



BLINA
MINERALS

ABN 25 086 471 007

ANNUAL REPORT

30 June 2016

Corporate directory**Current Directors**

David Porter	Executive Director
Brett Fraser	Non-executive Chairman
Justin Virgin	Non-executive Director

Company Secretary

Jay Stephenson

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Securities Exchange

Australian Securities Exchange

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Perth WA 6000

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Corporate Adviser

Wolfstar Group Pty Ltd

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ANNUAL REPORT

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Review of operations

1. A Brief History of Blina Minerals NL

Blina Minerals NL was admitted to the official list of the Australian Stock Exchange Ltd on the 17 of August 2004 as a diamond company with exploration licenses in the Ellendale area of the Kimberley region of northern Western Australia. Thereafter the Company developed alluvial diamond resources shedding from diamondiferous lamproites. These resources totalled 2.19 million cubic metres of gravel at a grade of 5.8 carats per 100 cubic metres for 127,000 carats of contained diamonds. The total value of the diamonds at an estimated value of \$200 per carat was \$25.4 million.

The alluvial deposits were briefly mined in one campaign in 2007 using a 100 tonne per hour alluvial plant. This resulted in the recovery of 16,150 carats of diamonds which were sold for about \$3.2 million. The operation, at best was breakeven because of the high mining strip ratio and falling diamond prices. The scale of the operation was also too small for a public company to make a significant profit for shareholders. The plant was then placed on care-and-maintenance until in 2012 a decision was made by the directors to divest the assets and move into exploration for gold and base metals. Total funds invested by past management on the diamond assets amounted to some \$33M.

From 2012 to 2014 the Company evaluated coal and copper projects in Mongolia, copper assets in DR Congo and gold projects in Burkina Faso. None of these projects developed into potential commercial operations.

In 2014/2015 the Company rehabilitated the mining site which involved removal of the camp and alluvial plant and ancillary infrastructure as well as reshaping and revegetating the tailings disposal facility. These works have now been completed subject to ongoing environmental monitoring programmes and Blina expects repayment of environmental bonds of about \$247,000 in the near future.

a. Exploration

Blina has signed a Binding Heads of Agreement with Andes Resources Ltd ("Andes") to earn a 50% equity interest in the Andes Colombian Project via an exploration expenditure of \$5,000,000 within a period of 3 years.

A four month due diligence period applied whereby Blina had conducted legal due diligence on tenure, conducted verification mapping, sampling, and costeaning/trenching. The aim of the technical work undertaken during the due diligence phase was to gain an understanding towards the true width of the mineralisation identified across the priority target areas.

Andes commenced the Supreme Court Proceedings against Blina seeking declaratory relief. Blina filed its defence and counterclaim in the Supreme Court Proceedings. A deed of settlement has been signed on 15 September 2016. Andes are required to pay Blina a sum of \$175,000 no later than 30 September 2016. As at the date of this report, Blina has received the sum of \$87,500. Refer to Note 21 Events subsequent to reporting date.

b. Diamond Project Rehabilitation

Extensive environmental restoration was undertaken from March 2014, which involved the removal of the camp and plant. The tailings and waste dump from the mining activities was also rehabilitated and a monitoring programme put in place. Blina Minerals expects that the environmental bonds totalling \$247,000 will be returned to the Company once rehabilitation shows it is trending towards completion.

c. Placement

In conjunction with signing the Binding Heads of Agreement, Blina also secured a placement of 887,000,000 shares at an issue price of \$0.001 per share and 295,666,667 free attaching options with 2 year expiry and an exercise price of \$0.0017.

The placement raised a total of \$887,000 before costs of the issue. Funds will be applied to completion of due diligence on the Andes Project and general working capital. Blina welcomes a group of high net worth sophisticated investors to its register as a result of this placement.

Directors' report

Your directors present their report on the consolidated entity, consisting of Blina Minerals NL (**Blina** or **the Company**) and its controlled entities (collectively **the Group**), for the financial year ended 30 June 2016.

1. Directors

The names of Directors in office at any time during or since the end of the year are:

- Mr Brett Fraser *Non-executive Chairman (Appointed 26 September 2008)*
- Mr David Porter *Executive Director (Appointed 18 February 2014)*
- Mr Justin Virgin *Non-executive Director (Appointed 6 September 2013)*

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors including details of the qualifications of Directors please refer to paragraph 4 Information relating to the directors and company secretary of this Directors Report.

2. Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2016.

3. Operating and financial review

3.1. Nature of operations principal activities

The principal activity of the Group during the course of the financial year consisted of exploration activities for gold and iron ore, and assessment of exploration project opportunities. This effort mainly targeted West Africa with an emphasis on Burkina Faso. Rehabilitation within the Ellendale diamond field has now been completed, with only ongoing monitoring required over future periods.

3.2. Operations review

Refer to the Review of operations on page 1.

3.3. Financial review

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss for the year of \$720,673 (2015: \$745,752 loss).

The net assets of the Group have increased by \$293,530 from 30 June 2015 to \$523,298 at 30 June 2016.

As at 30 June 2016, the Group's cash and cash equivalents increased from 30 June 2015 by \$167,767 to \$502,063 and had working capital of \$338,556 (2015: \$88,883 working capital), as disclosed in note 14b of the Issued capital note on page 35.

Based on a cash flow forecast, the Group has sufficient working capital to fund its mandatory obligations for the period ending twelve months from the date of this report. In order to continue the Group's planned exploration program, the Company will require further funding within the next 15 months. Should the Group be unable to raise sufficient funds, the planned exploration program may have to be amended. The Board is confident in securing sufficient additional funding to fund the planned exploration program.

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds. In the event that the Group is not successful in raising funds from the issue of new equity, there exists material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

3.4. Significant changes in the state of affairs

There were no significant changes to the state of affairs of the Group.

3.5. Events subsequent to reporting date

There are no other significant after balance date events that are not covered in this Directors' Report section 3.2 Operations review above or within the financial statements at Note 21 Events Subsequent To Reporting Date on page 40.

Directors' report

3.6. Future developments, prospects and business strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

3.7. Environmental regulations

The Group's operations are subject to significant environmental regulations in the jurisdictions it operates in, namely Australia and Burkina Faso.

