IRON MOUNTAIN MINING LIMITED

ABN 62 112 914 459

ANNUAL REPORT

**For the year ended
30 June 2016**

IRON MOUNTAIN MINING LIMITED
CORPORATE DIRECTORY

Directors

Mark Gwynne
Brett Smith
Pippa Coppin
John Ciganek

Company Secretary

Suraj Sanghani

Registered Office

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West Perth WA 6005
Phone: (08) 9481 4478
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Head Office

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Email
info@ironmountainmining.com.au

Country of Incorporation

Iron Mountain Mining Limited is domiciled and incorporated in Australia

Stock Exchange Listing

Iron Mountain Mining Limited is listed on the Australian Securities Exchange
(ASX Code: IRM)

Auditors

Rothsays Chartered Accountants
4 Ventnor Avenue
WEST PERTH Western Australia 6005

Legal Advisors

HopgoodGanim
Level 27
Allendale Square
77 St Georges Terrace
Perth Western Australia 6000

Share Registry

Computershare Investor Services Pty Limited
Level 11 172 St Georges Terrace
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Website Address

www.ironmountainmining.com.au.

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CORPORATE GOVERNANCE REPORT
IRON MOUNTAIN MINING LIMITED ("THE COMPANY")

STATEMENT

Iron Mountain Mining Limited (**Iron Mountain or Company**) has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, and pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable, Iron Mountain has adopted the eight recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (3rd Edition) (**Recommendations**). Where, after due consideration, the Company's corporate governance practices depart from the Recommendations, the Board has offered full disclosure of the nature of, and reason for, the adoption of its own practice.

As the Company's activities develop in size, nature and scope and the size of the Board the implementation of additional corporate governance structures will be given further consideration.

Iron Mountain's website (www.ironmountainmining.com.au) includes further information about the Company's corporate governance practices. In accordance with the recommendation of the Australian Securities Exchange (**ASX**), some information about the Company is published on the website.

Key corporate governance issues are outlined below followed by explanations of areas where the Company policy differs from recommended practice.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the financial report and their term of office are detailed in the Directors' Report.

Corporate reporting

The Directors have made the following certifications to the Board:

- that Iron Mountain's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and are in accordance with relevant accounting standards; and
- that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

Code of Conduct

The Company has developed a Code of Conduct (**Code**) which has been fully endorsed by the Board and applies to all Directors and employees. The Code is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Company's integrity.

In summary, the Code requires that at all times all Iron Mountain personnel act with the utmost integrity, objectivity, in the best interests of the Company and in compliance with the letter and the spirit of the law and Iron Mountain policies.

Any breaches of the Code are reported to the chairman in the first instance for notification to the Board.

The Directors are satisfied that the Company has complied with its policies on ethical standards, including trading in securities.

Continuous disclosure and shareholder communication

Iron Mountain has a policy that information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities is continuously disclosed as required under the ASX Listing Rules.

The Company encourages communication with shareholders and the attendance and effective participation by shareholders at general meetings.

The Chairman and Company Secretary, in conjunction with the other Board members, have been nominated as the people responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements of the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to ASX is posted on the Company's website as soon as it is disclosed to the ASX.

Annual and half yearly reports are made available on the Iron Mountain's website and mailed to those shareholders who request a hard copy.

Independent Advice

There is no formal policy or procedure regarding the taking of professional advice by the independent Directors. However, no restrictions are placed on them taking advice on matters arising from their roles as independent Directors of Iron Mountain, or the reimbursement of the costs incurred by the Company.

Independence of Board Members

The determination by the Board as to whether individual Directors are independent is a matter of judgment. In making this determination the Board has followed the guidance in Box 2.3 of the Recommendations. The Board considers that the relationships the independent Directors have with the Company do not materially impact on their independence. In determining the materiality of these relationships, the Board has considered both quantitative and qualitative factors. In determining the quantitative factors the Board considers that a relationship is immaterial where it is equal to or less than 5% of the base amount. In applying this level of materiality to the relationship of the independent Directors, in the case of shareholders and suppliers, the Board considers that the independent Directors' interest is less than 5% of the base amount. In respect to the qualitative measures the Board has considered the factors affecting the independent Directors' relationship with the Company and considers these qualitative factors to be immaterial in the assessment of their independence.

Mr. Smith, a Non-Executive Director, is considered by the Board to be an independent Director.

Ms Coppin, a Non-Executive Director, is considered by the Board to be an independent Director.

Mr. Ciganek, a Non-Executive Director, is considered by the Board to be an independent Director.

Trading Policy

The Company's policy regarding Directors and employees trading in its securities is set by the Board of Directors. The policy restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Remuneration Policy

The Company's remuneration policy was developed by and approved by the Board. All executives receive a salary and statutory superannuation where applicable.

The Company occasionally participates in share-based remuneration for its Directors and management and also employees and consultants. The terms of the share options issued to Directors, employees and consultants are based on what similar sized companies in the mining industry are offering. All share options to be issued to Directors require shareholder approval before being issued.

The amount of remuneration paid to all Directors, including monetary and non-monetary components, is detailed in the Directors' Report under the key management personnel remuneration heading. All remuneration paid to executives is valued at the cost to the Company and expensed. Shares given to executives are valued as the difference in the market value of those shares and the amount paid by the executive. Options given to executives are valued using the Black-Scholes methodology.

Corporate Governance Summary

This Corporate Governance summary discloses the extent to which the Company will follow the Recommendations set by the ASX Corporate Governance Council. While the Recommendations are not mandatory, the Recommendations not followed by the Company have been identified below and reasons have been provided for not following them.

	ASX Principle	Complied	Reference/comment
Principle 1:	**Lay solid foundations for management and oversight**		
1.1	A listed entity should disclose the respective roles and responsibilities of its board and management, and those matters expressly reserved to the board and those delegated to management.	**YES**	The Company has adopted a Board charter, which sets out the roles and responsibilities of the Board and management. A copy of the Board charter is available on the Company's website.
1.2	Undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election as a director and provide security holders with all material information in its possession relevant to a decision to whether or not elect or re-elect a director.	**YES**	The Company undertakes appropriate checks before appointing a person or putting forward to security holders a candidate for election as a Director. All material relevant to a decision to elect/re-elect a Director is provided to security holders in a Notice of Meeting in which a resolution to elect/re-elect is voted on.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	**YES**	Each Director has a written agreement outlining the terms of their appointment.
1.4	The Company Secretary of a listed entity should be accountable directly to the board, through the chair on all matters to do with the proper functioning of the board.	**YES**	The Board Charter outlines the roles and responsibilities of the Company Secretary. The Company Secretary is accountable directly to the Board through the Chair on all governance matters.
1.5	A listed entity should have a diversity policy, including requirements for the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entities progress in achieving them. The entity should disclose this policy or a summary of it. Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them including: • The prospective proportions of men and women on the board and senior executive positions and across the whole organization.	**NO**	The Board does not currently have a diversity policy in place. The Board considers that at this time no benefits or efficiencies would be gained by introducing a formal diversity policy. As at 30 June 2016 there was 1 female Board member and no females in senior executive positions.

	• If the entity is a "relevant employer" under the Workplace Gender Equality Act, the Entity's most recent "Gender Equality Indicators", as defined in and published under the Act.		The Company is not a "relevant employer" under the Workplace Gender Equality Act.
1.6	A listed entity should have and disclose a process for periodically evaluating performance of the board and individual directors. Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	**NO**	The Company does not currently have a formal performance evaluation process. Performance evaluation is considered informally from time to time in Board meetings. No specific performance evaluation was undertaken during the reporting period, and the Board does not consider any benefits would be gained by introducing a formal evaluation process.
1.7	A listed entity should have and disclose a process for periodically evaluating performance of its senior executives. Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	**NO**	The Company does not currently have a formal performance evaluation process. Performance evaluation is considered informally from time to time in Board meetings. No specific performance evaluation was undertaken during the reporting period, and the Board does not consider any benefits would be gained by introducing a formal evaluation process.
Principle 2:	**Structure the board to add value**		
2.1	The board of a listed entity should have a nomination committee which has at least three members a majority of whom are independent and is chaired by an independent director. The entity should disclose the charter of the committee, the members for the committee and as at the end of the reporting period the number of times the committee met during the period and the in the individual attendances of the members of the committee, or If no nomination committee exists, disclose that fact the processes it employs to address board succession issues and to ensure the board has the appropriate balance of skills, knowledge and experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	**NO** **YES**	No separate nomination committee has been established however this function is carried out by the full Board. The Board has been structured such that its composition and size will enable it to effectively discharge its responsibilities and duties. Each Director has relevant industry experience and specific expertise relevant to the Company's business and level of operations.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve	**NO**	Although no formal skills matrix has been prepared, the Board has been structured such that its composition and size will enable it to effectively discharge its responsibilities and duties. Each Director has relevant industry experience and specific expertise relevant to the Company's business and level of operations. The Board does not consider a skills matrix would provide any benefits to the Company at this time.
2.3	A listed entity should disclose the names of the directors considered by the board to be	**YES**	The Board comprises four Directors, three of whom are considered

	independent directors; If a director has an interest, position, association or relationship of a type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the Board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and disclose the length of service of each director		independent (Brett Smith, Pippa Coppin and John Ciganek). None of these Board members' independence is compromised by virtue of the factors contained in Box 2.3. Brett and Mark Gwynne commenced their directorships in May 2014. Ms. Coppin commenced her directorship in March 2016 and John commenced his directorship in July 2016.
2.4	The majority of the board should be independent	**YES**	
2.5	The chair should be an independent director and should not also hold the position of CEO	**NO**	Before the resignation of the Managing Director in May 2016, the Chairman, Mr. Mark Gwynne, was considered to be Independent Chairman. Following the resignation of the Managing Director, Mark assumed the role of Executive Chairman on a part-time basis and as such did not remain independent. The Board is aiming to adjust its structure in the short term, when appropriate roles and responsibilities are allocated accordingly.
2.6	The listed entity should have a program for inducting new directors and provide appropriate professional development for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively	**NO**	Although no formal program exists the Board actively encourages continuing professional development of all key staff.
Principle 3:	**Promote ethical and responsible decision-making**		
3.1	A listed entity should have a code of conduct for its Directors senior executives and employees and should disclose that code or a summary of it	**YES**	The Company has formulated a Code of Conduct a summary is detailed above. A Code of Conduct for Directors and Key Executives is also disclosed on the Company's website.
Principle 4:	**Safeguard integrity in financial reporting**		
4.1	The board should have an audit committee which has at least three members all of whom are non-executive directors and a majority of whom are independent directors. The committee should be chaired by an independent director. The board should disclose the charter of the committee, the relevant qualifications and experience of its members and in relation to each reporting period the number of times the committee met and the individual attendances of each member. If the board does not have an audit committee disclose that fact and the processes it employs that independently	**NO** **YES**	The Board does not currently have a separate audit committee. The Company's financial statements are prepared internally and reviewed in detail by the Board. The Board also relies on the functions and capabilities of the external auditors to ensure proper audit of the financial statements. Whilst the Board considers this process sufficient to ensure the integrity in financial reporting in the current circumstances, it will continue to monitor whether any further safeguards are required and make changes accordingly. The process of

	verify and safeguard the integrity of its corporate reporting, including the process for the appointment and removal of the external auditor and the rotation of the audit engagement partner		removing and appointing the external auditor is in line with the provisions of the Corporations Act 2001. The Company actively discusses the independence of the engagement partner with the external auditor to ensure that their integrity is maintained.
4.2	The board should, before it approves the financial statements for the financial period received from its CFO and CEO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	**YES**	As the Company has yet to formally appoint a Managing Director the Executive Chairman will perform the role of the CEO in this regard.
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	**YES**	
Principle 5:	**Make timely and balanced disclosure**		
5.1	Companies should have a written policy for complying with its continuous disclosure obligations under the Listing Rules and disclose that policy or a summary of it.	**YES**	A copy of the Continuous Disclosure Policy is available on the Company's website. The Board receives regular reports on the status of the Company's activities and any new proposed activities from the Chairman and other key personnel.
Principle 6:	**Respect the rights of shareholders**		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	**YES**	In line with adherence to continuous disclosure requirements of ASX, all shareholders are kept informed of major developments affecting the Company. This disclosure is through regular shareholder communications including the Annual Reports, Half Yearly Reports, Quarterly Reports, the Company website and the distribution of specific releases covering major transactions and events or other price sensitive information.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two way communication with investors.	**YES**	The Company has formulated a Shareholder Communication Policy which can be viewed on the Company's website.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	**YES**	The Company has formulated a Communication Policy which can be viewed on the Company's website.
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	**YES**	
Principle 7:	**Recognise and manage risk**		
7.1	The board of a listed entity should have a	**NO**	Currently, given the size and nature

	committee to oversee risk, each of which: a) Has at least three members, the majority of which are independent, b) Is chaired by an independent Director; and disclose: c) The charter of the committee d) The members of the committee and e) As at the end of each reporting period, the number of times the committee met during the period and the individual attendances of the members of those meetings. If it does not have a committee, disclose that fact and the process it employs for overseeing the entity's risk management framework.	**YES**	of the business the risk management of the business is carried out by the full Board, no separate committee exists. The Board is aware of the various risks that affect the Company and its particular business and has implemented a number of controls to mitigate or limit the effects of these risks. The Company has formulated a risk management policy which can be viewed on the Company's website.
7.2	The board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and disclose whether such a review has taken place	**YES**	An informal review is undertaken on a regular basis at Board meetings.
7.3	The listed entity should disclose whether it has an internal audit function, or If it doesn't the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control process.	**NO** **YES**	The Board is aware of the various risks that affect the Company and its particular business and has implemented a number of controls to mitigate or limit the effects of these risks. As the Company grows and increases in size and activity, the Board will develop formal policies to deal with risk oversight management and internal compliance.
7.4	The listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does how it manages or intends to manage those risks.	**YES**	The Company does not believe it has any material exposure to economic, environmental or social sustainability risks.

