less): tax effect of:		
Non-deductible items	30,842	109,258
Tax effect of temporary differences not recognised	134,147	70,021
Total income tax expense	**-**	**-**

The corporate tax rate in Australia was changed from 30% to 28.5% with effect from 1 July 2015. This revised rate has not impacted the current tax asset for the current year but will do so in future periods. However, the impact of the change in tax rate has been taken into account in the measurement of deferred taxes at the end of the reporting period. The effect of this change in tax rate on deferred taxes has been disclosed in the reconciliation of deferred taxes below.

The following deferred tax balances have not been recognised:

Deferred Tax Assets:		
At 28.5% (2015: 30%)		
Carry forward revenue losses	2,529,847	2,713,126
Capital raising costs	73,940	-
Provisions and accruals	32,529	2,850
	2,636,316	**2,715,976**

The tax benefits of the above Deferred Tax Assets will only be obtained if:

(a) The company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;

(b) the company complies with the conditions for deductibility imposed by law; and

(c) no changes in income tax legislation adversely affect the company in utilising the benefits

5. AUDITORS REMUNERATION

	30-Jun-16	30-Jun-15
	$	$
Amounts received or due and receivable by PKF Mack for:		
(i) An audit or review of the financial report of the entity	24,715	21,849
(ii) Other services in relation to the entity	-	-
(iii) Tax services	-	-
Total auditor remuneration	**24,715**	**21,849**

6. EARNINGS PER SHARE

	30-Jun-16	30-Jun-15
Basic and diluted loss per share from continuing operations (cents)	(0.10)	(0.18)
Net loss from continuing operations attributable to ordinary equity holders of the Company ($)	(578,908)	(597,596)
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share (No.)	588,525,015	328,220,004

Options on issue at 30 June 2016 have a higher exercise price than the average market price of shares on issue during the year and are therefore considered anti-dilutive.

7. CASH AND CASH EQUIVALENTS

	30-Jun-16	30-Jun-15
	$	$
Cash at bank and on hand	4,032,414	200,751

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

(i) Reconciliation of net loss after income tax to net cash flows used in operating activities:

	30-Jun-16	30-Jun-15
	$	$
Net loss after income tax	(578,908)	(597,596)
Adjustments for:		
Director fees settled through shares	-	57,000
Forgiveness of creditors	-	(55,000)
Gain on extinguishment of liability	-	(46,978)
Loss on sale of investments	-	273
Provision for impairment expense	96,119	117,649
Share based payments	94,671	174,656
Change in assets and liabilities:		
(Increase) / decrease in trade and other receivables	20,420	(19,726)
Increase / (decrease) in trade and other payables	(75,688)	99,083
Increase / (decrease) in provisions	2,573	-
Net cash flows used in operating activities	**(440,813)**	**(270,639)**

8. TRADE AND OTHER RECEIVABLES

	30-Jun-16	30-Jun-15
	$	$
Current		
Other receivables	140	20,560
	140	**20,560**

Terms and conditions relating to the above financial instruments:

- Other receivables are non-interest bearing and generally repayable within 30 days.
- Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

9. FINANCIAL ASSETS

	30-Jun-16	30-Jun-15
	$	$
Financial assets at fair value through profit and loss	131	131
	131	**131**

The Board continually reviews the ability to realise its available for sale investments depending on market conditions, outlook and liquidity.

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	30-Jun-16	30-Jun-15
	$	$
Opening fair value	**131**	**7,399**
Disposals	-	(7,121)
Revaluation increments	-	(147)
Closing fair value	**131**	**131**

10. EXPLORATION AND EVALUATION EXPENDITURE

	30-Jun-16	30-Jun-15
	$	$
Expenditure brought forward	579,503	694,717
Expenditure incurred	1,095,473	626,648
Research and development refund (i)	(156,099)	(199,389)
Provision for impairment expense (ii)	(96,119)	(542,473)
Expenditure carried forward	**1,422,758**	**579,503**

The ultimate recoupment of the mining tenements, exploration and evaluation expenditure carried forward is dependent upon the successful development and commercial exploitation and/or sale of the relevant areas of interest, at amounts at least equal to book value.

(i) During the 2016 financial year the Company lodged and received a research and development rebate claim for the 2014/2015 financial year.

During the 2015 financial year the Company lodged and received a research and development rebate claim for the 2012/13 financial year and the 2013/2014 financial year.

(ii) In the 2016 financial year the Company decided to impair all exploration expenditure incurred in relation to its Hinton North Project in Canada.

In the 2015 financial year the Company decided to impair all exploration expenditure incurred in relation to its various tin tenements on Belitung Island, Indonesia.