The Group is committed to achieving a high standard of environmental performance. The Board is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

4. Information relating to the directors and company secretary

- | | |
|--|--|
| <p>○ Mr Brett Fraser</p> <p>Qualifications</p> <p>Experience</p> | <p>▶ Chairman (Non-Executive)</p> <p>▶ FCPA, F.Fin, B.Bus.</p> <p>▶ Mr Fraser has worked in the finance and securities industry for over 25 years' and has owned and operated businesses across wine, health, finance, media and mining.</p> <p>In addition, Mr Fraser is a Fellow of Certified Practising Accountants; Fellow of the Financial Services Institute of Australasia; Grad Dip Finance, Securities Institute of Australia; Bachelor of Business (Accounting); International Marketing Institute - AGSM Sydney.</p> |
| <p>Interest in Shares and Options</p> | <p>▶ 33,691,667 ordinary Shares in Blina Minerals NL.</p> <p>Mr Fraser allocated 50% of the shares received to an unrelated third-party.</p> |
| <p>Directorships held in other listed entities</p> | <p>▶ Non-Executive Director of Aura Energy Limited since August 2005, Chairman of Drake Resources Limited since March 2004.</p> |
| <p>○ Mr David Porter</p> <p>Qualifications</p> <p>Experience</p> | <p>▶ Director (Executive)</p> <p>▶ BSc (Hons), MSc, FAusIMM</p> <p>▶ Mr Porter is a professional geologist and Fellow of the Australasian Institute of Mining and Metallurgy with over 40 years experiences in the mining industry, including most facets of exploration and mining. For the past 15 years he has focussed his activities in Africa and was the founding Chairman of Cam Iron SA and Congo Iron SA, both part of the Mbalam Iron Project of Sundance Resources Ltd. The project has a planned output of 35 million tonnes per annum of high grade iron ore and is at development stage which involves capital expenditure of \$4.7 billion. He was also instrumental in the development of two coal projects in the Waterberg region of South Africa which are at development stage. Prior to Mr Porter's project generation activities in Africa he was managing director of three ASX-listed exploration companies, all of which developed gold and base metal projects. In Diversified Mineral Resources he supervised the resource definition at the Agbaou gold deposit in Cote d'Ivoire into plus one million ounces of gold. Africwest Gold acquired the nickel deposits at Kambalda and developed into a leading Australian nickel producer while Golden Rim Resources is now developing gold resources in Burkina Faso.</p> <p>Mr Porter was an executive director and exploration manager of Gasgoyne Gold Mines NL from 1989 until 1996, and managed the Yilgarn Star feasibility study in 1990/1991. Gasgoyne produced over 100,000 ounces of gold per year from the Yilgarn Star Mine until it was taken over in 1996 by Sons of Gwalia Ltd in a A\$180 million transaction. In the period from 1971 to 1989, Mr Porter worked for many international mining companies, with small ASX-listed companies and as an independent consultant on gold, base metal, iron ore and coal projects.</p> |
| <p>Interest in Shares and Options</p> | <p>▶ 282,781,250 ordinary Shares in Blina Minerals NL.</p> |
| <p>Directorships held in other listed entities</p> | <p>▶ None</p> |

Directors' report

- **Mr Justin Virgin**
- ▶ Director (Non-Executive)
 - ▶ Qualifications
 - ▶ MBA
 - ▶ Experience
 - ▶ Mr Virgin has over nine years' experience in the financial services industry with expertise in providing a wide range of financial services which includes capital raisings, providing general corporate advice, participating in the promotion of small cap companies and other investment advice involved in mergers, acquisitions and valuation for sale of small to medium enterprises.
 - ▶ Interest in Shares and Options
 - ▶ 88,505,669 Shares in Blina Minerals NL.
 - ▶ Directorships held in other listed entities
 - ▶ Mr Virgin is an executive director of Terrain Minerals Limited.
- **Mr Jay Stephenson**
- ▶ Company Secretary
 - ▶ Qualifications
 - ▶ MBA, FCPA, CMA, FCIS, MAICD
 - ▶ Experience
 - ▶ Mr Stephenson has been involved in business development for over 20 years including the past 17 years as Director, Chief Financial Officer and Company Secretary for various listed and unlisted entities in resources, manufacturing, wine, hotels, and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, business restructuring as well managing all areas of finance for companies.
 - ▶ Mr Stephenson depth of experience also includes the following past and present directorships: Non-Executive Director of Doray Minerals Limited since August 2009 and Nickelore Limited since July 2011. Chairman, Non-Executive Director of Quintessential Resources Limited since February 2011 and Non-Executive Director of Parmelia Resources Limited since May 2014. Past Non-Executive Director of Aura Energy Limited - August 2005 to July 2013, Bulletproof Limited (Spencer Resources Limited) July 2011 to January 2014 - and Parker Resources Limited - January 2011 to December 2012.

5. Meetings of directors and committees

During the financial year four (4) meeting of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table.

	DIRECTORS' MEETINGS		AUDIT COMMITTEE		NOMINATION COMMITTEE		REMUNERATION COMMITTEE		FINANCE AND OPERATIONS COMMITTEE		
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	
Brett Fraser	4	4	<i>At the date of this report, the Remuneration, Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</i>								
David Porter	4	3									
Justin Virgin	4	3									

6. Indemnifying officers or auditor

6.1. Indemnification

The Company indemnifies each of its Directors, officers and company secretary. The Company indemnifies each director or officer to the maximum extent permitted by the Corporations Act 2001 from liability to third parties, except where the liability arises out of conduct involving lack of good faith, and in defending legal and administrative proceedings and applications for such proceedings.

The Company must use its best endeavours to insure a director or officer against any liability, which does not arise out of conduct constituting a wilful breach of duty or a contravention of the Corporations Act 2001. The Company must also use its best endeavours to insure a Director or officer against liability for costs and expenses incurred in defending proceedings whether civil or criminal.

The Company has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

Directors' report

6.2. Insurance premiums

During the year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Group. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against and the premium paid cannot be disclosed.

7. Options

7.1. Unissued shares under option

At the date of this report, the unissued ordinary shares of Blina Minerals NL under option (listed and unlisted) are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
25 November 2015	31 October 2020	\$0.0017	120,000,000
24 December 2015	24 December 2017	\$0.0017	295,666,667
			415,666,667

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

7.2. Shares issued on exercise of options

No ordinary shares were issued by the Company as a result of the exercise of options during or since the end of the financial year.

8. Non-audit services

During the year, Nexia Perth Audit Services Pty Ltd (Nexia Perth), the Company's auditor, did not perform any services other than their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at Note 5 Auditor's Remuneration on page 29.

In the event that non-audit services are provided by Nexia Perth, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

9. Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

10. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2016 has been received and can be found on page 11 of the annual report.

Directors' report

11. Remuneration report (audited)

Directors' report

11. Remuneration report (audited)

11.1. Principles of compensation

Remuneration is referred to as compensation throughout this report.

Key Management Personnel (**KMP**) have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company.

Compensation levels for KMP are competitively set to attract and retain appropriately qualified and experienced directors and executives. The Board may seek independent advice on the appropriateness of compensation packages, given trends in comparative companies both locally and internationally and the objectives of the Group's compensation strategy.