Principle 8:	**Remunerate fairly and responsibly**		
8.1	The board should establish a remuneration committee, which has at least three members, the majority that are independent, chaired by an independent director and disclose the charter of the committee, the members of the committee and at the end of each reporting the number of times the committee met throughout the period and the individual attendances of the members at those meeting, or If it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive	**NO** **YES**	Due to the early stage of development and small size of the Company, a remuneration committee was not considered to add any efficiency to the process of determining the levels of remuneration for the Directors and key executives. The Board considers that it is more appropriate to set aside time at Board meetings to specifically address matters that would ordinarily fall to a remuneration committee. In addition, all matters of remuneration will continue to be in accordance with Corporations Act requirements, especially in respect of related party transactions. That is, none of the Directors participate in any deliberations regarding their own remuneration or related issues.
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors, executive directors and senior executives.	**YES**	Refer to page 2 of this report as well as information contained in the Remuneration Report of this annual report.
8.3	A listed entity which has an equity based remuneration scheme should have a policy on whether participants are permitted to enter into transactions (whether through use of derivatives or otherwise) which limit the economic risk of participating in the scheme, and disclose that policy or a summary of it	**NO**	The Company has an employee option plan. There is no specific policy on allowing participants to hedge or limit their economic risk. However, given that there are no employees other than the Directors and the Company Secretary the Corporations Act prohibits these individuals from entering into arrangements that limit their exposure to these risks.

CHAIRMAN'S LETTER TO SHAREHOLDER

Dear Shareholders,

It is my pleasure to present a review of Iron Mountain Mining's operations for the year ended June 30, 2016 – a period that has seen significant changes in the Company's direction.

Over the past two years, Iron Mountain has undergone a process of re-structuring, including the divestment of non-core assets and engagement of a new and focused board and management team. This has resulted in a complete change in focus and somewhat of a step back in time for the Company, with the re-establishment of interests in the bauxite industry.

The immediate future for bauxite as a commodity looks promising, supported by speculation from groups such as Rio Tinto - who recently stated that a boom period for bauxite is imminent - driven by demand from China.

During the financial year, Iron Mountain successfully secured an option to acquire a 50% interest in Au Capital Mining Pty Ltd, a private company that has two prospecting licences in the Solomon Islands. The main asset is the Nendo Bauxite Project, at which the Company believes there is good potential to identify and develop a low-capital cost, direct shipping style bauxite mining operation. In essence, the Nendo Project potentially offers a simple and very cost effective pathway to development and production.

The Company believes there is good opportunity to quickly and cheaply identify substantial deposits of high-quality direct shipping bauxite mineralisation within the Nendo Project. Recent announcements regarding the initial exploration results from the Nendo Bauxite Project are evidence of the quality of this asset.

In corporate matters, the recent additions to the Company's board provide enormous capacity and new expertise. The Company welcomed Ms Pippa Coppin (legal and corporate compliance) and Mr. John Ciganek (mining and finance), whom individually are respected in their fields and have strong business qualities, underpinned by high ethical standards.

Finally, on behalf of the Iron Mountain team, I extend our sincere appreciation for your support as shareholders in our Company. We are committed to developing our bauxite interests and look forward to sharing updates on our progress at the Nendo Project.

Sincerely

Mark Gwynne
Chairman
Iron Mountain Mining Ltd

REVIEW OF OPERATIONS

Iron Mountain Mining Limited (ASX: IRM) (**Iron Mountain** or **Company**) is pleased to present a review of its operations for the period ended June 30, 2016.

During this period, the Company has continued to review its existing projects to determine their suitability within its portfolio and value accretive business model. As part of this review process, the Company has adopted a strategy focused on bauxite exploration, development and mining.

Iron Mountain's new focus on acquiring and developing high-value, low-cost direct shipping ore (**DSO**) bauxite opportunities close to Asian markets has led the Company to secure an option to acquire 50% equity in private company Au Capital Mining Pty Ltd (**ACM**) from the ACM shareholders (**Vendors**) (**Acquisition**).

ACM owns 100% of two Prospecting Licences – the Nendo Bauxite Project and the Choiseul Project (together, the **Projects**) in the Solomon Islands and has agreed to partner with Iron Mountain to explore and potentially develop these projects. The Acquisition is subject to due diligence (including exploration) and satisfying conditions pertaining to the quality of the assets and their potential for development. Further details of the terms of the Acquisition are included in this report.

The Nendo Bauxite Project (**Nendo Project**) is a granted Prospecting Licence located on the island of Nendo in the Temotu Province of the eastern Solomon Islands. Work by Australian exploration companies in the 1960's, and the British and Solomon Island geological surveys up to and including the early 1980's, identified bauxite deposits as residual laterite soils on up-lifted limestone reef platforms. The main area tested is believed to be depressions in the ancient reef floor of about $4km^2$, with estimated average bauxite thickness of approximately three (3) metres tested in trenches/pits and up to six (6) metres tested with auger.

Iron Mountain recently announced it has identified extensive large-scale bauxite deposits from its initial phase of exploration at the Nendo Project. The Company recently completed a comprehensive auger drilling and pit sampling program, which identified the presence of widespread high-quality bauxite mineralisation over a large area on the western end of Nendo Island.

The Company believes there is good potential to identify large areas of high-grade DSO mineralisation within the Nendo Project area. Further details about the Company's results from its initial exploration activities at the Nendo Project are included in this report.

Bauxite Demand

While landed prices for bauxite into China have softened, Chinese import figures for past three (3) years and future forecasts remain positive (refer Figure 1). Despite the Malaysian ban on mining at Pahang being extended to 31 December 2016, stockpiled Malaysian bauxite prices recently spiked by as much as US$2/t reflecting a subtle shift in industry sentiment driven by higher global alumina prices, combined with speculation that costs in Malaysia are likely to increase post-ban as miners are forced to improve environmental performance and compliance (*Source*: *CBIX Index Wrap_16 April 2016*).

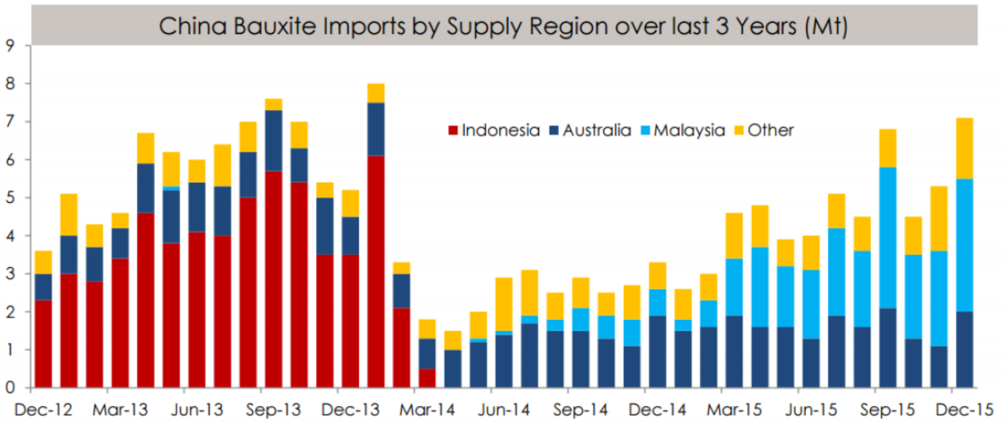


Figure 1: Chinese bauxite imports by region for past 3 years (Mt). (*Source: CM Group & China Customs)*

China is a major player in the globally traded bauxite market. In addition to Chinese domestic bauxite reserves being in decline, the average quality of these reserves has been in decline since 2009. The majority of global demand is based on low temperature (trihydrate) bauxites, which currently represents 75% of Chinese imports. The key Shandong coastal province is 100% dependent on imported bauxite.

The Solomon Islands bauxites are potentially well placed to supply high quality low temperature (trihydrate) bauxite DSO product directly into China, while leveraging a geographical shipping advantage.

EXPLORATION: SOLOMON ISLANDS

NENDO BAUXITE PROJECT, SOLOMON ISLANDS

Summary of Key Terms of the Acquisition of 50% of Au Capital Mining Pty Ltd

As detailed above, in March 2016 the Company entered into a binding term sheet with ACM pursuant to which it was granted an the option to acquire 50% of ACM, which holds 100% of two Prospecting Licences in the Solomon Islands (**Option**). ACM is a company incorporated in Australia with extensive business experience operating in the Solomon Islands and the broader South Pacific.

The Option is for a term of six (6) months from execution of the terms sheet (**Option Period**). A non-refundable option fee of A$100,000 has been paid to the owners of ACM.

The Option Period enables the Company to complete due diligence on ACM and the projects in the Solomon Islands. Exercise of the Option is subject to a number of conditions precedents (**Conditions**) including the following:

(a) Payment of the option fee;
(b) Completion of due diligence by Iron Mountain on the Projects and ACM to the sole satisfaction of the Company;
(c) Completion of initial exploration activities to the extent that Iron Mountain is satisfied that the Nendo Project has the capacity to host resources of a minimum 8 million tonnes of bauxite at greater than 45% total Al_2O3 (alumina) and less than 5% total SiO_2 (silica); and
(d) The parties obtaining all necessary governmental consents and approvals applicable to the Acquisition.

The Conditions must be satisfied or waived on or before expiry of the Option Period.

To exercise the Option, the initial consideration payable by the Company for 50% of the issued capital of ACM will be satisfied by the issue of 20 million fully paid ordinary Iron Mountain shares (**Shares**) to the Vendors. A further 20 million Shares shall be issued to the Vendors at the first in time of either the first commercial shipment of bauxite from the Projects or within 12 months from Completion.

Following Completion, the Company will be responsible for all costs for the administration, exploration and development of the Projects. Significantly, costs associated with infrastructure, exploration, mining, development and project operations, will be reimbursed to the Company from mining revenue, to be governed by a shareholders' agreement.

Recent Exploration

The current exploration program at Nendo Island commenced in May 2016, forming part of the Company's due diligence process for its agreement to acquire a 50% interest in ACM.

The Company's recent, comprehensive auger drilling and pit sampling program identified the presence of widespread high-quality bauxite mineralisation over a large area on the western end of Nendo Island (refer Figures 2 and 3). The main target area presently defined by this work is approximately 12km by 2km and remains open to the east, within similar terrain.

Results to date indicate the tenor of Al_2O_3 content is fairly consistent, with little variation throughout the soil profile. Importantly, results show that mineralisation has low impurities and low reactive silica content. The Company believes there is good potential to identify large areas of high-grade DSO bauxite mineralisation within the Nendo Project area.