11. TRADE AND OTHER PAYABLES

	30-Jun-16	30-Jun-15
	$	$
Current		
Trade and other payables (i)	259,875	210,112
Other payables	4,944	-
	264,819	**210,112**

(i) Trade creditors are non-interest bearing and are normally settled on 30 day terms. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

12. PROVISIONS

	30-Jun-16	30-Jun-15
	$	$
Current		
Annual leave provision	2,573	-
	2,573	**-**

13. ISSUED CAPITAL

	30-Jun-16		30-Jun-15	
	$	No.	$	No.
(a) Fully paid ordinary shares	35,787,168	788,845,615	30,591,592	433,502,920

(b) Movement in ordinary shares		$	No.	Issue price
Balance at 30 June 2014		**29,622,024**	**4,749,545,144**	
Share consolidation (i)	5-Sep-14	-	(4,512,067,801)	-
Issue of shares on conversion of convertible notes (ii)	16-Sep-14	284,889	56,977,753	0.005
Gain on extinguishment of financial liability (ii)	16-Sep-14	(46,978)	-	-
Issue of shares via the share purchase plan (iii)	9-Oct-14	106,000	21,200,000	0.005
Issue of shares to private investors (iii)	9-Oct-14	30,000	6,000,000	0.005
Issue of shares to private investors (iv)	23-Feb-15	225,000	45,000,000	0.005
Issue of shares to Directors of the Company (iv)	6-May-15	75,000	15,000,000	0.005
Issue of shares to private investors (v)	6-May-15	210,000	35,000,000	0.006
Issue of shares to Directors of the Company (vi)	6-May-15	116,250	16,847,824	0.007
Capital rasing costs		(30,593)	-	-
Balance at 30 June 2015		**30,591,592**	**433,502,920**	
Issue of shares via the share purchase plan (vii)	22-Oct-15	780,305	130,050,877	0.006
Issue of shares to private investors (viii)	22-Oct-15	245,000	40,833,333	0.006
Issue of shares to consultants in lieu of services (ix)	22-Oct-15	18,000	3,000,000	0.006
Issue of shares via conversion of performance options (x)	11-Jan-16	80,000	16,000,000	0.005
Issue of shares via conversion of performance options (x)	22-Jan-16	95,000	19,000,000	0.005
Issue of shares to consultants in lieu of services (xi)	22-Jan-16	19,950	1,749,988	0.0114
Issue of shares via conversion of performance options (x)	12-Feb-16	32,500	6,500,000	0.005
Transfer from option reserve upon conversion of performa	12-Feb-16	114,121	-	-
Issue of shares to sophisticated investors (xii)	4-Apr-16	1,250,000	48,076,923	0.026
Issue of shares to consultants in lieu of services (xiii)	10-May-16	5,000	131,574	0.038
Issue of shares to sophisticated investors (xiv)	16-Jun-16	2,880,000	90,000,000	0.032
Capital raising costs		(324,300)	-	-
Balance at 30 June 2016		**35,787,168**	**788,845,615**	

(i) On 5 September 2014 the Company completed a share and option consolidation on the basis of every 20 shares/options to be consolidated into one share/option as approved by shareholders at the general meeting of shareholders held 3 September 2014.

(ii) On 16 September 2014 the Company issued 56,977,753 post consolidation shares at $0.005 per share on conversion of the Company's convertible notes, as approved by shareholders at the general meeting of shareholders held 3 September 2014. However, the fair value of these shares on grant date was $0.004, resulting in a gain on extinguishment of the convertible notes of $46,978.

(iii) On 9 October 2014 the Company completed its share purchase plan and raised $106,000 via the issue of 21,200,000 shares at $0.005 per share. On the same date the Company also issued 6,000,000 shares at $0.005 per share to private investors to raise an additional $30,000.

(iv) On 5 February 2015 the Company announced that it had successfully raised $300,000 through a private placement to underpin its upcoming maiden drilling program at Manitouwadge Graphite Project located in Canada. The share placement comprises 60 million shares at an issue price of $0.005 each. Directors agreed to invest $75,000 of the Placement, subject to shareholder approval and other regulatory approvals.

(v) On 29 April 2015 the Company announced that it had raised a further $210,000 through a share placement to underpin key beneficiation testwork programs and marketing activities to potential customers and investors. The share placement, which was undertaken to sophisticated and professional investors, comprises 35 million shares at an issue price of $0.006 each.

(vi) On 6 May 2015 the Company issues shares to Directors in satisfaction of unpaid director remuneration, as approved by resolutions 4 to 6 at the General Meeting held on 20 April 2015.

(vii) On 22 October 2015, the Company completed its share purchase plan and raised $780,305 via the issue of 130,050,877 shares at $0.006 per share.

(viii) On 22 October 2015, the Company completed a private placement to unrelated sophisticated investors and raised $245,000 via the issue of 40,833,333 shares at $0.006 per share.

(ix) On 22 October 2015, the Company issued 3,000,000 shares at $0.006 per share to consultants in lieu of services provided to the Company.

(x) On 11 January 2016, 22 January 2016 and 12 February 2016, the Company issued 16,000,000, 19,000,000 and 6,500,000 shares respectively, via the conversion of performance options.