The compensation structures are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. Compensation packages include a mix of fixed compensation, equity-based compensation, as well as employer contributions to superannuation funds.

Shares and options may only be issued to directors subject to approval by shareholders in a general meeting.

The Board has no established retirement or redundancy schemes.

a. Fixed Remuneration

Fixed compensation consists of base compensation as well as employer contributions to superannuation funds. Compensation levels are reviewed annually by the Board through a process that considers individual and overall performance of the Group. In addition, external consultants provide analysis and advice to ensure the directors' and senior executives' compensation is competitive in the market place. During the period no such consultant was used and no senior executive's other than directors were employed.

b. Performance Based Remuneration – Short-term and long-term incentive structure

Given the current size, nature and opportunities of the Group, the Board has given more significance to service criteria instead of market related criteria in setting the Group's incentive schemes. Accordingly, at this stage the Board does not consider the Group's earnings or earnings related measures to be an appropriate key performance indicator (KPI). In considering the relationship between the Group's remuneration policy and the consequences for the Company's shareholder wealth, changes in share price are analysed as well as measures such as successful completion of exploration activities (for example, completion of exploration programs within budgeted timeframes and costs), development activities (for example, completion of scoping and/or feasibility studies), corporate activities (for example, recruitment of key personnel/contractors) and business development activities (for example, project acquisitions and capital raisings).

○ Short-term incentives

No short-term incentives in the form of cash bonuses were granted during the year.

○ Long-term incentives

The Board has a policy of granting incentive options to executives with exercise prices above market share price. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

The directors of the Company are not eligible to participate in the "Blina Minerals NL Employee Incentive Option Plan" adopted by the Board and approved by shareholders on 16 March 2011.

c. Service Contracts

Compensation and other terms of employment for the directors, KMP and the company secretary are formalised in contracts of employment.

d. Non-executive Directors

Total compensation for all non-executive directors are set based on advice from external advisors with reference to fees paid to other non-executive directors of comparable companies. Non-executive directors' fees are presently limited to an aggregate of \$250,000 per annum.

Directors' report

11. Remuneration report (audited)

Non-executive directors do not receive performance related compensation. Directors' fees cover all main Board activities and membership of any committee. The Board has no established retirement or redundancy schemes in relation to non-executive directors.

Fees for the Non-executive directors for the financial year were \$78,800 (2015: \$101,700) and cover main Board activities only. Non-executive directors may receive additional remuneration for other services provided to the Group.

During the 2015 financial year, non-executive directors' fees were suspended for payment with a balance of nil remaining unpaid and accrued as at 30 June 2016.

e. Engagement of Remuneration Consultants

During the financial year, the Company did not engage any remuneration consultants.

f. Relationship between Remuneration of Key Management Personnel and Shareholder Wealth

During the Group's exploration and development phases of its business, the Board anticipates that the Company will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Company does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature during the current and previous financial years.

The Board did not determine the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Company traded between the beginning and end of the current and previous financial years. However, as noted above, the Directors of the Company received incentive options which generally would only be of value if the Company's share price increased sufficiently to warrant exercising the incentive options.

g. Relationship between Remuneration of Key Management Personnel and Earnings

As discussed above, the Group is currently undertaking exploration activities and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of commodities from its projects. Accordingly, the Board does not consider earnings during the current and previous financial years when determining the nature and amount of remuneration of KMP.

11.2. Remuneration details for the year ended 30 June 2016

There were no cash bonuses paid during the year and there are no set performance criteria for achieving cash bonuses.

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the KMP of the Group:

2016 Group Key Management Person	Short-term benefits				Post- employment benefits	Long-term benefits	Equity-settled share- based payments		Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super- annuation	Other	Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Brett Fraser ⁽¹⁾⁽²⁾	40,000	-	-	-	3,800	-	-	33,886	77,686
David Porter ⁽⁴⁾	121,326	-	-	-	-	-	-	33,887	155,213
Justin Virgin ⁽³⁾	31,964	-	-	-	3,036	-	-	33,887	68,887
	193,290	-	-	-	6,836	-	-	101,660	301,786

Directors' report

11. Remuneration report (audited)

2015 Group Key Management Person	Short-term benefits				Post- employment benefits	Long-term benefits	Equity-settled share- based payments		Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super- annuation	Other	Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Brett Fraser ⁽¹⁾⁽²⁾	60,000	-	-	-	5,700	-	-	-	65,700
David Porter ⁽⁴⁾	157,901	-	-	-	-	-	-	-	157,901
Justin Virgin ⁽³⁾	32,877	-	-	-	3,123	-	-	-	36,000
	250,778	-	-	-	8,823	-	-	-	259,601

⁽¹⁾ Wolfstar Group Pty Ltd, a company jointly controlled by Mr Fraser, provides financial services and Company Secretarial services to Blina Minerals NL. These services are provided indirectly by Mr Fraser and have therefore not been included in remuneration. Please refer to Note 19 Related Party Transactions on page 39 for further details.

⁽²⁾ B Fraser received director fees of \$24,375 in cash, representing the income tax component of fees settled by way of shares amounting to \$53,333 comprising directors fees as follows: 2016: \$13,333; 2015: \$40,000.

⁽³⁾ J Virgin received director fees of \$14,205 in cash, representing the income tax component of fees settled by way of shares amounting to \$32,572 comprising directors fees as follows: 2016: \$10,654; 2015: \$21,917.

⁽⁴⁾ D Porter received consultancy fees of \$121,326 for the 2016 financial year. D Porter has \$28,973 in consultancy fees that remain unpaid as at 30 June 2016.

11.3. Service agreements

Mr Porter is employed under a deed of employment as an executive director, effective 18 February 2014. Mr Porter is not entitled to fees in this capacity. Instead, the Company will continue to pay exploration consultancy fees to Metallica Investments Pty Ltd, a company controlled by Mr Porter, pursuant to a consultancy agreement dated 15 August 2012.

Under the consultancy agreement, effective 20 August 2012, Mr Porter is to provide consultancy services to the Company. In consideration for the services provided by the consultant, the Company shall pay the consultant a fee of \$10,000 per month.

The Non-executive chairman of the Company may conduct a performance review with the consultant at intervals and times considered appropriate by the Non-executive chairman.

The Company may terminate the engagement by giving at least two month's written notice, or pay the consultant compensation in lieu of the notice. The engagement with the Company may be terminated without notice if the consultant is guilty of serious misconduct.

Directors' report

11. Remuneration report (audited)

11.4. Share-based compensation

a. Key Management Personnel Options

The options have been granted to KMP to provide a market-linked incentive package in their capacity as KMP and for future performance by them in their roles. The KMP options vested immediately after the issue date.

The value of options granted as remuneration is determined in accordance with applicable valuation models and accounting standards.