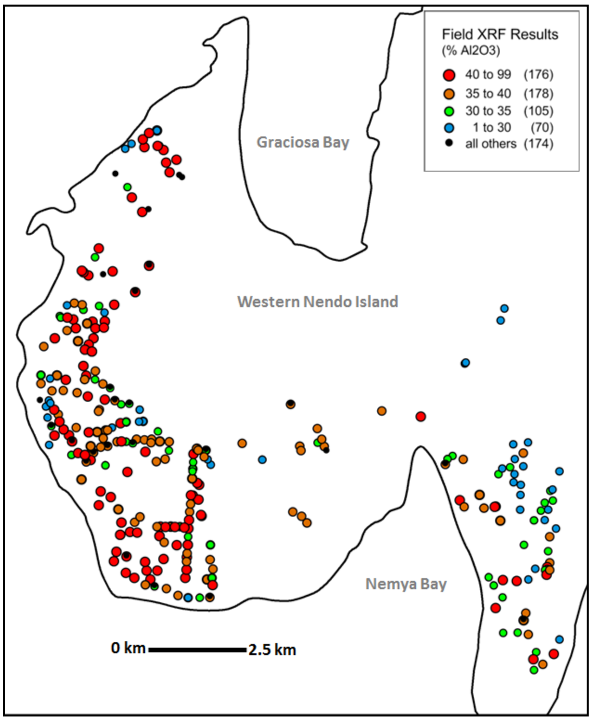


Figure 2: Field XRF Results for Al_2O_3

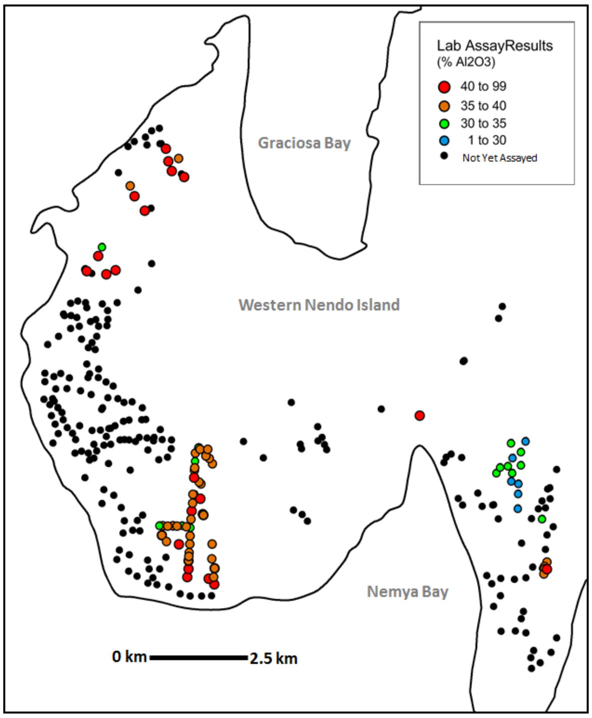


Figure 3: Lab Results Al_2O_3 (colour) and all samples (black)

Results of Initial Exploration

The recent phase of reconnaissance exploration attempted to cover as much ground as possible in the shortest period of time. There were no attempts to focus on areas of potentially higher-grade mineralisation. Average results returned by Field XRF and Laboratory analysis are summarised in Table 1 below.

Table 1 – Summary of average results returned by Field XRF and Laboratory analysis

Categories & Criteria	Total Al_2O_3 (%)	Total SiO_2 (%)	av_Al_2O_3 (%)	rxSiO_2 (%)
Field XRF Results with <7% SiO_2	40.28	4.50		
Field XRF Results with <7% SiO_2 and +40% Al_2O_3	43.35	4.22		
Laboratory Results with <5% rxSiO_2	38.91	5.48	30.66	2.90
Laboratory Results with <5% rxSiO_2 and +40% Al_2O_3	**41.21**	**4.08**	**33.34**	**2.39**

Initial exploration results identify extensive bauxite deposits over the uplifted paleolimestone platform in the western part of Nendo Island. Much of this area is outside the mineralisation identified in the 1960's and as such the Company believes there is significantly greater potential regarding the size of the bauxite deposits contemplated by this historical exploration.

The main area defined to date by this work is approximately 12km by 2km and remains open to the east, within similar terrain. Mineralisation is widespread and includes uniform platform-style and smaller basin-style deposits sandwiched between limestone outcrops. In places, the depth of these deposits has exceeded 6m (the maximum depth that can be tested by hand auger drilling), with the average depths estimated at plus 3m. Topsoil cover is typically 0.2m to 0.5m thick.

A total of 291 sites were tested - 169 with conventional auger and 122 with pit/stick auger (Figure 4). Of the total 702 samples taken, field XRF assay results have been reported for 529 samples and laboratory assay results have been returned for an initial batch of 113 assays.

Figure 4: (a) Stick Auger being used for sampling bauxite profile. (b) Land Owner assisting prospecting on his own farm. (c) Stick Auger hole at bottom of hand dug prospecting pit. (d) Conventional Hand-Auger sampling. (e) Field analysis using hand-held XRF.

This method of exploration and analysis has provided a quick and cost-effective method of assessing mineralisation within the Nendo Project. The results from the initial laboratory samples suggest the field XRF results for total Al_2O_3 are on average 3.2% higher than the laboratory results - well within acceptable variations for this level of exploration. It is expected improvement in field sample preparation will reduce this discrepancy. It should also be noted that many of the samples included in this first batch of submitted lab samples are from areas now considered of lower prospectivity. Additional samples for laboratory analysis are currently being dispatched from site.

Proposed work for the September 2016 quarter:

- Receipt of assays for remaining 363 samples;
- Completion of legal and technical due diligence;
- Infill sampling of higher tenor sites;
- Ongoing relationships building with communities; and
- Mechanical trenching to validate sampling methodology and results.

The Company looks forward to releasing further updates on its exploration of the Nendo Project.

CHOISEUL PROJECT, SOLOMON ISLANDS

The terms of the Company's option agreement to acquire a 50% interest in ACM included the mineral tenure over the Choiseul bauxite project (**Choiseul Project**) area.

The Choiseul Project is a granted Prospecting Licence (PL04/13) covering approximately 600km^2 and located on the island of Choiseul in the northern part of the Solomon Islands. Bauxite has been documented and explored in this region since the 1960's and local geologists have noted the presence of bauxite within ACM's ground. The extent of this mineralisation is yet to be determined.

<u>EXPLORATION: AUSTRALIA</u>

GOLDEN CAMEL PROJECT

Location: Heathcote Greenstone Belt, VIC

The Golden Camel Project is comprised of granted Mining Licence MIN5548 which hosts the Golden Camel Resource and Infrastructure Only Mining Licence MIN5570 located on the Mt Camel Range within the Heathcote Greenstone Belt in North-Central Victoria (the **Golden Camel Project**).

Iron Mountain announced on 1 October 2014 that it had signed a Tenement Sale and Purchase Agreement with Golden Camel Mining Pty Ltd (**GCM**) for the sale of its Golden Camel Project. The tenements subject to the agreement are MIN5548, MIN5570, EL5449 and EL5490 located over the Heathcote Greenstone Belt in Central Victoria.

The Golden Camel Project currently contains a Measured, Indicated & Inferred JORC (2012) Resource of 266,000t @ 1.7g/t Au within MIN5548. As per the sale of the project to GCM in 2015, the Company is entitled to the following consideration if mining commences on or before 27 January 2018:

- A$100,000 one month after the commencement of mining; and
- A$200,000 two months after the commencement of mining.

In lieu of payments, GCM can elect to transfer 100% of the interest in each tenement back to Iron Mountain. The agreement also includes a royalty to the Company of A$2/t on all gold ore mined after the first 20,000oz has been produced.

On 27 July 2015, the Company announced that it had received notification from GCM that a Work Plan for Golden Camel had been approved and that they hoped to commence construction and mining in 2015. The intended operation was expected to run over a 12-18 month period and include site preparation and rehabilitation. Proposed mining will be by traditional drill & blast, excavation and haulage methods during an anticipated six-month life of mine. Ore is to be transported to an offsite processing facility for toll treatment and the extraction of gold.

During the current financial year, GCM continued to progress the project subject to satisfactory trial mining results, GCM will then progress to the full-scale development of Golden Camel. Further updates will be announced as provided by GCM or as identified by the Company.

MT RICHARDSON PROJECT

Location: Eastern Goldfields, WA

Cliffs Asia Pacific Iron Ore Pty Ltd (**Cliffs**) is the owner of E29/571 following finalisation of the sale of the Mt Richardson Project on 13 July 2010. Iron Mountain retains a royalty of 2% on average/tonne FOB sales value of iron ore product that departs E29/571 as well as a one off payment of AUD 0.50 per dry metric tonne on tonnages in excess of independently evaluated Indicated or Measured resources of 10,000,000 tonnes. Future updates on the status of the Mt Richardson Project will be announced as provided by Cliffs.

INDICATOR PROJECT

Location: Maryborough, VIC

The Indicator Project target is a historically mined, high grade indicator/quartz vein mineralized system discovered in 1984 as in-situ gold in quartz mineralisation outcropping at surface on the crown of a small hill. The Company is considering its options regarding this project, which may include a small drill program or divestment.

ROGETTA PROJECT

Location: Burnie area, Tasmania

The Rogetta Project (formerly Blythe Iron Ore Project) is owned and operated by Forward Mining Ltd (**Forward Mining**). The Company is entitled to a stream of milestone payments and royalty benefits subject to mining commencing at Rogetta. Mining Lease ML1996P/M (refer Figure 5) was granted on 4 June 2015 for a proposed magnetite iron ore mine at Rogetta and currently has an EPA Assessment in Progress.

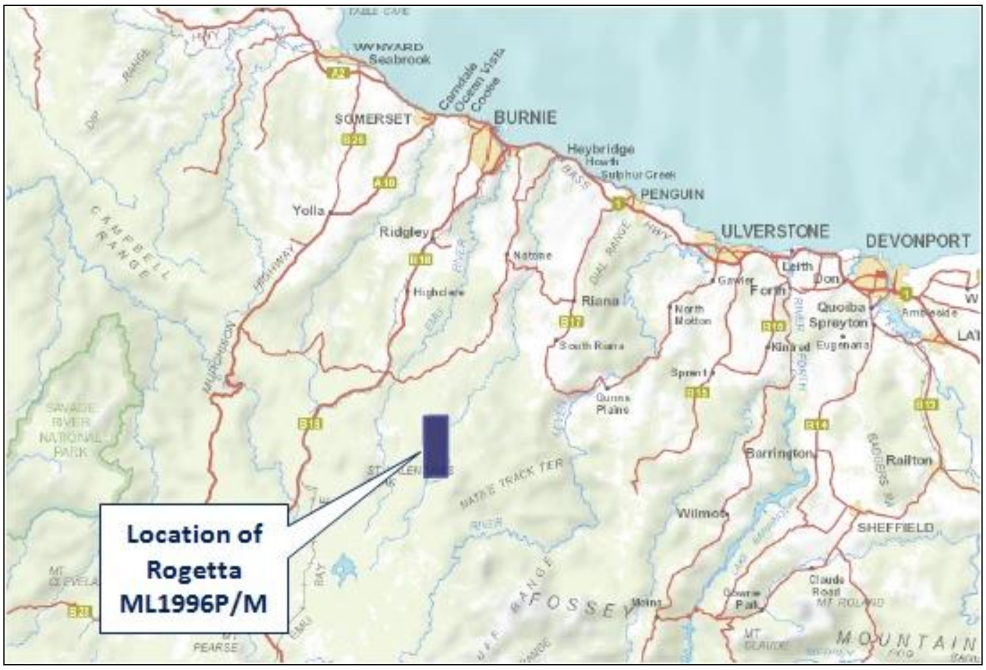


Figure 5 – Location of Rogetta granted Mining Lease ML1996P/M approximately 30km south of Burnie (image and location details from Mineral Resources Tasmania).

Under the Sale Agreement, the triggers for the post-production milestone payments and the production royalty were modified and include:

- A$1,000,000 upon the first shipment of iron ore from the Rogetta Project tenements;
- A$2,000,000 upon the first anniversary of the first shipment of iron ore from Rogetta Project tenements; and
- A$2,000,000 upon the second anniversary of the first shipment of iron ore from Rogetta Project tenements.

A royalty of 1.5% payable on the gross Free on Board revenue from all shipments of iron ore from the Rogetta Project tenements remains intact.

Given the potential future milestone and royalty payment stream attributable to Iron Mountain in the event of the successful development of the Rogetta Project, the Company will regularly monitor and report all future progress. All future Rogetta Project status updates will be announced as provided by Forward Mining or as identified by the Company.

MIAREE MAGNETITE PROJECT (100% IRM)

Location: Karratha, WA

The Miaree Magnetite Project (**Miaree**) is located approximately 30km southwest of Karratha in Western Australia. The tenements were initially explored for magnetite and later for gold with positive results. The Company has accumulated a substantial drilling and exploration database, which is periodically re-evaluated subject to commodity prices movements and expressions of interest.

Miaree contains an independently estimated JORC (2004) Inferred Resource of 177Mt of magnetite at an overall grade of 29.68% Fe (refer Table 2).

Table 2 – Summary of 2016 Miaree Inferred Resources and 2015 Miaree Inferred Resources

2016 Inferred Resource (Mt)	**Fe (%)**	**Al_2O_3 (%)**	**SiO_2 (%)**	**P (%)**	**LOI (%)**	**Cut-off Fe (%)**
177	29.68	3.18	43.80	0.05	1.80	25
2015 Inferred Resource (Mt)	**Fe (%)**	**Al_2O_3 (%)**	**SiO_2 (%)**	**P (%)**	**LOI (%)**	**Cut-off Fe (%)**
286	31.36	2.64	43.22	0.06	0.80	25

It continues that additional exploration cannot presently be justified due to record low iron ore prices.

In accordance with ASX Listing Rule 5.21 the Company confirms the following as at 30 June 2016.