(xi) On 22 January 2016, the Company issued 1,749,988 shares at $0.0114 per share to drilling and exploration contractors in lieu of cash payment for services rendered.

(xii) On 4 April 2016, the Company completed a private placement to sophisticated investors and raised $1,250,000 via the issue of 48,076,923 shares at $0.026 per share.

(xiii) On 10 May 2016, the Company issued 131,574 shares at $0.038 per share to consultants in lieu of services provided to the Company.

(xiv) On 16 June 2016, the Company completed a private placement to sophisticated investors and raised $2,880,000 via the issue of 90,000,000 shares at $0.032 per share.

(c) Share Options
During the current financial year, 41,500,000 options were exercised at $0.005 per share, which raised $207,500.

At the 30 June 2016 the company did not have any outstanding options over unissued ordinary shares.

(d) Terms and conditions of contributed equity
Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. These shares have no par value. The Company has no externally imposed capital requirements.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

14. RESERVES

	30-Jun-16		30-Jun-15	
	$	No.	$	No.
(a) Option reserve	-	-	1,633,350	68,494,441

The purpose of the reserve is to recognise the fair value of equity instruments issued by way of share based payments.

(b) Movement in Reserve		**$**	**No.**	**Weighted average exercise price (cents)**
Balance at 30 June 2014		**1,458,694**	**485,000,000**	**0.25**
Exercisable			**485,000,000**	
Free attaching option per convertible note (i)	4-Sep-14	56,889	104,421,918	0.10
Free attaching option per convertible note (i)	4-Sep-14	98,317	180,466,848	0.10
Option consolidation (ii)	5-Sep-14	-	(731,394,325)	-
Performance options (iii)	28-Nov-14	13,615	21,000,000	0.50
Performance options (iv)	23-Feb-15	5,835	9,000,000	0.50
Balance at 30 June 2015		**1,633,350**	**68,494,441**	**2.44**
Exercisable			**68,494,441**	
Performance options (v)	22-Oct-15	36,323	11,500,000	0.005
Options expired during the year	30-Nov-15	-	(18,750,000)	0.006
Options expired during the year	30-Nov-15	-	(19,744,441)	0.002
Revaluation of prior year options (vi)	31-Dec-15	58,348	-	-
Options exercised during the year	11-Jan-16	-	(16,000,000)	0.005
Options exercised during the year	25-Jan-16	-	(19,000,000)	0.005
Options exercised during the year	12-Feb-16	-	(6,500,000)	0.005
Transfer to issued capital	12-Feb-16	(114,121)	-	-
Transfer to accumulated losses	12-Feb-16	(1,613,900)	-	-
Balance at 30 June 2016		**-**	**-**	**-**
Exercisable			**-**	

(c) Fair value of options granted

(i) On 4 September 2014 the Company issued 284,888,766 unlisted options at $0.001 per share, expiring 30 November 2015. These options were attaching options associated with the Company's convertible notes. These options have been valued using the Black-Scholes option-pricing model. The table below gives the assumptions made in determining the fair value of options on grant date.

(ii) On 5 September 2014 the Company completed a share and option consolidation on the basis of every 20 shares/options to be consolidated into one share/option as approved by shareholders at the general meeting of shareholders held 3 September 2014.

(iii) On 28 November 2014 the Company issued 21,000,000 unlisted conditional performance options as approved by shareholders at the annual general meeting of shareholders held on 28 November 2014. These options have an expiry date of 28 November 2017 and are subject to a 20 day VWAP of not less than 1.6 cents. These options have been valued using the Black-Scholes option-pricing model. The table below gives the assumptions made in determining the fair value of options on grant date.

(iv) On 23 February 2015 the Company issued 9,000,000 unlisted conditional performance options as approved by shareholders at the annual general meeting of shareholders held on 28 November 2014. These options have an expiry date of 28 November 2017 and are subject to a 20 day VWAP of not less than 1.6 cents. These options have been valued using the Black-Scholes option-pricing model. The table below gives the assumptions made in determining the fair value of options on grant date.

(v) On 22 October 2015 the Company issued 11,500,000 unlisted conditional performance options. These options have an expiry date of 28 November 2017 and are subject to a 20 day VWAP of not less than 1.6 cents. These options have been valued using the Black-Scholes option-pricing model. The table below gives the assumptions made in determining the fair value of options on grant date.

(vi) At 31 December 2015 the Board revalued the probability of 30,000,000 unlisted options being exercised to a 40% probability (30 June 2015: 10% probability). As a result the Company has recorded an additional share based payment of $58,348.