The dollar value of the percentage vested during the period has been reflected in the Directors' and executive officers' remuneration tables.

All options were issued by Blina Minerals NL and entitle the holder to one ordinary share in Blina Minerals NL for each option exercised.

b. Securities Received that Are Not Performance-related

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

c. Options and Rights Granted as Remuneration

120,000,000 options were granted as remuneration during 2016 (2015: nil).

11.5. Key management personnel equity holdings

a. Fully paid ordinary shares of Blina Minerals NL held by each Key Management Personnel

2016	Balance at start of year	Received during the year as compensation	Received during the year on the exercise of options	Other changes during the year ⁽¹⁾	Balance at end of year
Group Key Management Person	No.	No. ⁽²⁾	No.	No.	No.
Brett Fraser	19,212,500	28,958,334	-	(14,479,167)	33,691,667
David Porter	242,281,250	-	-	40,500,000	282,781,250
Justin Virgin	70,138,349	18,367,320	-	-	88,505,669
	331,632,099	47,325,654	-	26,020,833	404,978,586

2015	Balance at start of year	Received during the year as compensation	Received during the year on the exercise of options	Other changes during the year ⁽¹⁾	Balance at end of year
Group Key Management Person	No.	No.	No.	No.	No.
Brett Fraser	-	38,425,000	-	(19,212,500)	19,212,500
David Porter	200,000,000	42,281,250	-	-	242,281,250
Justin Virgin	27,000,000	43,138,349	-	-	70,138,349
	227,000,000	123,844,599	-	(19,212,500)	331,632,099

⁽¹⁾ Other changes during the year relate to shares purchased, sold on market, or off-market transfers to unrelated third parties.

⁽²⁾ Represents fully paid ordinary shares issued at \$0.001 per share in lieu of accrued director's fees and consultants fees.

Directors' report

11. Remuneration report (audited)

b. Options in Blina Minerals NL held by each Key Management Personnel

2016 Group Key Management Person	Balance at	Granted as	Exercised	Other changes	Balance at	Vested and	Not Vested
	start of year	Remuneration	during the year	during the year	end of year	Exercisable	No.
	No.	No.	No.	No.	No.	No.	No.
Brett Fraser	-	-	-	40,000,000	40,000,000	-	40,000,000
David Porter	-	-	-	40,000,000	40,000,000	-	40,000,000
Justin Virgin	-	-	-	40,000,000	40,000,000	-	40,000,000
	-	-	-	120,000,000	120,000,000	-	120,000,000

2015 Group Key Management Person	Balance at	Granted as	Exercised	Other changes	Balance at	Vested and	Not Vested
	start of year	Remuneration	during the year	during the year	end of year	Exercisable	No.
	No.	No.	No.	No.	No.	No.	No.
Brett Fraser	25,000,000	-	-	(25,000,000)	-	-	-
David Porter	-	-	-	-	-	-	-
Justin Virgin	-	-	-	-	-	-	-
	25,000,000	-	-	(25,000,000)	-	-	-

11.6. Other equity-related KMP transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

11.7. Loans to key management personnel

There are no loans made to directors of Blina Minerals as at 30 June 2016 (2015: nil).

11.8. Other transactions with key management personnel and or their related parties

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer Note 19 Related party transactions.

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).


BRETT FRASER

Chairman

Dated this Friday, 30 September 2016

Auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Blina Minerals NL

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2016 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Nexia Perth Audit Services Pty Ltd



PTC Klopper
Director

30 September 2016
Perth

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2016

	Note	2016 \$	2015 \$
Operating activities			
Other income	3	-	(63,794)
		-	(63,794)
Business development		(268,680)	(21,325)
Compliance		(163,202)	(211,159)
Exploration and rehabilitation	4a	(80,415)	(320,598)
Employee benefits		(180,470)	(102,696)
Legal and consulting fees		(8,726)	(21,201)
Other expenses		(24,370)	(24,789)
Profit / (loss) from operating activities		(725,863)	(765,562)
Financial income	4b	8,902	25,023
Finance expense	4b	(3,712)	(5,213)
Net financing income/(expense)		5,190	19,810
Profit / (loss) before tax	7a	(720,673)	(745,752)
Income tax	6a	-	-
Profit / (loss) from continuing operations		(720,673)	(745,752)
Other comprehensive income, net of income tax			
○ Items that may be reclassified subsequently to profit or loss:			
Foreign currency movement		(1,886)	5,731
Other comprehensive income for the year, net of tax		(1,886)	5,731
Total comprehensive income attributable to members of the parent entity		(722,559)	(740,021)
Profit/(loss) for the period attributable to:			
○ Non-controlling interest		(17)	(119)
○ Owners of the parent		(720,656)	(745,633)
Total comprehensive income attributable to:			
○ Non-controlling interest		(608)	473
○ Owners of the parent		(721,951)	(740,494)
Earnings per share:			
Basic and diluted (cents per share)	7c	¢ (0.034)	¢ (0.048)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	8	502,063	334,296
Trade and other receivables	9	13,037	43,398
Prepayments	10	14,630	19,485
Total current assets		529,730	397,179
Non-current assets			
Trade and other receivables	9	247,000	211,000
Total non-current assets		247,000	211,000
Total assets		776,730	608,179
Current liabilities			
Trade and other payables	11	109,893	217,038
Short-term provisions	13	66,651	66,651
Borrowings	12	-	5,122
Total current liabilities		176,544	288,811
Non-current liabilities			
Long-term provisions	13	76,888	89,600
Total non-current liabilities		76,888	89,600
Total liabilities		253,432	378,411
Net assets		523,298	229,768
Equity			
Issued capital	14	33,854,887	32,940,458
Reserves	15	106,512	6,147
Accumulated losses		(33,438,741)	(32,718,085)
Non-controlling interest		640	1,248
Total equity		523,298	229,768

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2016

	Note						Total \$
		Issued Capital \$	Accumulated Losses \$	Foreign Exchange Translation Reserve \$	Options Reserve \$	Non- controlling Interest \$	
Balance at 1 July 2014		32,776,079	(33,152,507)	590	1,180,473	775	805,410
Loss for the year		-	(745,633)	-	-	(119)	(745,752)
Other comprehensive income for the year		-	-	5,139	-	592	5,731
Total comprehensive income for the year		-	(745,633)	5,139	-	473	(740,021)
Transaction with owners, directly in equity							
Shares issued during the year		167,716	-	-	-	-	167,716
Transaction costs		(3,337)	-	-	-	-	(3,337)
Options expired during the year		-	1,180,055	-	(1,180,055)	-	-
Balance at 30 June 2015		32,940,458	(32,718,085)	5,729	418	1,248	229,768
Balance at 1 July 2015		32,940,458	(32,718,085)	5,729	418	1,248	229,768
Loss for the year		-	(720,656)	-	-	(17)	(720,673)
Other comprehensive income for the year		-	-	(1,295)	-	(591)	(1,886)
Total comprehensive income for the year		-	(720,656)	(1,295)	-	(608)	(722,559)
Transaction with owners, directly in equity							
Shares issued during the year		934,325	-	-	-	-	934,325
Transaction costs		(19,896)	-	-	-	-	(19,896)
Options issued during the year		-	-	-	101,660	-	101,660
Balance at 30 June 2016		33,854,887	(33,438,741)	4,434	102,078	640	523,298