5.21.1 No Annual review has been conducted on the Project.
5.21.2 The Mineral Resources Table is included above.
5.21.3 The Company does not report on any other date than its end of financial year balance date, therefore this rule is not applicable.
5.21.4 See table 2 above – the reduction in the resource represents the forfeiture of a tenement that was part of the project.
5.21.5 All reported Mineral Resources estimated by Independent Resource Consultant with qualifications and experience applicable to the process and commodities in question and regarded as a Competent Person under JORC (2012) guidelines.

WANDOO PROJECT

Location: 100km north of Perth, Western Australia

Iron Mountain retains a royalty of A$0.75 per Dry Metric Tonne on future production of bauxite ore transported from the Wandoo Project tenements following the sale of the project to Alpha Bauxite Pty Ltd in 2012.

Total JORC (2004) Inferred Resources of bauxite at Wandoo at the time of the sale was 89.4Mt @ 41.75% Al_2O_3. No update was received on the progress of the Wandoo Project during the year. Future updates on the status of the Wandoo Project will be announced as provided by Alpha Bauxite Pty Ltd.

RELINQUISHED PROJECTS

As part of ongoing project evaluation, all tenements are regularly reviewed to assess prospectivity and to determine whether any further work is justified or warranted. During the course of the year, the following tenements were surrendered, withdrawn or relinquished:

- EL25346 (Treasure Project, Alice Springs, N.T.);
- E70/3948 (Pithara Gold Project, Pithara, W.A.);and
- E08/1350 (Miaree Project, WA.).

Subsequent to year end, the below tenements were surrendered, withdrawn or relinquished:

- E47/1309 and E47/1708 (Miaree Project, W.A.).

CORPORATE

BOARD CHANGES

On 24 March 2016, the Board appointed Ms Pippa Coppin as a Non-Executive Director of the Company. Ms Coppin is a corporate lawyer based in Perth. Ms Coppin specialises in equity capital raisings, all forms of acquisitions and divestments, governance and corporate compliance. Ms Coppin graduated from the University of Western Australia in 2004 with a Bachelor of Laws and Science. She also has a Graduate Diploma of Applied Corporate Governance and a Diploma of Business Studies.

In May 2016, the Company advised that Mr. Robert Sebek tendered his resignation as Managing Director of the Company. Mr. Sebek was Managing Director of the Company for over seven (7) years, and in that time guided the Company through a particularly challenging period for the resources market. Non-Executive Chairman Mr. Mark Gwynne assumed the role of Executive Chairman on a part time basis whilst an appropriate Board structure was considered for the longer term.

Post the June 30 year end, the Board appointed Mr. John Ciganek as a Non-Executive Director. Mr. Ciganek's career of more than 25 years in the mining sector has been spent across mining engineering, executive management and corporate finance. Mr. Ciganek is currently Executive Director of BurnVoir Corporate Finance, a corporate finance advisory firm and he has been involved in providing corporate finance advice on a range of bauxite, alumina and aluminium transactions.

OTHER CORPORATE MATTERS

In the September quarter, a formal contract was signed for the sale of commercial property owned by the Company for A$900,000 (plus GST). The sale to private investor Hongtao Gai was subject to Foreign Investment Review Board (FIRB) approval, which was subsequently received. Settlement occurred in December 2015.

The Company's Annual General Meeting of Shareholders took place in November 2015; all resolutions put to the meeting were unanimously passed on a show of hands.

Proceedings for the recovery of legal fees paid on behalf of former Director Mr. Zohar remains stayed pending the outcome of his bankruptcy proceedings. The Company also continues to pursue the recovery of a portion of the legal fees via a taxation of the fees paid to the lawyers who advised Mr. Zohar. By a decision of the Supreme Court of Western Australia in October 2015, Iron Mountain's application for taxation of those fees was dismissed with costs on the basis that the Company was not a "non-associated third party payer" under the Legal Profession Act 2008 (WA). The Company believes that the decision was in error and has commenced an appeal against that decision.

The Company notes that the final Appeal Hearing was held on 8 August 2016 and, as at the date of this Annual Report, a judgment on this matter is pending and the result will be announced when received.

FINANCIAL

The loss after tax for the year ended 30 June 2016 amounted to $1,284,574 (2015: $1,046,415). This year's results are broadly in line with the previous year with the exception of an increase in the exploration expenditure. The Company successfully sold its commercial office at 231 C Adelaide Terrace Perth for $900,000 for a net gain on sale of $167,443. In addition, this year's impairment-charge on available for sale financial assets was significantly less than the previous year.

Financial position

At the end of the 2016 financial year the group has net assets of $905,050 (2015: $2,189,624) including cash reserves of $925,625 (2015: $1,413,747).

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Brett Smith, BSc Hons (Geol), a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and Member of AIG. Mr. Smith is a employee and Director of Iron Mountain Mining Limited. Mr. Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Smith consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Your Directors present their report of Iron Mountain Mining Limited during, the year ended 30 June 2016.

DIRECTORS

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report.

MARK GWYNNE (Appointed 13 May 2014)
Executive Chairman

Mr Gwynne has 23 years of experience in senior and corporate management of resource companies registered and listed in Australia and the United Kingdom, with operations in Australia, Africa, South America and the Former Soviet Union. Mr Gwynne has extensive experience in project acquisition and development in precious and base metals and oil and gas and has undertaken extensive capital raising and marketing for several companies. Mr Gwynne is currently a director of ASX listed FE Limited and Cauldron Energy Limited and has previously been a director of Kupang Resources Limited in the last three years.

Mr Gwynne indirectly holds 1,351,713 ordinary shares in Iron Mountain Mining Limited

BRETT SMITH (Appointed 13 May 2014)
BSc (Hons), MAusIMM, MAIG, MAICD
Non-Executive Director

Mr Smith has acquired more than 25 years of experience in the mining and exploration industry as a geologist, manager, consultant and Director in Australia, North & South America and Africa. His industry experience is broad, dominated by exploration and resource definition for mining operations. He is currently the Managing Director of Corazon Mining Ltd and Non-Executive Director of Metals of Africa Ltd. Other Directorships held in the past three years include, Jacka Resources Ltd and Cauldron Energy.

Mr. Smith indirectly holds 1,351,713 ordinary shares in Iron Mountain Mining Limited

PIPPA COPPIN (Appointed 24 March 2016)
LLB BSc,
Non-Executive Director

Ms Coppin is a corporate lawyer based in Perth. She specialises in equity capital raisings, all forms of acquisitions and divestments, governance and corporate compliance. Ms Coppin graduated from the University of Western Australia in 2004 with a Bachelor of Laws and Science. She also has a Graduate Diploma of Applied Corporate Governance and a Diploma of Business Studies. Ms Coppin has not held any other Directorships in the last three years.

Ms Coppin does not hold any securities in Iron Mountain Mining Limited

JOHN CIGANEK (Appointed 11 July 2016)
BA Eng MBA

Mr. Ciganek's career of more than 25 years in the mining sector has been spent across mining engineering, executive management and corporate finance. He is currently Executive Director of BurnVoir Corporate Finance, a corporate finance advisory firm. Mr. Ciganek's advisory roles include project finance, mergers and acquisitions, equity capital markets, corporate and commercial advisory. Mr. Ciganek has worked in bauxite mining operations with Comalco / CRA (now Rio Tinto) and has provided corporate finance advice to companies in the bauxite, alumina and aluminium sectors. Mr. Ciganek was previously a director of Boulder Steel Ltd (in the last three years).

Mr. Ciganek does not hold any securities in Iron Mountain Mining Limited

ROBERT SEBEK (Resigned 5 May 2016)
B.App.Sc, B.Sc (Hons), MBA, MAusIMM
Managing Director

Mr. Sebek is a geologist with over 20 years of experience in the resources sector including exposure to import/export analysis and negotiations. He has held senior mining and exploration positions as well as consulting roles in the fields of metals refining and tenement management. Prior to his appointment, Mr. Sebek was employed as an analyst with CommSec (Commonwealth Bank of Australia) providing technical input on mining and exploration projects. Mr. Sebek was also a Non-Executive Director of Eagle Nickel Ltd and has not held any other Directorships apart from Iron Mountain Mining Ltd and Eagle Nickel Ltd in the past three years.

Mr. Sebek holds nil shares and 4,500,000 options in Iron Mountain Mining Ltd.

COMPANY SECRETARY

The following person was the Company Secretary of the Company during the whole of the financial year and up to the date of this report.

SURAJ SANGHANI (Appointed 19 February 2014)
BCom CA ACIS

Mr. Sanghani is a chartered accountant with over 10 years' experience in the auditing, accounting and corporate governance profession. He has held roles with Ernst & Young, as well as roles with a number of ASX listed exploration companies operating domestically and internationally.

Mr. Sanghani has a Bachelor of Commerce Degree from the University of Western Australia and is a member of the Institute of Chartered Accountants in Australia and the Governance Institute of Australia.

Mr. Sanghani has previously been company secretary of Actinogen Medical Ltd, Eagle Nickel Ltd and Red River Resources Ltd. He was also a Director of Red River Resources Limited in the last three years.

Mr. Sanghani indirectly holds 142,000 ordinary shares and 250,000 options in Iron Mountain Mining Ltd.
Mr. Sanghani also holds 500,000 options in Iron Mountain Mining Limited in his own name.

Principal Activities

The principal activity of the Company during the course of the financial year was mineral exploration.

Dividends

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

Review of Operations

Information on the operations of the Company and its business strategies and prospects is set out in the Review of Operations and Activities on pages 10 to 17 of this annual report.

Annual General Meeting

The Company's Annual General Meeting was held on 30 November 2015. All resolutions put to the meeting were passed on a show of hands.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company other than those disclosed in the Review of Operations.

Matters Subsequent to the End of the Financial Year

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results of Operations

The Company will continue to focus on the exploration of minerals. This may or may not include seeking expressions of interest for the sale of non-core projects and assets.

Environmental Regulation

The Directors believe the Company is not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Greenhouse Gas and Energy data reporting requirements

The Company is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

The Energy Efficiency Opportunities Act 2006 requires the group to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the Company intends to take as a result.

The National Greenhouse and Energy Reporting Act 2007 require the Company to report its annual greenhouse gas emissions and energy use.

For the year ended 30 June 2016 the Company was below the reported threshold for both legislative reporting requirements therefore is not required to register or report. The Company will continue to monitor its registration and reporting requirements however it does not expect to have future reporting requirements.

Greenhouse Gas and Energy data reporting requirements

The Company has assessed its reporting obligations under the National Greenhouse and Energy Reporting Act 2007 and Energy Efficiency Opportunities Act 2006. For the year ended 30 June 2016, the Company was below the reported thresholds for both legislative reporting requirements, therefore is not required to register or report. The Company will continue to monitor its registration and reporting requirements however it does not expect to have future reporting requirements.

Directors' Meetings

The following table sets out the number of meetings of the Company's Directors held while each Director was in office and the number of meetings attended by each Director:

	Board Meetings	
Director	**Number of meetings held**	**Number of meetings attended**
Mark Gwynne	4	4
Brett Smith	4	4
Robert Sebek	4	4
Pippa Coppin	1	1

REMUNERATION REPORT (AUDITED)

The information contained in the remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

Principles used to determine the nature and amount of remuneration

The Company's policy for determining the nature and amount of emoluments of Board members and senior executives are as follows:

Executive Remuneration

The Company's remuneration policy for Executive Directors is designed to promote superior performance and long-term commitment to the Company. Executives receive a base salary which is market related. Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the best interests of the Company and its shareholders to do so. The Board's reward policy reflects its obligation to align executives' remuneration with shareholders' interests and retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

- Reward reflects the competitive market in which the Company operates;
- Individual reward should be linked to performance criteria; and
- Executives should be rewarded for both financial and non-financial performance.

Refer below for details of Executive Directors' remuneration.

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Board recommends the actual payments to Directors. The maximum aggregate remuneration approved for Non-Executive Directors is currently $250,000 (2015: $250,000). All Directors are entitled to have indemnity insurance paid by the Company, which is currently $13,875 (2015: $12,375).

The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Refer below for details of Non-Executive Directors' remuneration.

Executives are also entitled to participate in the employee share and option arrangements. Refer to Note 18(b) to the financial report for details of all Directors' share and option holdings.

The Executive Directors and Executives receive a superannuation guarantee contribution (where applicable) required by the government, which, as at 30 June 2016 was 9.5%, and do not receive any other retirement benefits.

All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed. Options are valued using either the Black-Scholes or binomial methodologies.

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required, during the year no advice was sought. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in Iron Mountain and are able to participate in an employee option plan (none adopted to date).

Performance Based Remuneration

The Company currently has no performance-based remuneration or short or long term incentives component built into Director and Executive remuneration packages.

The Board believes that as the Company is in its start-up phase of development it is not feasible to establish meaningful Key Performance Indicators from which to base Director and Executive remuneration packages. Once the Company is more fully established the Board will reconsider this policy.