	(i)	**(iii)**	**(iv)**	**(v)**
Grant date	4 Sept 2014	28 Nov 2014	23 Feb 2015	22 Oct 2015
Number of options	284,888,766	21,000,000	9,000,000	11,500,000
Expiry date	30 Nov 2015	28 Nov 2017	28 Nov 2017	28 Nov 2017
Estimated volatility (%)	132%	132%	132%	189%
Risk-free interest rate (%)	2.61%	2.40%	2.43%	1.81%
Exercise price (cents)	$0.001	$0.005	$0.005	$0.005
Share price at grant date (cents)	$0.001	$0.008	$0.008	$0.009
Value per option (cents)	$0.0005	$0.006	$0.006	$0.008
Probability	-	10%	10%	40%
Total value	**$155,206**	**$13,615**	**$5,835**	**$36,323**
Probability Revaluation	-	40%	40%	-
Total value (iv)	**-**	**$50,400**	**$21,600**	**-**

15. ACCUMULATED LOSSES

	30-Jun-16	**30-Jun-15**
	$	**$**
Balance at 1 July	(31,634,109)	(31,036,513)
Net loss attributable to members	(578,908)	(597,596)
Transfer from option reserve	1,613,900	-
Balance at 30 June	**(30,599,117)**	**(31,634,109)**

16. FINANCIAL REPORTING BY SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by Management based on the mineral resource and exploration activities in Australia and Canada. Discrete financial information about each project is reported to the chief operating decision maker on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

The Group currently has five reportable segments based on the geographical areas of the mineral resource and exploration activities in Australia and Canada. Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

(i) Segment performance

	Canada (Manitouwadge)	Canada (Hinton North)	Canada (Seymour Lake)	Canada (Root Lake)	Australia	Total
Year ended 30 June 2016	**$**	**$**	**$**	**$**	**$**	**$**
Revenue						
Interest revenue	-	-	-	-	6,336	**6,336**
Other income	-	-	-	-	-	**-**
Total segment revenue	**-**	**-**	**-**	**-**	**6,336**	**6,336**
Reconciliation of segment result to net loss before tax						
Amounts not included in segment result but reviewed by the Board						
- Provision for impairment expense	-	(96,119)	-	-	-	**(96,119)**
Unallocated items						
- Administration, consulting and other expenses						(296,513)
- Director fees						(98,634)
- Foreign exchange gain						693
- Share based payments						(94,671)
Net loss before tax from continuing operations						**(578,908)**

	Canada (Manitouwadge)	Canada (Hinton North)	Indonesia	Australia	Total
Year ended 30 June 2015	**$**	**$**	**$**	**$**	**$**
Revenue					
Interest revenue	-	-	-	7,886	**7,886**
Other income	-	-	-	101,978	**101,978**
Total segment revenue	**-**	**-**	**-**	**109,864**	**109,864**
Reconciliation of segment result to net loss before tax					
Amounts not included in segment result but reviewed by the Board					
- Exploration expenditure written off	-	-	(117,649)	-	**(117,649)**
Unallocated items					
- Administration, consulting and other expenses					(229,804)
- Borrowing costs					(5,927)
- Director fees					(177,000)
- Fair value loss on investments					(706)
- Foreign exchange loss					(1,445)
- Loss on sale of investment					(273)
- Share based payments					(174,656)
Net loss before tax from continuing operations					**(597,596)**

(ii) Segment assets

	Canada (Manitouwadge)	Canada (Hinton North)	Canada (Seymour Lake)	Canada (Root Lake)	Australia	Total
	$	$	$	$	$	$
As at 30 June 2016						
Segment assets as at 1 July 2015	488,167	91,336	-	-	-	**579,503**
Segment asset increases/(decreases)						
- Provision for impairment expense	-	(96,119)	-	-	-	**(96,119)**
- Exploration and evaluation	576,001	4,783	310,037	204,652	-	**1,095,473**
- Research and development refund	(156,099)	-	-	-	-	**(156,099)**
	908,069	**-**	**310,037**	**204,652**	**-**	**1,422,758**
Reconciliation of segment assets to total assets:						
Other assets						4,032,685
Total assets from continuing operations						**5,455,443**

	Canada (Manitouwadge)	Canada (Hinton North)	Indonesia	Australia	Total
	$	$	$	$	$
As at 30 June 2015					
Segment assets as at 1 July 2014	-	-	694,717	-	**694,717**
Segment asset increases/(decreases)					
- Provision for impairment expense	-	-	(694,717)	-	**(694,717)**
- Exploration and evaluation	574,069	91,336		-	**665,405**
- Research and development refund	(85,902)	-	-	-	**(85,902)**
	488,167	**91,336**	**-**	**-**	**579,503**
Reconciliation of segment assets to total assets:					
Other assets					221,442
Total assets from continuing operations					**800,945**

(iii) Segment liabilities

	Canada (Manitouwadge)	Canada (Hinton North)	Canada (Seymour Lake)	Canada (Root Lake)	Australia	Total
	$	$	$	$	$	$
As at 30 June 2016						
Segment liabilities as at 1 July 2015	83,649	-	-	-	126,463	**210,112**
Segment liability increases/(decreases)	(70,139)	-	1,033	12,500	113,886	**57,280**
	13,510	**-**	**1,033**	**12,500**	**240,349**	**267,392**
Reconciliation of segment liabilities to total liabilities:						
Other liabilities						-
						267,392

	Canada (Manitouwadge)	Canada (Hinton North)	Indonesia	Australia	Total
	$	$	$	$	$
As at 30 June 2015					
Segment liabilities as at 1 July 2014	-	-	424,824	424,073	**848,897**
Segment liability increases/(decreases)	83,649	-	(424,824)	(297,610)	**(638,785)**
	83,649	**-**	**-**	**126,463**	**210,112**
Reconciliation of segment liabilities to total liabilities:					
Other liabilities					-
					210,112

17. RELATED PARTY DISCLOSURE

(a) Controlled entities

The consolidated financial statements include the financial statements of Ardiden Limited and the subsidiaries listed in the following table.