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 30 June 2016

Note	2016 \$	2015 \$
Cash flows from operating activities		
Payments for care and maintenance	(12,409)	(249,314)
Payments for exploration expenditure	(80,415)	(593,629)
Payments to suppliers and employees	(612,707)	(249,842)
Cash flows used in operations	(705,531)	(1,092,785)
Interest received	8,902	25,023
Interest and borrowing costs	(822)	(1,478)
Net cash used in operating activities	(697,451)	(1,069,240)
Cash flows from financing activities		
Proceeds from issue of shares	887,000	-
Capital raising costs	(19,896)	(3,337)
Net cash provided by / (used in) financing activities	867,104	(3,337)
Net increase/(decrease) in cash held	169,653	(1,072,577)
Cash and cash equivalents at the beginning of the year	334,296	1,401,149
Change in foreign currency held	(1,886)	5,724
Cash and cash equivalents at the end of the year	502,063	334,296

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

These are the consolidated financial statements and notes of Blina Minerals NL (**Blina** or **the Company**) and controlled entities (collectively **the Group**). Blina is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of Blina, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

The financial statements were authorised for issue on 30 September 2016 by the directors of the Company.

a. Basis of preparation

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

i. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

ii. Going concern

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

The Group incurred a loss for the year of \$720,673 (2015: \$745,752 loss) and a net cash in-flow of \$169,653 (2015: \$1,072,577 out-flow). As at 30 June 2016, the Group had working capital of \$338,556 (2015: \$88,883 working capital) as disclosed in note 14b of the Issued capital note on page 35.

Based on a cash flow forecast, the Group has sufficient working capital to fund its mandatory obligations for the period ending 12 months from the date of this report. In order to continue the Group's planned exploration program, the Company will require further funding within the next 15 months. Should the Group be unable to raise sufficient funds, the planned exploration program may have to be amended. The Board is confident in securing sufficient additional funding to fund the planned exploration program.

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and confidence in raising additional funds. In the event that the Group is not successful in raising funds from the issue of new equity, there exists material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

iii. Historical cost

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

iv. Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1q.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

v. Comparative figures

Where required by AASBs comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b. Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

i. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;

less

- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in Note 16 Controlled Entities on page 36 of the financial statements.

iii. Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

iv. Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies**c. Foreign currency transactions and balances****i. Functional and presentation currency**

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency (Blina Minerals Burkina SARL: Central African Franc; Blina Iron SA: United States Dollars).

ii. Transaction and balances

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

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

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

iii. Group companies and foreign operations

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

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

d. Taxation**i. Income tax**

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

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

Current and deferred income tax expense (income) is charged or credited directly in equity when the tax relates to items recognised directly in equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Where the Group receives the Australian Government's Research and Development Tax Incentive, the Group accounts for the refundable tax offset under AASB 112. Funds are received as a rebate through the parent company's income tax return and disclosed as such in Note 6 Income Tax, on page 30.

ii. Value-added taxes

Value-added tax (**VAT**) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (Goods and Services Tax or **GST**); Congo (VAT); and in Burkina Faso (VAT).

Revenues, expenses, and assets are recognised net of the amount of VAT, except where the amount of VAT incurred is not recoverable from the relevant country's taxation authority. In these circumstances the VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of VAT.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office (or jurisdictional equivalent) is included as a current asset or liability in the statement of financial position.

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

e. Fair Value

i. Fair Value of Assets and Liabilities

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

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

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

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

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

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

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

ii. Fair value hierarchy

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

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

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

iii. Valuation techniques

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

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

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

f. Exploration and development expenditure

i. Recognition and measurement

Exploration and evaluation costs, including the costs of acquiring licenses, are expensed as exploration and evaluation expenditure as incurred.

g. Plant and equipment

i. Recognition and measurement

Items of plant and equipment are measured on the cost basis and carried at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 1i Impairment of non-financial assets).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

The Group currently holds no property, plant, or equipment, however should the Company retained assets of this type, the carrying amount of such assets shall be reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

ii. Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. Any costs of the day-to-day servicing of plant and equipment are recognised in the statement of profit or loss and other comprehensive income as an expense as incurred.

iii. Depreciation

With the exception of exploration and evaluation assets, depreciation is charged to the income statement on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The Group currently holds no property, plant, or equipment. As such depreciation rates will be set as the need required and reviewed annually for appropriateness.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within "other income" in the statement of profit or loss and other comprehensive income.

h. Non-current assets held for disposal

Non-current assets and disposal groups are classified as held for sale and measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale.

Classification as "held for sale" occurs when: management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification; and active marketing of the asset has commenced. Such assets are classified as current assets.

A discontinued operation is a component of an entity, being a cash-generating unit (or a group of cash generating units), that either has been disposed of, or is classified as held for sale, and: represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with the view to resale.

Impairment losses are recognised for any initial or subsequent write-down of an asset (or disposal group) classified as held for sale to fair value less costs to sell. Any reversals of impairment recognised on classification as held for sale or prior to such classification are recognised as a gain in profit or loss in the period in which it occurs.

i. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see accounting policy 1d) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of profit or loss and other comprehensive income, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the statement of profit or loss and other comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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

j. Financial instruments

i. Initial recognition and measurement

A financial instrument is recognised if the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified on the contract expire or are discharged or cancelled.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii. Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

iii. Classification and Subsequent Measurement

(1) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of nine months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(2) Loans

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

Loans are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(3) Trade and other receivables

Receivables are usually settled within 60 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Collectability of trade and other receivables are reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts (see also 1j.vii).

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

(4) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

(5) Share capital

Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

iv. Amortised cost

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

v. Fair value

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

vi. Effective interest method

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

vii. Impairment

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

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Financial assets are tested for impairment on an individual basis.