Use of remuneration consultants

For the year ended 30 June 2016, the Company did not employ any remuneration consultants to provide recommendations on employee remunerations matters.

Remuneration governance

The Company has not established a remuneration committee due to the relatively small size and early stage of development of the Company. The Board as a whole monitors the activities normally reserved for a remuneration committee.
The Corporate Governance Statement provides further information on the role of the Board in this context.

Details of Remuneration

Details of the remuneration of the Directors and key management personnel of the Company are set out below.

The Key Management Personnel of the Company are the Directors and Company Secretaries.

Directors:
Mark Gwynne (Executive Director - Chairman) (Appointed 13 May 2014)
Brett Smith (Non-Executive Director) (Appointed 13 May 2014)
Pippa Coppin (Non- Executive Director) (Appointed 24 March 2016)
John Ciganek (Non- Executive Director) (Appointed 11 July 2016)
Robert Sebek (Managing Director) (Resigned 5 May 2016)

Company Secretaries:
Suraj Sanghani (Appointed 19 February 2014)

Key Management Personnel Remuneration:

2016

	Short Term		Post-employment	Share based payments			
Name	**Cash salary and fees $**	**Non-monetary benefits $**	**Superannuation $**	**Options $**	**Shares $**	**Total $**	**Value of Share Based payments as a % of total remuneration**
Directors							
Robert Sebek[1]	303,899	42,030	16,096	-	-	362,025	0.00%
Mark Gwynne	65,000	-	6,175	-	-	71,175	0.00%
Brett Smith	73,360	-	-	-	-	73,360	0.00%
Pippa Coppin	13,000	-	-	-	-	13,000	0.00%
Company Secretary							
Suraj Sanghani	126,000	-	11,970	-	-	137,970	0.00%
Total	581,259	42,030	34,241	-	-	657,530	0.00%

[1] Includes annual and long service leave amounts accrued and paid out on resignation and outstanding balance on a Company maintained vehicle.

2015

	Short Term		Post-employment	Share based payments			
Name	**Cash salary and fees $**	**Non-monetary benefits $**	**Superannuation $**	**Options $**	**Shares $**	**Total $**	**Value of Share Based payments as a % of total remuneration**
Directors							
Robert Sebek	193,275	14,355	13,680	6,979	-	228,289	3.06%
Mark Gwynne	65,000	-	6,175	-	-	71,175	0.00%
Brett Smith	52,560	-	-	-	-	52,560	0.00%
Company Secretary							
Suraj Sanghani	126,000	-	11,970	6,978	-	144,949	4.81%
Total	436,835	14,355	31,825	13,957	-	496,973	2.81%

Share Based Compensation

The terms and conditions of the grant of options affecting remuneration in the prior reporting periods are as follows (no options were issued in the current year:

Director/ Company Secretary	Options issued as compensation	Issue Date / date vested and exercisable	Value per option at grant date (cents)	Exercise price (cents)	Expiry Date
Robert Sebek	4,000,000	30 November 2012	0.17	9	28 November 2017
Suraj Sanghani	250,000	30 November 2012	0.17	9	28 November 2017
Robert Sebek	500,000	20 November 2014	1.39	3	30 December 2017
Suraj Sanghani	500,000	20 November 2014	1.39	3	30 December 2017

Options issued under the plans contain no dividend or voting rights.

When exercised, each option is converted in to one ordinary share.

The assessed fair value of the options at grant date is calculated in accordance with AASB 2 Share-based Payments. The values are determined using a Black-Scholes pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Additional Information

The table below sets out the performance of the Company and the consequences on shareholders' wealth for the past five years:

	2016	2015	2014	2013	2012
Quoted price of ordinary shares at period end (cents)	3.7	1.1	1.4	2.1	2.8
Quoted price of options at period end (cents)	-	-	-	-	-
Earnings / (loss) per share (cents)	(0.95)	(0.77)	(1.70)	(1.82)	(2.76)
Dividends paid	-	-	-	-	-

Service Agreements and Remuneration Commitments

The following services agreements are in place as at 30 June 2016.

- Executive Chairman Mark Gwynne
  No fixed term, remuneration of $65,000 per annum plus statutory superannuation and a two (2) month notice period. Mark is also entitled to an additional $800 per day that he is at an exploration site.
- Non-Executive Director Brett Smith – Topaz Corporate Pty Ltd
  No fixed term, remuneration of $52,560 per annum and a two (2) month notice period. Brett is entitled to an additional $800 per day that he is at an exploration site.
- Non-Executive Director Pippa Coppin – Boscarn Pty Ltd
  No fixed term, remuneration of $52,560 per annum and a two (2) month notice period. From time to time Pippa also provides legal services to the Company and these are provided on a commercial basis.
- Non-Executive Director John Ciganek – Ciganek Family Trust
  No fixed term, remuneration of $52,560 per annum and a two (2) month notice period.
- Company Secretary – Suraj Sanghani
  No fixed term, remuneration of $126,000 per annum plus statutory superannuation and a two (2) week notice period.

Securitisation Policy

Iron Mountain Mining Limited's security trading policy provides guidance on acceptable transactions in dealing in the Company's various securities, including shares, debt notes and options. Iron Mountain's security trading policy defines dealing in Company securities to include:

(a) Subscribing for, purchasing or selling Company securities or entering into an agreement to do any of those things;

(b) Advising, procuring or encouraging another person (including a family member, friend, associate, colleague, family Company or family trust) to trade in Company Securities; and

(c) Entering into agreements or transactions which operate to limit the economic risk of a person's holdings in Company securities.

The securities trading policy details acceptable and unacceptable times for trading in Company securities including detailing potential civil and criminal penalties for misuse of "inside information". The Directors must not deal in Company securities without providing written notification to the Chairman. The Chairman must not deal in Company securities without the prior approval of the Board of Directors. The Directors are responsible for disclosure to the market of all transactions or contracts involving the Company's shares.

The Iron Mountain Mining Limited Employee Option Plan (**Option Plan**) rules contain a restriction on removing the 'at risk' aspect of the options granted to key management personnel and executives. Participants in the Option Plan may not enter into derivative transactions with third parties to eliminate the performance element of the options. This rule is enforced via an annual declaration of compliance by all Option Plan participants.

Voting and comments made at the Company's 2015 Annual General Meeting.

Iron Mountain Mining Ltd received more than 87.99% of "yes" votes on its remuneration report for the 2015 financial year.

END OF REMUNERATION REPORT (AUDITED)

Shares under Option

Unissued ordinary shares of Iron Mountain Mining Ltd under option at the date of this report are as follows:

Date options granted	Expiry Date	Issue price of shares	Number under option
30 November 2012	28 November 2017	9 cents	5,250,000
20 November 2014	30 December 2017	3 cents	1,000,000

No option holder has any right under the options to participate in any other share issue of the Company.

No shares were issued during the year ended 30 June 2016 on the exercise of options granted.

Indemnifying Officers

All current Directors have been indemnified by the Company for costs incurred in their capacity as Directors for which they may be held personally liable. During the financial year, Iron Mountain paid a premium of $13,875 (2015: $12,375) to insure the Directors and secretaries of the Company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of Company entities and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their positions or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Company

No person has applied for leave of Court, under section 237 of the *Corporations Act 2001*, to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or part of these proceedings.
The Company was not a party to any such proceedings during the year.

Non-audit Services

No non-audit services were provided to the Company by the Company's auditors during the year ended 30 June 2016. Non-audit services are only provided by the Company's auditors where the Board of Directors is satisfied that the provision of non-audit related services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Auditor's Independence Declaration

The auditor's independence declaration as required under *section 307C of the Corporations Act 2001,* for the year ended 30 June 2016 has been received and is set out on page 26.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Mark Gwynne
Executive Chairman
8 September 2016
Perth, Western Australia

ROTHSAY
Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Iron Mountain Mining Ltd
Level 3
33 Ord Street
West Perth WA 6005

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2016 financial statements; and

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

Graham R Swan (Lead auditor)

Rothsay Chartered Accountants

Dated 8th September 2016

IRON MOUNTAIN MINING LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2016

	Note	2016 $	2015 $
Revenue from continuing operations	4	28,922	49,967
Other Income	4	167,443	181,700
Administration		(349,333)	(390,323)
Exploration costs		(490,720)	(156,403)
Depreciation	10	(3,508)	(28,865)
Employment costs		(590,247)	(578,094)
Impairment of available for sale financial assets	8	(41,080)	(124,397)
Impairment of property plant and equipment		(6,051)	-
(Loss) before Income Tax		(1,284,574)	(1,046,415)
Income tax (expense) / benefit	5	-	-
(Loss) for the Year		**(1,284,574)**	**(1,046,415)**
Profit is attributable to			
Owners of Iron Mountain Mining Limited		(1,284,574)	(1,046,415)
Other comprehensive income		-	-
Total comprehensive (loss) for the year		**(1,284,574)**	**(1,046,415)**
(Loss) per share attributed to the Owners of Iron Mountain Mining Limited			
Basic loss per share (cents)	23	(0.95)	(0.77)

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

IRON MOUNTAIN MINING LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2016

	Note	2016 $	2015 $
CURRENT ASSETS			
Cash and Cash Equivalents	6	925,625	1,413,747
Trade and Other Receivables	7	29,982	36,664
Assets held for sale	9	-	732,683
TOTAL CURRENT ASSETS		955,607	2,183,094
NON-CURRENT ASSETS			
Available For Sale Financial Assets	8	62,199	103,279
Property, Plant and Equipment	10	23,051	19,358
TOTAL NON-CURRENT ASSETS		85,250	122,637
TOTAL ASSETS		1,040,857	2,305,731
CURRENT LIABILITIES			
Trade and Other Payables	11	99,380	44,911
Provisions	12	36,427	71,196
TOTAL CURRENT LIABILITIES		135,807	116,107
TOTAL LIABILITIES		135,807	116,107
NET ASSETS		905,050	2,189,624
EQUITY			
Contributed Equity	13	13,186,212	13,186,212
Reserves	14	1,265,212	1,265,212
Accumulated Losses		(13,546,374)	(12,261,800)
TOTAL EQUITY		905,050	2,189,624

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

IRON MOUNTAIN MINING LIMITED
STATEMENTS OF CHANGES IN EQUITY
For the year ended 30 June 2016

2015

	Contributed Equity $	Accumulated Losses $	Asset Revaluation Reserve $	Option Reserve $	Total $
Balance as at 1 July 2014	13,186,212	(11,215,385)	-	1,251,255	3,222,082
Total comprehensive income for the year					
Loss for the year	-	(1,046,415)	-	-	(1,046,415)
Total comprehensive loss for the year	-	(1,046,415)	-	-	(1,046,415)
Transactions with equity holders in their capacity as equity holders					
Options issued during the year	-	-	-	13,957	13,957
Balance as at 30 June 2015	13,186,212	(12,261,800)	-	1,265,212	2,189,624

2016

	Contributed Equity $	Accumulated Losses $	Asset Revaluation Reserve $	Option Reserve $	Total $
Balance as at 1 July 2015	13,186,212	(12,261,800)	-	1,265,212	2,189,624
Total comprehensive income for the year					
Loss for the year	-	(1,284,574)	-	-	(1,284,735)
Total comprehensive loss for the year	-	(1,284,574)	-	-	(1,284,735)
Transactions with equity holders in their capacity as equity holders					
Options issued during the year	-	-	-	-	-
Balance as at 30 June 2016	13,186,212	(13,546,374)	-	1,265,212	905,050

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

IRON MOUNTAIN MINING LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30 June 2016

	Note	2016 $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		27,809	52,984
Receipts from customers		2,625	-
Payments for exploration and evaluation		(463,900)	(156,403)
Payments to suppliers and employees		(841,529)	(988,379)
Research and Development tax offset		-	156,700
NET CASH (OUTFLOWS) FROM OPERATING ACTIVITIES	21	(1,274,995)	(935,098)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of option fee over tenements		(100,000)	-
Proceeds from the sale of projects		-	60,000
Proceeds from sale of property, plant and equipment		900,126	-
Payments for property, plant and equipment		(13,253)	(1,454)
NET CASH INFLOW / (OUTFLOWS) FROM INVESTING ACTIVITIES		786,873	58,546
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
NET CASH (OUTFLOWS) FROM FINANCING ACTIVITIES		-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(488,122)	(876,552)
Cash and cash equivalents at the beginning of the financial year		1,413,747	2,290,299
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	6	925,625	1,413,747

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (**AABS**), Australian Accounting Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The financial statements of the Company also comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**). Iron Mountain Mining Ltd is a for profit entity for the purpose of preparing the financial statements.

New and amended standards adopted by the Company

The Company has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the first time for the annual reporting period commencing 1 July 2015 that are relevant to the Company include:

- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments. The Standard contains three main parts and makes amendments to a number of Standards and Interpretations. Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality. The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.
- AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent The amendment aligns the relief available in AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures in respect of the financial reporting requirements for Australian groups with a foreign parent.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior years. However, the above standards have affected the disclosures in the notes to the financial statements.