	Country of Incorporation	% Equity Interest		Investment at Cost	
		30-Jun-16	30-Jun-15	30-Jun-16	30-Jun-15
		%	%	$	$
Knights Landing Ltd	Australia	100	100	1,004,438	1,004,438
Provision for impairment				(1,004,438)	(1,004,438)
Billiton Island Pte Ltd	Singapore	100	100	-	-
				-	-

(b) Parent entity

Ardiden Limited is the ultimate Australian parent entity and ultimate parent of the Group.

18. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Details of Key Management Personnel

Directors

- Neil Hackett (Non-Executive Chairman) - Appointed 5 June 2012
- Piers Lewis (Non-Executive Director) - Appointed 27 March 2012
- Brad Boyle (Executive Director) - Appointed 17 February 2016
- Dr Michelle Li (Non-Executive Technical Director) - Appointed 7 July 2016
- James Thompson (Non-Executive Director) - Appointed 5 June 2012, Resigned 17 February 2016

(b) Key Management Personnel Compensation

	30-Jun-16	30-Jun-15
	$	$
Compensation by category		
Short-term employee benefits	322,862	291,773
Post-employment benefits	4,944	-
Share-based payments	40,844	129,865
	368,650	**421,638**

(c) Loans with Key Management Personnel

There were no loans to key management personnel or their related entities during the financial year.

(d) Key Individual directors' and executives' compensation disclosure

Information regarding individual directors' and executives' compensation and some equity instruments disclosures as required by Corporation Regulation 2M.3.03 is provided in the remuneration report section of the Directors' Report.

Apart from the details disclosed in this note, no director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving directors' interest existing at year end.

19. PARENT ENTITY DISCLOSURES

	30-Jun-16	30-Jun-15
	$	$
Statement of Financial Position		
Total current assets	4,032,554	221,244
Total non-current assets	1,422,758	579,503
Total assets	**5,455,312**	**800,747**
Total current liabilities	267,392	210,112
Total non-current liabilities	-	-
Total liabilities	**267,392**	**210,112**
Equity		
Contributed equity	35,787,168	30,591,592
Options reserve	-	1,633,350
Accumulated losses	(30,599,248)	(31,634,307)
Total deficiency in equity	**5,187,920**	**590,635**
Statement of Profit or Loss and Other Comprehensive Income		
Loss after income tax of the parent entity	(564,672)	(590,514)
Total comprehensive loss of the parent entity	**(564,672)**	**(590,514)**

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, liquidity risk and price risk on its listed investment. The Group does not speculate in the trading of derivative instruments. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2 to the financial statements.

Risk Exposures and Responses

Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the Group's functional currency.

The Group's exposure to foreign exchange risk is primarily related to future commitments as noted in note 23. These commitments are all related to the Canadian mining tenements, which are denominated in Canadian dollars.

Interest Rate Risk

The Group's exposure to risks of changes in market interest rates relates primarily to the Group's cash balances. The Group constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. As the Group has no interest bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At reporting date, the Group had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	30-Jun-16		**30-Jun-15**	
	Interest bearing	**Non-interest bearing**	**Interest bearing**	**Non-interest bearing**
	$	**$**	**$**	**$**
Financial Assets				
Cash and cash equivalents	3,816,379	216,035	199,495	1,256
Net exposure	**3,816,379**	**216,035**	**199,495**	**1,256**

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 0.5% (2015: 0.5%) sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical LIBOR movements over the last 3 years.

At 30 June 2016, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax profit and equity relating to financial assets of the Group would have been affected as follows:

	30-Jun-16	**30-Jun-15**
Judgements of reasonably possible movements	**$**	**$**
Post tax profit - higher / (lower)		
Increase 0.5%	19,082	997
Decrease 0.5%	(19,082)	(997)
Equity - higher / (lower)		
Increase 0.5%	19,082	997
Decrease 0.5%	(19,082)	(997)

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Company anticipates a need to raise additional capital in the next 12 months to meet forecasted operational activities. The decision on how the Company will raise future capital will depend on market conditions existing at that time.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place.