All impairment losses are recognised in the statement of profit or loss and other comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the statement of profit or loss and other comprehensive income.

viii. Derecognition

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

ix. Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis.

k. Employee benefits

i. Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

For the year ending 30 June 2016, no amount for short term benefits has been recognised in the financial statements as the Group has no employees.

ii. Other long-term benefits

The Group's obligation in respect of long-term employee benefits other than definite benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Company's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

For the period ending 30 June 2016, no amount for long term benefits has been recognised in the financial statements as the Group has no employees.

iii. Retirement benefit obligations: Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the statement of profit or loss and other comprehensive income as incurred.

iv. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

v. Equity-settled compensation

The Group operates an employee share option plan. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

l. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

i. Site restoration and rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration and rehabilitation in respect of disturbed land is recognised when the land is disturbed.

The provision is the best estimate of the present value of the expenditure required to settle the restoration and rehabilitation obligation at the reporting date, based on current legal requirements and technology. Future restoration and rehabilitation costs are reviewed annually and any changes are reflected in the present value of the restoration and rehabilitation provision at the end of the reporting period.

The amount of the provision for future restoration and rehabilitation costs is capitalised and depreciated in accordance with the policy set out in accounting policy 1g Plant and equipment. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

m. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the term of the lease.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

n. Revenue and other income

Interest revenue is recognised in accordance with note 1j.ix Finance income and expenses.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

All revenue is stated net of the amount of value added taxes (note 1d.ii Value-added taxes).

o. Earnings per share

i. Basic earnings per share

Basic earnings (or loss) per share is determined by dividing the profit or loss attributable to equity holders of the parent 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.

ii. Diluted earnings per share

Diluted earnings (or loss) per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares which comprise share options granted as Share-based payments.

The Group does not report diluted earnings per share on annual losses generated by the Group.

p. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are regularly reviewed by the Group's Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

q. Critical Accounting Estimates and Judgments

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. Refer Note 6 Income Tax on page 30.

ii. Key Estimate — Site restoration and rehabilitation provision

The Group assesses its site restoration and rehabilitation provision at each balance date in accordance with accounting policy 1f. Significant judgement is required in determining the provision for site restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites and related assets. Factors that will affect this liability include future development, changes in technology, price increases and changes in interest rates. When these factors change or become known in the future, such differences will impact the site restoration and rehabilitation provision and asset in the period in which they change or become known.

iii. Key Judgments – Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

iv. Key Judgments – Share-based Payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 17 Share-based payments.

r. New, revised or amending Accounting Standards and Interpretations adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Company have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Group does not plan to adopt these standards early.

The following AASBs are most relevant to the Group:

i. AASB 16: Leases (applicable to annual reporting periods commencing on or after 1 January 2019).

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice.

The Directors anticipate that the adoption of AASB 16 will not have a material impact on the Group's recognition of leases and disclosures).

ii. AASB 9 *Financial Instruments*

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income (OCI).

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' (ECL) model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures.

The Group will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Group.

iii. AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue.

For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer.

The Group will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the Group.

iv. AASB 2014-3: Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]

AASB 2014-3 amends AASB 11 Joint Arrangements to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require:

- (1) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 *Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11;
- (2) the acquirer to **disclose** the information required by AASB 3 and other Australian Accounting Standards for business combinations

This Standard also makes an editorial correction to AASB 11.

The Directors anticipate that the adoption of these amendments will not have a material impact on the financial statements.

v. AASB 2014-9: Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements (AASB 2014-9 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted).

AASB 2014-9 amends AASB 127 Separate Financial Statements, and consequentially amends AASB 1 First-time Adoption of Australian Accounting Standards and AASB 128 Investments in Associates and Joint Ventures, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. AASB 2014-9 also makes editorial corrections to AASB 127.

The Directors anticipate that the adoption of these amendments will not have a material impact on the financial statements.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 1 Statement of significant accounting policies

- vi. Other standards not yet applicable

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

Note 2 Company details

The registered office and principal place of business of the Company is:

Address:

Street: Suite 12, Level 1
11 Ventnor Avenue
West Perth WA 6005

Postal: PO Box 52
West Perth WA 6872

Telephone: +61 (0)8 6141 3570

Facsimile: +61 (0)8 6141 3599

Website: general@blinaminerals.com.au

E-mail: www.blinaminerals.com.au

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 3 Revenue and other income

Other Income

- Gain / (loss) on disposal of assets

Total Other Income

Note	2016 \$	2015 \$
	-	(63,794)
	-	(63,794)

Note 4 Profit / (loss) before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

a. Exploration and rehabilitation costs:

- Exploration and evaluation expenditure

Total exploration and rehabilitation costs

b. Net financing income:

- Financial income

- ▶ Interest revenue

Total financial income

- Financial expense

- ▶ Interest expense

- ▶ Net foreign currency exchange loss

Total financial expense

Net financing income

Note	2016 \$	2015 \$
	80,415	320,598
	80,415	320,598
	8,902	25,023
	8,902	25,023
	822	1,478
	2,890	3,735
	3,712	5,213
	5,190	19,810

Note 5 Auditor's remuneration

Remuneration of the Auditor of the Group for:

- Auditing or reviewing the financial reports
- Taxation services provided by a related practice of the Auditor

Note	2016 \$	2015 \$
	25,998	26,635
	-	-
	25,998	26,635

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 6 Income tax

a. Income tax expense / (benefit)

Current tax	-	-
Deferred tax	-	-
Tax rebate for Research and Development	-	-
	-	-

Deferred income tax expense included in income tax expense comprises:

- Increase / (decrease) in deferred tax assets
- (Increase) / decrease in deferred tax liabilities

b. Reconciliation of income tax expense to prima facie tax payable

The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

Prima facie tax on operating loss at 30% (2015: 30%)	(216,202)	(223,726)
Add / (Less)		

Tax effect of:

- Capital-raising costs deductible
- Assessable income
- Foreign exploration assets
- Exempt foreign entity
- Non-deductible expenses
- Effect of unrecognised temporary difference
- Deferred tax asset not brought to account

Income tax expense / (benefit) attributable to operating loss

The applicable weighted average effective tax rates attributable to operating profit are as follows

Balance of franking account at year end

c. Deferred tax assets

Tax losses	77,240	73,631
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Set-off deferred tax liabilities	(77,240)	(73,631)
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Net deferred tax assets	-	-
Less deferred tax assets not recognised	-	-
Net tax assets	-	-

Note	2016 \$	2015 \$
	-	-
	-	-
	-	-
	-	-
6c	-	73,631
6d	-	(73,631)
	-	-
	(216,202)	(223,726)
	-	-
	-	-
	80,604	94,746
	2,936	12,673
	31,526	-
	(9,638)	(76,002)
	110,774	192,309
	-	-
	%	%
	nil	nil
	\$	\$
	nil	nil
	77,240	73,631
	77,240	73,631
6d	(77,240)	(73,631)
	-	-
	-	-
	-	-

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 6 Income tax (cont.)

d. Deferred tax liabilities

Provisions

Prepayments

Set-off deferred tax assets

Net deferred tax liabilities

e. Tax losses

Unused tax losses for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:

○ Deductible temporary differences

○ Revenue losses

○ Capital losses

Note	2016 \$	2015 \$
	77,240	73,427
	-	204
	77,240	73,631
6c	(77,240)	(73,631)
	-	-
	129,881	138,589
	2,227,887	2,072,054
	362,214	362,214
	2,719,982	2,572,857

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2016 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- the Company continues to comply with conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss and exploration expenditure.