Early adoption of standards

No new standards have been adopted early.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and certain classes of property, plant and equipment.

Critical accounting estimates and significant judgements

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

(a) Exploration and evaluation expenditure

Exploration, evaluation expenditure is expensed in respect of each identifiable area of interest held in the name of the entity. Acquisition costs are capitalised and recognised on the statement of financial position only to the extent that there exists evidence of the capitalised expenditure to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated acquisition costs in relation to an abandoned area are written off in full to the statement of profit or loss and other comprehensive income in the year in which the decision to abandon the area is made.

When production commences, the accumulated exploration, acquisition and development costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. Any costs of site restoration are provided for during the relevant production stages (where the liabilities exist) and included in the costs of that stage. 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.

(b) Impairment of assets

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

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

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

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(c) Trade Receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the statement of profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss.

(d) Property, Plant & Equipment

Each asset of property, plant and equipment is carried at cost, less where applicable, any accumulated depreciation and impairment losses. Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Property
Buildings are shown at cost less subsequent depreciation for buildings.

Depreciation
Items of plant and equipment are depreciated using the diminishing value method over their estimated useful lives to the consolidated entity. Depreciation on other classes of assets is done using the straight-line method. The depreciation rates used for each class of asset for the current period are as follows:

- Buildings 2.5%
- Property Improvements 2.5%
- Plant and Equipment 10% - 66.67%

Assets are depreciated from the date the asset is ready for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets continual use or subsequent disposal. The expected cash flows have been discounted to their present value in determining the recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated statement of profit or loss and other comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the end of the reporting period.

Deferred income tax is accounted for using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax from the initial recognition of an asset or liability, in a transaction other than a business combination is not accounted for if it arises that at the time of the transaction it affects neither accounting or taxable profit nor loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the asset is realised or liability is settled. Deferred tax is credited in the consolidated statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred 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.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company's entitlement to the Research and Development tax rebate is recognised as Other Income in accordance with AASB 120.

From 1 July 2013 to 21 April 2014 the Company and its wholly owned Australian resident entity Aluminex Resources Limited were part of a tax consolidated Company. As a consequence, all members of the tax consolidated Company are taxed as a single entity. The head entity within the tax consolidated Company was Iron Mountain Mining Limited. On 21 April 2014 Aluminex Resources was deregistered as a Company and therefore ceased to be part of the tax consolidated Group. There was no Tax consolidated Group from this date.

(i) Investment allowances
The Company may be entitled to claim special tax deductions for investments in qualifying assets (investment allowances). The Company accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

(f) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(g) Share-based Payments

The Consolidated entity provides benefits to employees (including Directors) of the Consolidated Entity in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option-pricing model.

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

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 number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at reporting date. 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.

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

Refer to Note 23 for further information.

(h) Cash and Cash Equivalents

For the purpose of the Consolidated Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within three months, net of outstanding bank overdrafts.

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Interest Revenue

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

Option Fee

Option Fee revenue is recognised at the time the Company receives notification from the contracting party that all conditions required for payment under the agreement have been met and the fee is due and payable.

Other income

Sale of assets is calculated with reference to the carrying value of the asset less the consideration received to arrive at the profit on sale.

(j) Goods and Services Tax (GST)

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

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

(k) Contributed Equity

Ordinary issued share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in share proceeds received.

Where any Group purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of Iron Mountain Mining Limited as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of Iron Mountain Mining Holdings Limited

(l) Trade and Other Payables

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

(m) Joint Ventures

Jointly Controlled Assets

Interest in the joint venture operation is brought to account by including in the respective classifications, the share of individual assets employed and share of liabilities and expenses incurred.

(n) Provisions

Provisions for legal claims and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(o) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

(p) Earnings per Share

Basic earnings per share

Basic earnings per share is determined by dividing profit attributable to owners of the Company, excluding any costs of service equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

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

(q) Investments and other Financial Assets

Classification

The Company classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Recognition

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

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting period.

Loans and receivables

Loans and receivables are non-derivative financial assets initially recognised at fair value with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Subsequent Measurement

Available-for-sale financial assets are subsequently measured at fair value. Changes in the fair value of available-for-sale financial assets are recognised in the consolidated statement of profit or loss and other comprehensive income.

Loans and receivables are carried at amortised cost using the effective interest method. Details on how the fair-value of financial instruments are determined are disclosed in note 2.

Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in the statement of profit or loss and other comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of comprehensive profit or loss and other income.

If there is evidence of impairment for any of the Company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of profit or loss and other comprehensive income.

Details on how the fair value of financial instruments is determined are disclosed in note 2.

(r) Comparatives

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

(s) 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.

(t) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

(u) Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments.

(v) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Company for the annual reporting period ending 30 June 2016 are outlined below:

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

The Company does not anticipate that there will be a material effect on the financial statements from the adoption of these standards.

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 2014-3 Accounting for acquisitions of interests in Joint operations AASB 1 & AASB 11	1January 2016	30 June 2017
AASB 2014-4 Clarification of Acceptable Methods of Depreciation and Amortisation	1January 2016	30 June 2017
AASB 15 Revenue from Contracts with Customers	1 January 2018	30 June 2019
AASB 1057 Application of Australian Accounting Standards	1 January 2016	30 June 2017
AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	1 January 2016	30 June 2017
AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	1 January 2016	30 June 2017
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]	1 July 2016	30 June 2017
AASB 2015-9 Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]	1 January 2016	30 June 2017
AASB 16 Leases	1 January 2019	30 June 2020
2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017	30 June 2018
2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	30 June 2018
IFRS 2 (Amendments) Classification and Measurement of Share-based Payment Transactions [Amendments to IFRS 2]	1 January 2018	30 June 2019

2. Financial Risk Management

The Consolidated entity's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Consolidated entity's overall risk in these areas is not significant enough to warrant a formalised specific risk management program.

Risk management is carried out by the Board in their day to day function as the overseers of the business. Where necessary the Board provides principles for overall risk areas, as well as defined policies for specific risks such as foreign exchange and credit risk.
The Consolidated Entity holds the following financial instruments:

Financial Assets	Available for Sale $	Financial assets at amortised cost $	Total $
2016			
Cash and cash equivalents	-	925,625	925,625
Trade and other receivables	-	29,982	29,982
Available-for-sale financial assets	62,199	-	62,199
	62,199	955,607	1,017,806
2015			
Cash and cash equivalents	-	1,413,747	1,413,747
Trade and other receivables	-	36,664	36,664
Available-for-sale financial assets	103,279	-	103,279
	103,279	1,450,411	1,553,690

Financial Liabilities	Liabilities at amortised cost $	Total $
2016		
Trade and other payables	99,380	99,380
	99,380	99,380
2015		
Trade and other payables	44,911	44,911
	44,911	44,911

(a) Market Risk

(i) Foreign Exchange Risk

The entity's operations are limited to activities within Australia and Solomon islands.

Sensitivity

The Company's profit would not be materially different due to changes in exchange rates.

(ii) Price risk

The entity is exposed to equity securities price risk. This arises from investments held by the entity and classified on the statement of financial position as available-for-sale.

All of the Company's equity investments are publicly traded and listed on the Australian Securities Exchange.

The Company manages equity securities price risk by only investing in companies where the Board has a detailed understanding of its financial and operating position.

The Company is not exposed to commodity price risk.

The table below summarises the impact of the all ordinaries index on the entity's post-tax profit for the year and on equity. The analysis is based on the assumption that the all ordinaries index had decreased by 2.58% (2015 – Increased by 1.28%) with all other variables held constant and all the Entity's equity instruments moved according to the historical correlation with the index.

	Impact on Equity		Impact on Post Tax Profit	
	2016	2015	2016	2015
	$	$	$	$
All ordinaries index	38,416	1,324	38,416	124,397

Equity would increase as a result of a small impairment charge to the securities classified as available-for-sale.

Given the nature of the financial assets, the Directors believe the All Ordinaries Index is the most appropriate benchmark to measure the sensitivity of the price risk of the Company's listed financial investments. However it should be noted that the maximum negative impact on the statement of profit or loss is $62,199 (2015: $103,279).

(iii) *Cash flow and fair value interest rate risk*

The Company's main interest rate risk arises from funds on interest bearing deposits. Funds on interest bearing deposits at variable rates expose the Entity to cash flow interest rate risk. During 2016 and 2015, the Entity's funds on deposit at variable rate were denominated in Australian Dollars only.

As at the reporting date, the Entity had the following variable rate funds on deposit:

	30 June 2016		30 June 2015	
	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	%	$	%	$
Funds on deposit	2.22	1,186,476	3.12	1,413,747

The Entity has assessed that the impact of movements in interest rates does not have a material impact on the net profit after tax. Accordingly the Entity's funds on deposit are managed according to the cash flow requirements of the Entity rather than impact of interest rate risk.

Entity sensitivity

At 30 June 2016, if interest rates had changed by -100/+ 70 basis points (2015 by -100/+ 70 basis points) from the year-end rates with all other variables held constant, post-tax profit for the year would have been $11,865 lower / $8,305 higher (2015 – change of 100/70 bps: $15,993 lower / $11,195 higher), mainly as a result of higher/lower interest income from cash and cash equivalents. Equity would have been $11,865 lower / $8,305 higher (2015: $15,993 lower / $11,195 higher mainly as a result of an increase/decrease in the interest income from cash and cash equivalents.

(b) Credit Risk

Credit risk is managed on a Company basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions and receivables from Joint Venture and Farm-In operations.

The Entity's maximum exposure to credit risk at the reporting date was:

	2016	2015
	$	$
Financial Assets		
Cash and cash equivalents	925,625	1,413,747
Trade and other receivables	29,982	36,664
Available for sale financial assets	62,199	103,279
	1,017,806	1,553,690

The Directors believe that there is negligible credit risk with the cash and cash equivalents, as funds are held at call with a reputable Australian Banking Institution which has a long term S&P credit rating of AA-.

Other receivables relate to amounts due from the Australian Taxation Office and prepaid expenses and accordingly the Directors believe there to be negligible credit risk with these receivables.

The Company did not have any trade receivables as at 30 June 2016

No security interests are taken to cover the recoverability of financial assets.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Entity manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in at call interest bearing deposits or in bank bills that are highly liquid and with maturities of less than six months.

Financing arrangements

The Entity does not have any financing arrangements.

Maturities of financial liabilities

The Entity does not have any debt except for trade payables which are due for payment in less than six months.

(d) Fair Value Measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Iron Mountain Mining Limited has adopted the amendment to AASB 7 *Financial Instruments: Disclosures* which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

(b) 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 2),and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following tables present the Company's assets measured and recognised at fair value at 30 June 2016.

Company – at 30 June 2016	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets				
Equity securities	62,199	-	-	62,199
Total assets	62,199	-	-	62,199

Company – at 30 June 2015	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets				

Equity securities	103,279	-	-	103,279
Total assets	103,279	-	-	103,279

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid prices at the end of the financial year. These instruments are included in Level 1.

The carrying value of trade receivables and trade payables are assumed to approximate their fair value due to their short-term nature.

3. Critical Accounting Estimates and Judgements

Key estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(i) Impairment

The Entity assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

During the year ended 30 June 2016, the Company made significant judgement about the impairment of a number of its available-for-sale financial assets.

The Company follows the guidance of AASB 139 Financial Instruments: Recognition and Measurement on determining when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and near term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

The decline in fair value below cost for some of these assets has been considered to be significant and/or prolonged. The Company has recorded an impairment loss during the year ended 30 June 2016 of $41,080 (2015: $124,397).

(ii) Exploration and evaluation expenditure

The Company's accounting policy for exploration and evaluation expenditure results in expenditure being expensed with acquisition costs being capitalised for an area of interest where it is considered likely to be recovered by future exploitation or sale or where the activities have reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the acquisition costs under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the statement of profit or loss and other comprehensive income.

(iii) Fair value of available-for-sale financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

(iv) Share based payments

The Company's accounting policy for share based payments results in the cost of equity-settled transactions with employees being measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model. In undertaking this valuation, the Company makes certain judgments regarding the model inputs. In determining the model inputs consideration is made of publicly available information of transactions of a similar nature.

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 number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at reporting date. 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.

Refer to Note 22 for further information.

(v) Recognition of deferred taxes

The Company's accounting policy for recognising deferred tax assets states that a deferred tax asset may only be recognised where if it is probable that there will be future taxable amounts available to utilise those deferred tax assets.

After reviewing the Company's current contracts and future revenue and expense estimates, the Company's management have made a judgement that whilst there is an expectation that there will be sufficient future taxable amounts available to utilise the Future Tax Assets, there is insufficient evidence available to recognise the Future Tax Assets at 30 June 2016 as required under AASB 112 Income Taxes.