The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business and an amount owing pursuant to a contract of sale. Trade payables were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 month	**1-3 months**	**3 months - 1 year**	**1-5 years**	**5+ years**	**Total contractual cash flows**	**Carrying amount of liabilities**
	$	**$**	**$**	**$**	**$**	**$**	**$**
30-Jun-16							
Trade and other payables	264,819	-	-	2,573	-	**267,392**	**267,392**
	264,819	**-**	**-**	**2,573**	**-**	**267,392**	**267,392**
30-Jun-15							
Trade and other payables	210,112	-	-	-	-	**210,112**	**210,112**
	210,112	**-**	**-**	**-**	**-**	**210,112**	**210,112**

Credit risk

Credit risk arises from the financial assets of the Group, which comprise deposits with banks and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to those assets.

The Group does not hold any credit derivatives to offset its credit exposure.

Except for the above mentioned, the Group trades only with recognised, credit worthy third parties and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts. Trade and other receivables are expected to have a maturity of less than 6 months, for both year ends.

There are no significant concentrations of credit risk within the Group.

Price Risk Sensitivity Analysis

The Group's equity investment is publicly traded on the ASX. The table below summarises the impact of increases/decreases of this index on the Group's post tax loss for the year and on equity. The analysis is based on the assumption that equity indexes had increased/decreased by 10% (2015: 10%) with all other variables held constant and the Group's equity instruments moved according to the historical correlation with the index.

	30-Jun-16	30-Jun-15
	$	$
Change in loss (Post-tax)		
Increase in ASX All Ordinary Index by 10%	13	13
Decrease in ASX All Ordinaries Index by 10%	(13)	(13)
Change in equity (Post-tax)		
Increase in ASX All Ordinary Index by 10%	13	13
Decrease in ASX All Ordinaries Index by 10%	(13)	(13)

The above price risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Fair Value of financial instruments

The methods of estimating fair value are outlined in the relevant notes to the financial statements. All financial assets and liabilities recognised in the statement of financial position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair values unless otherwise stated in the applicable notes.

The following tables detail the Group's fair values for financial instruments categorised into the following levels:

- Level 1: Quoted prices (unadjusted) 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 (derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
30-Jun-16	$	$	$	$
Assets				
Ordinary shares at fair value through profit or loss	131	-	-	131
Total assets	**131**	-	-	**131**
30-Jun-15				
Assets				
Ordinary shares at fair value through profit or loss	131	-	-	131
Total assets	**131**	-	-	**131**

21. EVENTS SUBSEQUENT TO REPORTING DATE

On 1 July 2016, the Company issued conditional performance options to Directors as approved by Resolutions 1 to 6 at the Company's General Meeting. The following unlisted conditional performance options were issued:

- 10,000,000 options at an exercise price of $0.02, with an expiry date of 31 December 2017 and
- 10,000,000 options at an exercise price of $0.04, with an expiry date of 1 July 2019.

On 1 July 2016, the Company issued 1,000,000 conditional performance options at an exercise price of $0.04, with an expiry date of 1 July 2019 to an employee under the Company's ESOP.

On 7 July 2016, the Company appointed highly experienced international mining executive Dr Michelle Li as a non-executive Technical Director. Dr Li, has more than 20 years of international mining experience, including senior executive roles with mining companies such as Grange Resources, Citic Pacific, Rio Tinto and Iluka Resources. She brings valuable technical and operational expertise to the Company as it advances its key lithium and graphite projects in Canada to the next stage.

On 11 July 2016, the Company formally exercised its option to acquire 100% of the Root Lake Lithium Project in Ontario, Canada, following completion of a due diligence review of the project, including a successful maiden drilling program. Following the exercise of the option to acquire 100% of the Root Lake Lithium Project and receipt of appropriate documentation from Landore Resources Canada Inc. ("Landore"), arrangements will be made to pay the option fee of C$150,000 cash and C$150,000 worth of Ardiden shares (at the 20-day VWAP prior to the ASX Announcement dated 10 February 2016) to Landore. On 26 July 2016 the Company met the final payment of cash and issued the required shares to Landore as per the terms of the option agreement.

On 13 July 2016, the Company further expanded its lithium portfolio in Canada after staking and securing the grant of the Root Bay Lithium Project in Ontario, Canada, located immediately adjacent to its recently acquired Root Lake Project.

On 26 July 2016 the company issued 500,000 ordinary shares to a consultant of the Company for the services rendered in relation to the acquisition of the Root Lake Lithium Project.

On 22 August 2016 the Company issued the first of two tranches comprising of CAD 250,000 ordinary shares as required under the option agreement for the acquisition of the Seymour Lake Lithium Project from Stockport. Ardiden also continued to make progress payments of CAD $25,000 every 90 days to Stockport as per the terms of the option agreement. The Company therefore issued 22,054,112 fully paid ordinary shares, the issue price per share was a 20 day VWAP calculated before the option was announced which was $0.0114 per share.

Apart from the above, no other matters or circumstances have arisen, since the end of the financial year, which significantly affected, or may significantly affect, the operations of the Consolidated entity, the results of those operations, or the state of affairs of the Consolidated entity in subsequent financial years.