Note 7 Earnings per share(EPS)

a. Reconciliation of earnings to net profit or loss

Profit /(loss)

(Profit) / loss attributable to non-controlling equity interest

Profit / (loss) used in the calculation of basic and dilutive EPS

Note	2016 \$	2015 \$
	(720,673)	(745,752)
	17	119
	(720,656)	(745,633)

b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS

Weighted average number of dilutive options outstanding

Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS

Note	2016 No.	2015 No.
	2,109,061,080	1,545,473,363
7d	N/A	N/A
	2,109,061,080	1,545,473,363

c. Earnings per share

Basic and diluted earnings per share (cents per share)

Note	2016 ¢	2015 ¢
	(0.034)	(0.048)

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 7 Earnings per share (cont.)

d. The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than the average market price during the period (out of the money). At the end of the 2016 financial year, the Group has 415,666,667 unissued shares under options out of the money.

In addition, the Group does not report diluted earnings per share on annual losses generated by the Group. During the 2016 financial year the Group had 415,666,667 unissued shares under option which are anti-dilutive.

Note 8 Cash and cash equivalents

Note	2016 \$	2015 \$
Cash at bank	502,063	334,296
Short-term bank deposits	-	-
	502,063	334,296
a. Reconciliation of cash flow from operations to profit / (loss) after income tax		
Profit / (loss) after income tax	(720,673)	(745,752)
Non-cash flows in profit / (loss) from ordinary activities:		
Share-based settlement of director fees and creditors	101,660	167,716
Assets disposed of in exchange for rehabilitation services	-	15,373
(Gain) / loss on sale of assets	-	63,794
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and other receivables	(5,639)	27,687
(Increase)/decrease in other assets	4,855	(1,031)
Increase/(decrease) in trade and other payables	(64,942)	(441,242)
Increase/(decrease) in provisions	(12,712)	(155,785)
Cash flow from operations	(697,451)	(1,069,240)

b. Credit standby facilities

The Group has no credit standby facilities.

c. Non-cash investing and financing activities

None

d. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 24 Financial risk management on page 44.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 9 Trade and other receivables

a. Current

Value-added tax receivable

Environmental bonds refundable

b. Non-current

Environmental bonds refundable

Note	2016 \$	2015 \$
9c	13,037	7,398
	-	36,000
	13,037	43,398
	247,000	211,000
	247,000	211,000

c. Value-added tax (VAT) is a generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (GST) and in Burkina Faso and the Democratic Republic of Congo (VAT).

d. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 24 Financial risk management on page 44.

Note 10 Other assets

Current

Prepayments

Note	2016 \$	2015 \$
	14,630	19,485
	14,630	19,485

Note 11 Trade and other payables

Current

Unsecured

Trade payables

Other creditors and accruals

Note	2016 \$	2015 \$
	87,341	117,028
	22,552	100,010
	109,893	217,038

a. Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 24 Financial risk management on page 44.

Note 12 Borrowings

Current

Short-term borrowings

Note	2016 \$	2015 \$
12a	-	5,122

a. Short-term borrowings comprise premium funding for insurance policies, repayable within 12 months.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 13 Provisions

a. Disclosed as:

- Current
- Non-current

Carrying amount at the end of year

b. Movements in carrying amounts

Balance at the beginning of year

Rehabilitation expenditure applied

Carrying amount at the end of year

c. Site restoration

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of disturbed land is recognised when the land is disturbed. The basis of accounting is set out in note 11.i of the significant accounting policies.

d. Change in accounting estimates

Refer to note 1q.ii Key Estimate — Site restoration and rehabilitation provision on page 26.

Note 14 Issued capital

Fully paid ordinary shares

a. Ordinary shares

At the beginning of the year

Shares issued during the year:

○ 18 September 2014

○ 5 December 2014

○ 27 November 2015

○ 24 December 2015

Transaction costs relating to issues

At reporting date

Note	2016 \$	2015 \$
	66,651	66,651
	76,888	89,600
	143,539	156,251
	2016 \$	2015 \$
	156,251	312,036
	(12,712)	(155,785)
	143,539	156,251

Note	2016 No.	2015 No.	2016 \$	2015 \$
14a	2,543,891,552	1,609,565,899	33,854,887	32,940,458
	1,609,565,899	1,441,850,000	32,940,458	32,776,079
	-	43,871,300	-	43,871
	-	123,844,599	-	123,845
19a	47,325,653	-	47,325	-
	887,000,000	-	887,000	-
	-	-	(19,896)	(3,337)
	2,543,891,552	1,609,565,899	33,854,887	32,940,458

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 14 Issued capital (cont.)

a. Options

For information relating to the Blina Minerals NL scheme, including details of options issued and/or lapsed during the financial year, and the options outstanding at balance date, refer to Note 17 Share-based Payments on page 37. The total number of options on issue are as follows:

	2016 No.	2015 No.
Listed options	-	-
Unlisted options	415,666,667	5,000,000
	415,666,667	5,000,000

b. Capital Management

The Directors' objectives when managing capital are to ensure that the Group can maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the availability of liquid funds in order to meet its short term commitments. It does this by ensuring that its current ratio (current assets divided by current liabilities) remains in excess of 1:1.

	2016	2015
Current ratio	3.00	1.38

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to externally imposed capital requirements.

The working capital position of the Group at 30 June 2016 and 30 June 2015 were as follows:

	Note	2016 \$	2015 \$
Cash and cash equivalents	8	502,063	334,296
Trade and other receivables	9	13,037	43,398
Trade and other payables	11	(109,893)	(217,038)
Short-term provisions	13	(66,651)	(66,651)
Borrowings	12	-	(5,122)
Working capital position		338,556	88,883

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 15 Reserves

	Note	2016 \$	2015 \$
Option reserve	15a	102,078	418
Foreign exchange reserve	15b	4,434	5,729
		106,512	6,147

a. Option reserve

The Share-based payments reserve is used to record the fair value of equity instruments issued to employees, including Key Management Personnel, as part of their remuneration and issued to external parties for the receipt of goods and services.

For information relating to Blina Minerals NL options, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end refer to Note 17 Share-based Payments on page 37.

b. Foreign Exchange Translation Reserve

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiary.