(vi) Revenue and contingent assets

The Company has made the judgement to not recognise the revenue or contingent assets relating from the sale of mining projects during the prior years as well amounts potentially available from the recovery of debts from former Director Mr. David Zohar and the taxation of the legal bills paid on his behalf. A judgement was made that the transactions did not meet the revenue or contingent asset recognition criteria. The salient points of these transactions are summarised below.

Wandoo

The Company retains a royalty of AUD $0.75 per dry metric tonne on future production of bauxite transported from the Wandoo project tenements payable within 30 days at the end of each quarterly period.

Blythe

Payment of AUD$1,000,000 upon the first shipment of iron ore extracted from the Blythe Project tenements.

Payment of AUD$2,000,000 upon the first anniversary of the first shipment of iron ore extracted from the Blythe Project tenements.

Payment of AUD$2,000,000 upon the second anniversary of the first shipment of iron ore extracted from the Blythe Project tenements.

The originally agreed royalty of 1.5% payable on the gross Free on Board revenue from all shipments of iron ore from the Blythe tenements remains intact.

Mt Richardson

The Company retains a royalty of 2% on average/tonne FOB sales value of iron ore product that departs E29/571 as well as a one off payment of AUD 0.50 per dry metric tonne on tonnages in excess of independently evaluated Indicated or Measured resources of 10,000,000 tonnes.

Golden Camel Gold Tenements

On 1 October 2014 the Company announced the sale of its Victorian Gold tenements to Golden Camel Mining Pty Ltd.

1. If mining commences on or before three (3) years of the Settlement date, Golden Camel Mining Pty to pay:
   - AUD$100,000 one month after commencement of mining; and
   - AUD$200,000 two months after commencement of mining.

2. If mining has not commenced with three (3) years of the Settlement date, Golden Camel Mining Pty to pay:
   - AUD$150,000 one month after commencement of mining; and
   - AUD$250,000 two months after commencement of mining.

3. In lieu of payments, Golden Camel Mining Pty can elect to transfer 100% of the interest in each tenement back to Iron Mountain.

4. A royalty of AUD$2/t on all gold ore mined after the first 20,000oz has been produced.

Debt Recovery and Taxation of Legal Bills

Proceedings for the recovery of legal fees paid on behalf of former Director Mr. Zohar remains stayed pending the outcome of his bankruptcy proceedings. These proceedings are ongoing.

The Company continued to pursue the recovery of a portion of the fees paid to the lawyers who advised former Director Mr. Zohar. The Company notes that the final Appeal Hearing was held on 8 August 2016 and as at the date of this report a judgment currently pending.

The amount currently outstanding from Mr. Zohar is $588,888

4. Revenue

	2016 $	2015 $
From Continuing Activities		
Sales revenue	2,625	-
Other Revenue		
Interest income	26,297	49,967
	28,922	49,967
Other Income		
Research and Development Tax offset	-	156,700
Profit on sale of assets classified as held of sale	167,443	-
Sale of tenements	-	25,000
	167,443	181,700

5. Income Tax

	2016 $	2015 $
a. Numerical reconciliation of income tax to prima facie tax payable		
Net Profit /(Loss) before tax	(1,284,574)	(1,046,415)
Tax expense / (benefit) at the Australian tax rate of 28.5%	(366,104)	(313,925)
Tax effect of amounts that are not deductible / taxable in calculating taxable income		
Impairment	11,708	37,319
Gain on disposal of property	(47,685)	-
Sundry items	(16,798)	18,404
Future tax assets not brought to account	418,879	258,202
Income tax expense /(benefit)	-	-

Tax Losses

Unused tax losses for which no deferred tax asset has been recognised.	12,910,644	11,525,682
Potential tax benefit @ 28.5%	3,679,534	3,457,705

2015 Figures have been based on a tax rate of 30%

Included in the Future Tax Assets not brought to account are tax losses for which no deferred tax asset has been recognised, but where a Future Tax Asset had been recognised in a prior year. After reviewing the Group's current contracts and future revenue and expense estimates, the Group's management have made a judgement that whilst there is an expectation that there will be sufficient future taxable amounts available to utilise the deferred tax assets, there is insufficient evidence available to recognise the Future Tax Assets at 30 June 2016 as required under AASB 112 Income Taxes. Accordingly the tax losses available as at 30 June 2016 have not been recognised as Future Tax Assets.

In accordance with AASB 120 Accounting for Government Grants and Disclosure of Government Assistance, the Research & Development tax offset received in 2015 has been classified as Income in the Income Statement.

6. Cash and Cash Equivalents

	2016 $	2015 $
Cash at bank and in hand	925,625	1,413,747
	925,625	1,413,747

The Company's exposure to interest rate risk is discussed in Note 2. The minimum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

Of the cash at bank and in hand at 30 June 2016, $81,500 is held as security for bank guarantees to support the Company's mining tenements.

7. Trade and Other Receivables

	2016			2015		
	Current $	Non-current $	Total $	Current $	Non-current $	Total $
Trade receivables	-	-	**-**	-	-	**-**
	-	-	**-**	-	-	**-**
Accrued revenue	1,514	-	**1,514**	2,815	-	**2,815**
Prepayments	10,483	-	**10,483**	25,058	-	**25,058**
Goods and Services Tax Receivable	17,985	-	**17,985**	8,791	-	**8,791**
	29,982	-	**29,982**	36,664	-	**36,664**

8. Available-for-sale Financial Assets

	2016 $	2015 $
Listed equity securities at fair value	62,199	103,279
	62,199	103,279

	2016 $	2015 $
At beginning of year	103,279	227,676
Disposals	-	-

Impairment of available for sale financial assets	(41,080)	(124,397)
At end of year	62,199	103,279

Fair value of investments in listed corporations is assessed as bid price on the Australian Securities Exchange prior to close of business on reporting date.

9. Assets classified as held for sale

	2016 $	2015 $
Land and Buildings	-	732,683
	-	732,683

The Company announced the completion of the sale of its Perth office on 14 December 2015. The office was sold for $900,000.

10. Property, Plant and Equipment

BUILDINGS	2016 $	2015 $
Buildings:		
At cost	-	-
Accumulated depreciation	-	-
TOTAL BUILDINGS	-	-
PROPERTY IMPROVEMENTS		
At cost	-	-
Accumulated amortisation	-	-
TOTAL PROPERTY IMPROVEMENTS	-	-

	2016 $	2015 $
PLANT AND EQUIPMENT		
At cost	171,040	190,480
Accumulated depreciation	(147,989)	(171,122)
TOTAL PLANT AND EQUIPMENT	23,051	19,358
TOTAL PROPERTY, PLANT AND EQUIPMENT	23,051	19,358

Movements during the year	**Buildings**	**Property Improvements**	**Plant and Equipment**	**Total**
Balance at 1 July 2015	-	-	19,358	19,358
Acquisitions	-	-	13,253	13,253
Depreciation expense	-	-	(3,508)	(3,508)
Assets Written off	-	-	(6,052)	(6,052)
Balance at 30 June 2016	-	-	23,051	23,051

Movements during the year	**Buildings**	**Property Improvements**	**Plant and Equipment**	**Total**
Balance at 1 July 2014	679,540	75,892	24,020	779,452
Acquisitions	-	-	1,454	1,454
Depreciation expense	(20,577)	(2,172)	(6,116)	(28,865)
Reclassification of property held for sale	(658,963)	(73,720)	-	(732,683)
Balance at 30 June 2015	-	-	19,358	19,358

11. Trade and Other Payables

	2016 $	2015 $
Trade payables and accruals	99,380	44,911
	99,380	44,911

Fair Value

The fair value of trade payables approximates the carrying value as presented above due to their short-term nature.

12. Provisions

	2016 $	2015 $
Annual leave provision	36,427	71,196
	36,427	71,196

13. Contributed Equity

	30.06.2016 Shares	30.06.2015 Shares	30.06.2016 $	30.06.2015 $
(a) Share Capital				
Ordinary Shares	135,933,713	135,933,713	13,186,212	13,186,212
Fully Paid	135,933,713	135,933,713	13,186,212	13,186,212

(b) Movement of fully paid ordinary shares during the period were as follows:

Date	Details	Number of shares	Issue Price $
1 July 2015	Opening balance	135,933,713	13,186,212
30 June 2016	Closing Balance	135,933,713	13,186,212

(c) Share Options

As at 30 June 2016 Iron Mountain Mining Ltd has on issue 6,250,000 options (2015: 38,250,000). 32,000,000 options exercisable at $0.19 each expired unexercised on 1 May 2016

No options were issued during the period.

(d) Terms and Conditions of Issued Capital

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has a vote on a show of hands. Ordinary shares have no par value.

Capital Risk Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so that the Company can provide returns to shareholders and benefits for other stakeholders whilst maintaining an optimal capital structure to reduce the cost of capital. The Company considers capital to consist of cash reserves on hand and available-for-sale financial assets.

The Company monitors its working capital position against expenditure requirements to undertake its planned exploration program and maintain its ongoing operations. Where required the Company will sell assets, issue new securities, raise debt or modify its exploration program to ensure the Company's working capital requirements are met.

14. Reserves

The Option Reserve is used to recognise fair value of options issued. The available-for-sale investment revaluation reserve recognises the change in value of available-for-sale assets.

	2016 $	2015 $
Option Reserve		
Balance at the beginning of the year	1,265,212	1,251,255
Options expense (refer note 23)	-	13,957
Balance at the end of the year	1,265,212	1,265,212

The nature and purpose of reserves

(i) Options reserve

The Option reserve is used to recognise the grant date fair value of options issued to employees but not exercised.

15. Key Management Personnel Disclosures

(a) Key Management Personnel Compensation:

	2016 $	2015 $
Short-term employee benefits	623,289	436,835
Post employment benefits	34,241	31,825
Share-based payment	-	13,957
	657,530	482,617

The detailed remuneration disclosures are provided in the remuneration report on pages 20 to 24.

(b) Equity Instruments Disclosure Relating to Key Management Personnel

At reporting date, the relevant interest of each Director in ordinary fully paid shares and options of the Company were:

2016

	Fully Paid Ordinary Shares			
	Balance at the beginning of the year	**Shares Issued as compensation**	**Net change other**	**Balance at the end of the year**
Directors				
Mark Gwynne	1,351,713	-	-	1,351,713
Brett Smith	1,351,713	-	-	1,351,713
Robert Sebek	-	-	-	-
Pippa Coppin	-	-	-	-
Company Secretary				
Suraj Sanghani	142,000	-	-	142,000
Total	2,845,426	-	-	2,845,426

2015

	Fully Paid Ordinary Shares			
	Balance at the beginning of the year	**Shares Issued as compensation**	**Net change other**	**Balance at the end of the year**
Directors				
Mark Gwynne	1,060,837	-	290,876	1,351,713
Brett Smith	1,060,837	-	290,876	1,351,713
Robert Sebek	-	-	-	-
Company Secretary				
Suraj Sanghani	142,000	-	-	142,000
Total	2,263,674	-	581,752	2,845,426

2016

	Share Options			
	Balance at the beginning of the year	**Options Issued as Compensation**	**Net change other**	**Balance at the end of the year**
Directors				
Mark Gwynne	-	-	-	-
Brett Smith	-	-	-	-
Robert Sebek[1]	6,500,000	-	(2,000,000)	4,500,000
Company Secretary				
Suraj Sanghani	750,000	-	-	750,000
Total	7,250,000	-	(2,000,000)	5,250,000

[1] 2,000,000 held by Robert Sebek and exercisable at $0.19 each expired unexercised on 1 May 2016

2015

	Share Options			
	Balance at the beginning of the year	**Options Issued as Compensation**	**Net change other**	**Balance at the end of the year**
Directors				
Mark Gwynne	-	-	-	-
Brett Smith	-	-	-	-
Robert Sebek[2]	6,000,000	500,000	-	6,500,000
Company Secretary				
Suraj Sanghani[2]	250,000	500,000	-	750,000
Total	6,250,000	1,000,000[2]	-	7,250,000

[2] Options issued to Robert Sebek and Suraj Sanghani as an incentive and are exercisable at three (3) cents each on or before 30 December 2017

No options were exercised or issued during the year. All options are vested and exercisable at the end of the year.

Refer to the Directors Report for further details of the options.

Other transactions and balances with key management personnel are disclosed in note 20.

16. Remuneration of Auditor

	2016 $	2015 $
Amounts received or due and receivable by Rothsays Chartered Accountants Pty Ltd for:		
- an audit or review of the financial statements of the entity	19,000	23,001
	19,000	23,001

17. Events occurring after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

18. Segment information

The Company operates in the mineral exploration industry in Australia. It has also recently conducted mineral exploration in the Solomon Islands as part of its due diligence on the Acquisition of 50% of ACM.

Management treats the Australian operations and the Solomon Island operations as a separate operating segment and are reported on as such.