22. COMPANY DETAILS

The registered office and principal place of business address is:

Ardiden Limited
Suite 6, 295 Rokeby Road
Subiaco, WA 6008

Website: www.ardiden.com.au

23. COMMITMENTS

Exploration Commitments

Amounts below relate to minimum tenement expenditure required on tenements held by the Company.

	< 12 Months	1 - 5 Years	Total
	$	$	$
Exploration commitments	65,864	65,864	131,728
	65,864	**65,864**	**131,728**

Acquisition Commitment

As required in the option agreement to acquire the Seymour Lake Lithium Project with Stockport Exploration Inc. Ardiden Limited is required to pay 14 equal instalments of CAD25,000 every 90 days (the first instalment was made in August 2016) for a total of CAD350,000. A final CAD250,000 of Ardiden shares (at the 20 day VWAP prior to the announcement dated 6 January 2016) will be issued at the completion of the option agreement (or no later than 24 months from execution of option).

	< 12 Months	1 - 5 Years	Total
	$	$	$
Acquisition commitment for Seymour Lake	102,592	256,480	359,072
	102,592	**256,480**	**359,072**

There are no other commitments as at 30 June 2016.

24. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets and liabilities as at 30 June 2016.

25. DIVIDENDS

There were no dividends paid or declared during the financial year.

The directors declare that:

1. The financial statements, notes and additional disclosures included in the Directors' Report and designated as audited, are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and Corporations Regulations 2001;

   (b) giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the year ended on that date;

   (c) the financial statements are in compliance with International Financial Reporting Standards, as stated in note 2(a) to the financial statements.

2. The Chief Executive Officer and Chief Financial Officer have declared that:

   (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

   (b) the financial statements and notes for the financial year comply with Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view;

3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Neil Hackett
Non-Executive Chairman

Perth, Western Australia
Dated: 21 September 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ARDIDEN LIMITED

Report on the Financial Report

We have audited the accompanying consolidated financial report of Ardiden Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2016, 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 company and the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2(a), 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 company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

PKF Mack
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PKF MACK
Accounting, Financial and Business Advisory

Opinion

In our opinion:

(a) the financial report of Ardiden 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 2016 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

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

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 30 of 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.

Opinion

In our opinion, the Remuneration Report of Ardiden Limited for the year ended 30 June 2016, complies with section 300A of the Corporations Act 2001.

PKF Mack

PKF MACK

SHANE CROSS
PARTNER

21 SEPTEMBER 2016
WEST PERTH,
WESTERN AUSTRALIA

HOLDINGS AS AT 14 September 2016

Number of Securities Held		FULLY PAID SHARES No. of Holders	Securities
1	to 1,000	112	46,699
1,001	to 5,000	166	545,326
5,001	to 10,000	114	939,019
10,001	to 100,000	1,401	70,539,634
100,001 and over		1,123	746,925,287
Total Number of Holders		**2,916**	**818,995,965**

Number of holders of less than a marketable parcel 849

Percentage of the 20 largest holders 22.15%

Substantial Shareholders

The Company has no substantial shareholders.

Voting Rights

The Constitution of the Company makes the following provision for voting at general meetings:

On a show of hands, every ordinary shareholder present in person, or by proxy, attorney or representative has one vote. On a poll, every shareholder present in person, or by proxy, attorney or representative has one vote for any share held by the shareholder.

20 Largest Holders of Securities as at 14 September 2016:

Fully Paid Ordinary Shares		**No.**	**%**
1.	CRANLEY CONSULTING PTY LTD <THE CRANLEY CONSULTING A/C>	29,935,239	3.66
2.	STOCKPORT EXPLORATION INC	22,054,112	2.69
3.	MR INSAF LIYAUL FOUZ + MS SHAMILA MOHOMED RILLA <INSAF INVESTMENTS FAM A/C>	19,000,000	2.32
4.	MR KIMBERLEY SCOTT + MRS SALLIE ANNE SCOTT <K & S SCOTT SUPER FUND A/C>	10,000,000	1.22
5.	MR CHIN YONG CHONG	9,672,500	1.18
6.	CORPORATE-STARBOARD PTY LTD	9,666,523	1.18
7.	HSBC CUSTODY NOMINEES <AUSTRALIA>	9,645,839	1.18
8.	MR NIKHIL THAKORBHAI PATEL	9,050,000	1.11
9	MR MALCOLM JOHN MCCLURE	7,634,104	0.93
10.	MR CHRISTOPHER KOWALSKI	7,443,760	0.91
11.	MR LEIGH HARVIE SEAGER	7,000,000	0.85
12.	MRS TRACY REIS	5,578,084	0.68
13.	MR SHANE VICTOR HARDY	4,750,000	0.58
14.	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	4,687,500	0.57
15.	J P MORGAN NOMINEES AUSTRALIA LIMITED	4,453,280	0.54
16.	MARCOLONGO NOMINEES PTY LTD <MARCOLONGO FAMILY A/C>	4,300,000	0.53
17.	MR IAN CUTHBERTSON	4,283,451	0.52
18.	DR YONG CAI	4,201,000	0.51
19.	MR JUNJI KAMOSHIDA	4,089,820	0.50
20.	MR ANTHONY NEIL CARTER	4,000,000	0.49
		181,445,212	**22.15**

Options expire 31 December 2017, exercise price $0.02		**No.**	**%**
1.	Bradley Phillip Boyle	10,000,000	100%
		10,000,000	**100%**

Options expire 1 July 2019, exercise price $0.04		**No.**	**%**
1.	Cranley Consulting Pty Ltd	5,000,000	45.45%
2.	Corporate Starboard Pty Ltd	5,000,000	45.45%
3.	Arron De Jesus Canicais	1,000,000	9.10%
		11,000,000	**100%**

Restricted Securities

There are no restricted securities or securities subject to voluntary escrow.

On-market Buy-back

Currently there is no on-market buy-back of the Company's securities.

Tenements

The company wishes to provide the following information in relation to additional information required by Listing Rule 5.3.3 Mining tenements held at 30 June 2016 and their location.

Township / Area	**Claim Number**	**Interest**
SEYMOUR LAKE OPTION		
CRESCENT LAKE AREA	1245661	0%*
CRESCENT LAKE AREA	1245646	0%*
CRESCENT LAKE AREA	1245648	0%*
CRESCENT LAKE AREA	1245662	0%*
CRESCENT LAKE AREA	1245664	0%*
CRESCENT LAKE AREA	4270593	100%
CRESCENT LAKE AREA	4270594	100%
CRESCENT LAKE AREA	4270595	100%
CRESCENT LAKE AREA	4270596	100%
CRESCENT LAKE AREA	4270597	100%
CRESCENT LAKE AREA	4270598	100%

* These tenements will become 100% owned after all payments required under the Seymour Lake Lithium Project option have been made.

Township / Area	Claim Number	Interest
MANITOUWADGE GRAPHITE		
OLIE LAKE AREA	4268952	100%
OLIE LAKE AREA	4268953	100%
RAMSAY LAKE AREA	4268977	100%
THOMAS LAKE AREA	4268978	100%
THOMAS LAKE AREA	4268979	100%
OLIE LAKE AREA	4268932	100%
OLIE LAKE AREA	4268933	100%
OLIE LAKE AREA	4268935	100%
THOMAS LAKE AREA	4268934	100%
FLANDERS LAKE AREA	4279125	100%
OLIE LAKE AREA	4279101	100%
OLIE LAKE AREA	4279121	100%
OLIE LAKE AREA	4279124	100%
EVEREST LAKE AREA	4274285	100%
EVEREST LAKE AREA	4274286	100%
EVEREST LAKE AREA	4274287	100%
FLANDERS LAKE AREA	4271613	100%
FLANDERS LAKE AREA	4271624	100%
FLANDERS LAKE AREA	4279611	100%
OLIE LAKE AREA	4274282	100%
OLIE LAKE AREA	4274283	100%
OLIE LAKE AREA	4274284	100%
OLIE LAKE AREA	4275721	100%
EVEREST LAKE AREA	4274288	100%
FLANDERS LAKE AREA	4274289	100%
OLIE LAKE AREA	4268975	100%
OLIE LAKE AREA	4268976	100%

Township / Area	Claim Number	Interest
ROOT BAY PROJECT		
ROOT LAKE AREA (PAT) (G-2189)	4282603	100%
ROOT LAKE AREA (PAT) (G-2189)	4282604	100%
ROOT LAKE AREA (PAT) (G-2189)	4282605	100%

Township / Area	Claim Number	Interest
ROOT LAKE OPTION		
ROOT LAKE AREA (RL)	4283915	100%
ROOT LAKE AREA (RL)	4283916	100%
ROOT LAKE AREA (RL)	4283917	100%

Township / Area	Claim Number	Interest
Root Lake	36778	100%
Root Lake	36779	100%
Root Lake	36780	100%
Root Lake	36781	100%
Root Lake	36782	100%
Root Lake	36783	100%
Root Lake	36784	100%
Root Lake	36785	100%
Root Lake	36786	100%
Root Lake	36787	100%
Root Lake	36788	100%
Root Lake	36789	100%
Root Lake	37145	100%
Root Lake	37146	100%
Root Lake	37147	100%
Root Lake	37148	100%
Root Lake	37149	100%
Root Lake	37150	100%
Root Lake	37151	100%
Root Lake	37152	100%
Root Lake	37153	100%
Root Lake	37154	100%
Root Lake	37155	100%
Root Lake	37156	100%
Root Lake	37157	100%
Root Lake	37158	100%
Root Lake	37159	100%
Root Lake	37160	100%
Root Lake	38095	100%
Root Lake	38096	100%
Root Lake	38097	100%
Root Lake	38098	100%
Root Lake	38099	100%