	Solomon Islands $	Australia	Total $
30 June 2016			
Revenue	-	196,365	196,365
Total Segment Revenue	-	196,365	196,365
Segment net operating profit/loss after tax	(350,758)	(933,816)	(1,284,574)
Interest revenue	-	26,297	26,297
Gain on sale of assets held for sale	-	167,443	167,443
Other revenue	-	2,625	2,625
Depreciation	(250)	(3,258)	(3,508)
Segment Assets	4,828	1,036,029	1,040,857
Segment Liabilities	(26,478)	(162,285)	(135,807)

19. Related Party Transactions

Administrative and other related transactions

The Company charged Corazon Mining Limited a total of $2,625 (Ex GST) relating to administration costs incurred by Iron Mountain Mining on its behalf (2015: the Company incurred charges from Corazon Mining Limited totalling $944 (Ex GST) in relation to Administrative costs.) Mr. Smith is a Director of Corazon Mining Limited. As at 30 June 2016 no amounts billed remained as receivables (2015: $70 remained payable to Corazon Mining Limited.)

20. Commitments

Tenement Commitments

The Company has certain obligations to perform minimum exploration work on exploration tenements held. These obligations may vary over time, depending on the Company's exploration programmes and priorities. As at reporting date, total exploration expenditure commitments on tenements held by the Company have not been provided for in the financial statements, however, the expenditure required to maintain the exploration tenements over which the Company has an interest in is listed in the table below:

TENEMENT	HOLDER	AREA	DATE TENEMENT GRANTED	DATE TENEMENT EXPIRES	RENT ($)	MINIMUM EXPENDITURE ($)
EL5540	Iron Mountain Mining Limited	20 km^2	1/6/2015	31/05/2018	$177	$18,000
E47/1309-I[1]	Iron Mountain Mining Limited	32 Blocks	4/05/2007	3/05/2016	$16,019	$96,000
E47/1707-I[1]	Iron Mountain Mining Limited	8 Blocks	1/08/2008	31/07/2018	$4,141	$70,000

[1] Subsequent to 30 June 2016, these tenements were surrendered

The Company has entered into an operating lease for the use of its office space located at Level 3, 33 Ord Street, West Perth, Western Australia. The lease term was for an initial 12 months with an option for an additional 12 months on terms to be agreed.

Future Minimum Lease payments as at 30 June 2016 are as follows.

	2016 $	2015 $
Within one year	16,667	-
After one year but not more than five years	-	-
More than five years	-	-
Balance at the end of the half year	16,667	-

21. Reconciliation of the operating loss after tax to the net cash flows from operating activities

Cash Flow Information	**2016 $**	**2015 $**
(Loss)/Profit after income tax	(1,284,574)	(1,046,415)
Adjustments to reconcile profit after tax to net cash flow		
Depreciation	3,508	28,865
Sale of tenements classified as investment activities	-	(60,000)
Impairment of available-for-sale financial assets	41,080	124,397
Property plant and equipment written off	6,052	-
Gain on sale of assets held for sale	(167,443)	
Expenses classified as investing activities	100,000	
Non-cash employee benefits expense	-	13,957
Changes in assets and liabilities		
Increase/(decrease) in trade and other payables	54,469	(25,604)
Decrease/(increase) in trade and other receivables	6,682	(3,353)
(Increase)/decrease in accrued revenue	-	38,017
Increase / (decrease) in provisions	(34,769)	(4,962)
Net cash (outflow) from operating activities	(1,274,995)	(935,098)

Reconciliation of Cash	**2016 $**	**2015 $**
Cash balance comprises;		
Cash at bank	925,625	1,413,747
	925,625	1,413,747

Financing facilities available

As at 30 June 2016 the Company had no financing facilities available.

Non Cash Financing and Investing Activities

As at 30 June 2016 the Company had no non-cash financing and investing activities.

22. Share-Based Payments

Expenses arising from ordinary share payment transactions

Total expenses arising from share based payment transactions in the prior year were:

	2016 $	2015 $
Options issued as employee compensation	-	13,957
	-	13,957

There were no share based payment transactions during the year

23. Earnings Per Share

	2016	2015
(a) Basic loss per share (cents)	(0.95)	(0.77)
(b) Weighted average number of ordinary shares used as the Denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	135,928,713	135,928,713
Adjustments for calculation of diluted earnings per share:		
- Options	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	135,928,713	135,928,713
(c) Earnings used in calculating earnings per share		
Basic earnings per share	(1,284,574)	(1,046,415)

24. Contingent Liabilities and Assets

The Directors are not aware of any contingent liabilities or assets as at 30 June 2016. Refer to Note 3 (vi) for further information.

25. Joint Ventures

Blythe

On 24 April 2015, the Company announced the acquisition of the residual interests in the Blythe Joint venture from Red River Resources Limited. As a result, the Company is now entitled to all future milestone and royalty payments from Forward Mining Ltd.

Forward Mining Ltd continues to progress project assessment requirements for the proposed development of the Blythe Iron Ore Project in Tasmania.

Under the amended Blythe sale agreement, the following consideration is payable to the Iron Mountain under the following milestones:

1. Payment of $1,000,000 to Iron Mountain upon first shipment of iron ore extracted from the Blythe project tenements;

2. Payment of $2,000,000 to Iron Mountain upon anniversary of first shipment of iron ore extracted from the Blythe project tenements;

3. Payment of $2,000,000 to Iron Mountain upon second anniversary of first shipment of iron ore extracted from the Blythe project tenements; and

4. A royalty of 1.5% payable on the gross Free on Board revenue from all shipments of iron ore from the Blythe tenements.

Mt Richardson

Pursuant to the agreement reached on the sale of Mt Richardson, a royalty of 2% on average/tonne FOB sales value of iron ore product that departs E29/571 will be payable to Iron Mountain as well as a one off payment of AUD 0.50 per dry metric tonne on tonnages in excess of independently evaluated Indicated or Measured resources of 10,000,000 tonnes.

Golden Camel- VIC Gold Tenements

On 1 October 2014, the Company announced the sale of its Victorian Gold tenements to Golden Camel Mining Pty Ltd.

- If mining commences on or before 3 years of the Settlement date, Golden Camel Mining Pty to pay Iron Mountain:
    - A$100,000 one month after commencement of mining; and
    - A$200,000 two months after commencement of mining.

- If mining has not commenced with 3 years of the Settlement date, Golden Camel Mining Pty to pay Iron Mountain:
    - A$150,000 one month after commencement of mining; and
    - A$250,000 two months after commencement of mining.

- In lieu of payments, Golden Camel Mining Pty can elect to transfer 100% of the interest in each tenement back to Iron Mountain.

- A royalty of A$2/t on all gold ore mined after the first 20,000oz has been produced.

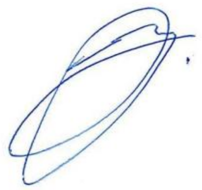
IRON MOUNTAIN MINING LIMITED
DIRECTORS DECLARATION
30 JUNE 2016

In the Directors' opinion:

1. The financial statements and notes set out on pages 27 to 54 are in accordance with the *Corporations Act 2001*, including:
   a. Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   b. Giving a true and fair view of the entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
   c. Complying with IFRS and interpretations adopted by the International Accounting Standards Board.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declaration by the Executive Chairman, Mark Gwynne, as required by Section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors and signed for and on behalf of the Board by:



Mark Gwynne
Chairman

8 September 2016
Perth, Western Australia

ROTHSAY

Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone 9486 7094 www.rothsayresources.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF IRON MOUNTAIN MINING LIMITED

Report on the financial report

We have audited the accompanying financial report of Iron Mountain Mining Limited (the Company") which comprises the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of 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 our 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, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used in 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

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.

Chartered Accountants

Audit opinion

In our opinion the financial report of Iron Mountain Mining Limited is in accordance with the *Corporations Act 2001*, including:

a) (i) giving a true and fair view of the financial position as at 30 June 2016 and of its performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b) the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Audit opinion

In our opinion the remuneration report of Iron Mountain Mining Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

Rothsay

Rothsay

Graham Swan
Partner

Dated 8th September 2016

Chartered Accountants

Liability Limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW).

ASX Information

The substantial shareholder notices received as at 5 September 2016 were:

Substantial Shareholder	Number Held	Percentage
BRIGHT BELL PTY LTD <BEACON OPPORTUNITIES FUND A/C>	11,246,624	8.27%
JLN MANAGEMENT FUND PTY LTD <THE NARRAMORE FAMILY A/C>	7,956,280	5.85%
CROESUS MINING PTY LTD <STEINEPREIS SUPER FUND A/C>	7,600,000	5.60%

Distribution of shareholders as at 5 September 2016

Range of Holding	Holders	Shares
1 - 1,000	27	8,321
1,001 - 5,000	249	737,292
5,001 - 10,000	255	2,363,636
10,001 - 100,000	640	23,635,551
Greater than 100,000	176	109,188,913
	1,347	**135,933,713**
Shareholders with less than a marketable parcel	*544*	

Voting Rights

Each fully paid ordinary share carries voting rights of one vote per share.

TWENTY LARGEST HOLDERS OF QUOTED ORDINARY SHARES AS AT 5 SEPTEMBER 2016

	Ordinary Shares	
	Number Held	**Percentage of issued shares**
BRIGHT BELL PTY LTD <BEACON OPPORTUNITIES FUND A/C>	8,098,665	5.96
JLN MANAGEMENT FUND PTY LTD <NARRAMORE FAMILY A/C>	7,956,280	5.85
CROESUS MINING PTY LTD <STEINEPREIS SUPER FUND A/C >	6,750,000	4.97
DAEM NOMINEES PTY LTD <DAEM SUPER FUND A/C>	6,155,250	4.53
MR. PAUL WINSTON ASKINS	3,865,633	2.84
MR. LEON FREDERICK HODGES	3,624,772	2.67
MR. CALLUM BAXTER	3,000,000	2.21
DRD HOLDINGS PTY LTD <GRAY FAMILY SUPER FUND A/C>	2,652,093	1.95
MR. GAVIN MOSS	2,480,000	1.82
MR. STEPHEN MARK O'NEILL	2,128,000	1.57
BRUCE BAADE & ASSOCIATES PTY LTD <BRUCE BAADE & ASSOC S/F A/C>	2,127,660	1.57
R & K BIRD PTY LTD <BIRD SUPERANNUATION FUND A/C>	1,980,000	1.46
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	1,817,109	1.34
J & F JAMES BROTHERS HOLDINGS PTY LTD	1,556,785	1.15
MR. JON RUTHERFORD CHOMLEY + MRS PAMELA DOROTHY CHOMLEY <COLDCHOM SUPER FUND AC/C>	1,440,000	1.06
FELIZ (WA) PTY LTD <CASERO FAMILY A/C>	1,351,713	0.99
MS CHERYL ANNE GWYNNE	1,351,713	0.99
SAMSON GRACE PTY LTD <ROBERT KLUG FAMILY A/C>	1,250,000	0.92
WALINJA PTY LTD <DUFFIELD SUPER FUND A/C>	1,250,000	0.92
MRS JANICE ROLL	1,200,000	0.88
	62,035,673	**45.64**

Unquoted Securities

1. There are 5,250,000 unquoted options at $0.09, expiring on the 28/11/2017 as at 5 September 2016, held by six holders.

   Geology Holdings Pty Ltd (an entity associated with former Managing Director Robert Sebek) owns 4,000,000 of these options representing 76.2% of this class of equity security.

   The remaining 5 holders each own 250,000 of this class of equity security.

2. There are 1,000,000 unquoted options at $0.03, expiring 30/12/17 as at 5 September 2016, held by two holders.

   Geology Holdings Pty Ltd (an entity associated with former Managing Director Robert Sebek) owns 500,000 of these options representing 50% of this class of equity security.

   Suraj Sanghani also owns 500,000 of these options representing 50% of this class of equity security.

None of these options have any voting rights attached to them.

Shares and Options escrowed

No shares or options are under escrow as at 5 September 2016.

On Market Buy-Back

There is currently no on market buy back being conducted by the Company.

Schedule of Mineral Tenements held as at 5 September 2016

Tenement	Holder	Area	Date tenement granted	Date tenement expires	Company's beneficial interest (%)
VICTORIA					
Gold, Silver, Platinum					
EL5540	Iron Mountain Mining Limited	20 km^2	1/06/2015	31/05/2018	100%
SOLOMON ISLANDS					
PL 01/16[1]	AU Capital Mining Pty Ltd	447 km^2	25/11/2013	25/11/2016	50%
PL 04/13[1]	AU Capital Mining Pty Ltd	600 km^2	1/12/2015	1/12/2018	50%

[1] Option to acquire 50% in AU Capital Mining Pty Ltd, 100% owners of PL01/16 and PL04/13 (refer to ASX announcement dated 30th March, 2016). As at the date of this report this option remains unexercised.