Note 16 Controlled entities

Controlled Entities	Country of Incorporation	Class of Shares	Percentage Owned	
			2016	2015
Blina Minerals Burkina SARL	Burkina Faso	Ordinary	100%	100%
Blina Iron SA	Democratic Republic of Congo	Ordinary	90%	90%

a. Investments in subsidiaries are accounted for at cost.

b. Blina Minerals NL is the ultimate parent of the Group.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 17 Share-based payments

Note	2016	2015
	\$	\$
Share-based payment expense	101,660	-

a. Share-based payment plans

At the general meeting held on 25 November 2015, shareholders approved the issue of 120,000,000 options to KMP for a total of \$101,660 for the 2016 financial year.

As part of the 24 December 2015 capital raise, 295,666,667 free attaching \$0.0017 options were issued with a 2 year expiry.

The Plan was adopted in order to ensure that the Company has appropriate mechanisms to continue to attract and retain the services of employees of a high calibre. Directors and their associates are not eligible to participate in the Plan.

The key terms of the Plan are summarised below.

Eligibility and Grant of Incentive Options	<i>The Board may grant Incentive Options to any full or part time employee of the Company or an associated body corporate. Incentive Options may be granted by the Board at any time.</i>
Consideration	<i>Each Incentive Option issued under the Plan will be issued for nil cash consideration.</i>
Conversion	<i>Each Incentive Option is exercisable into one Share in the Company ranking equally in all respects with the existing issued Shares in the Company.</i>
Exercise Price and Expiry Date	<i>To be determined by the Board prior to the grant of the Incentive Options.</i>
Exercise Restrictions	<i>The Incentive Options may be subject to conditions on exercise as may be fixed by the Directors prior to grant.</i>
Share Restriction Period	<i>Shares issued on the Exercise of Incentive Options may be subject to a restriction that they may not be transferred or otherwise dealt with until a Restriction Period has expired, as specified in the Offer for the Incentive Options.</i>

b. Share-based payment arrangements in effect during the period

120,000,000 options were granted to KMP during the 2016 financial year.

c. Options granted to KMP are as follow

Grant Date	Number
25 November 2015	120,000,000

d. Movement in share-based payment arrangements during the period

A summary of the movements of all Company options issued as share-based payments is as follows:

	2016		2015	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	5,000,000	\$0.60	85,000,000	\$0.049
Granted	415,666,667	\$0.0017	-	-
Exercised	-	-	-	-
Expired	(5,000,000)	\$0.60	(80,000,000)	-
Outstanding at year-end	415,666,667	\$0.0017	5,000,000	\$0.60
Exercisable at year-end	415,666,667	\$0.0017	5,000,000	\$0.60

i. No options were exercised during the year.

ii. The weighted average remaining contractual life of options outstanding at year end was less than 2.31 years. The weighted average exercise price of outstanding shares at the end of the reporting period was \$0.0017.

Notes to the consolidated financial statements

for the year ended 30 June 2016

e. Fair value of KMP options granted during the period

The weighted average fair value of options granted to KMP during the year was \$0.00085 (2015: nil). These values were calculated using the Black-Scholes option pricing model, applying the following inputs to options issued this year:

Grant date:	25 November 2015
Grant date share price:	\$0.001
Option exercise price:	\$0.0017
Number of options issued:	120,000,000
Remaining life (years):	4.42
Expected share price volatility:	136.83%
Risk-free interest rate:	2.29%
Value per option	\$0.00085

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 18 Key management personnel compensation

The names and positions of Key Management Personnel (KMP) are as follows:

- Mr Brett Fraser *Non-executive Chairman*
- Mr Justin Virgin *Non-executive Director*
- Mr David Porter *Executive Director*

The totals of remuneration paid to KMP during the year are as follows:

Note	2016 \$	2015 \$
Short-term employee benefits	193,290	250,778
Other short-term benefits	-	-
Post-employment benefits	6,836	8,823
Share-based payments	101,660	-
Other long-term benefits	-	-
Termination benefits	-	-
Total	301,786	259,601

Refer to the Remuneration Report contained in the Director’s Report on page 7 for details of the remuneration paid to each member of the Group’s KMP for the year ended 30 June 2016.

Note 19 Related party transactions

a. KMP compensation settled by shares (current directors)

During the year ended 30 June 2016 unpaid and accrued directors fees totalling \$47,325 were settled through the issue of shares in the Company in accordance with resolutions passed at the Company’s Annual General Meeting.

	Note	Fees \$	Shares No.
Brett Fraser	19a.i	28,958	28,958,333
Justin Virgin		18,367	18,367,320
David Porter		-	-
Total		47,325	47,325,653

- i. Mr Fraser allocated 50% of the shares received to an unrelated third-party. Accordingly, Mr Fraser holds an additional 14,479,167 shares in the Company.

b. Other related party transactions

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

○ **Wolfstar Corporate Management Pty Ltd**

Wolfstar Corporate Management Pty Ltd, a company jointly controlled by Mr Fraser, provides financial services to Blina Minerals NL. These services are performed indirectly by Mr Fraser.

	2016 \$	2015 \$
	76,274	60,000

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 20 Commitments

There are no material commitments as at reporting date.

Note 21 Events subsequent to reporting date

On 11 December 2015, Andes Resources Limited (Andes) and Blina minerals NL (Blina) entered into a Heads of Agreement (HoA) for Blina to farm in and earn a 50% interest in the Andres Project.

On 3 May 2016, Andes notified Blina that the HoA had ceased to have force and effect because Blina did not provide Andes with an Intention Notice as required by the HoA. Blina denied that the HoA ceased to have force and effect.

Andes commenced the Supreme Court Proceedings against Blina seeking declaratory relief. Blina filed its defence and counterclaim in the Supreme Court Proceedings in June 2016.

A deed of settlement has been signed on 15 September 2016. Andes are required to pay Blina a sum of \$175,000 no later than 30 September 2016. As at the date of this report, Blina has received the sum of \$87,500.

Note 22 Contingent liabilities

There are no contingent liabilities as at 30 June 2016 (2015: Nil).

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 23 Operating segments**a. Identification of reportable segments**

The Group operates predominantly in the mining industry. This comprises exploration and evaluation of coal, copper, gold, manganese, or iron ore projects. Inter-segment transactions are priced at cost to the Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a monthly basis and in determining the allocation of resources. Management has identified the operating segments based on the two principal locations based on geographical areas and therefore different regulatory environments – Australia and Africa.

Corporate expenses include administration and regulatory expenses arising from operating an ASX listed entity.

Segment assets include the costs to acquire tenements and the capitalised exploration costs of those tenements. Financial assets including cash and cash equivalents, and investments in financial assets, are reported in the Treasury segment.

b. Basis of accounting for purposes of reporting by operating segments**i. Accounting policies adopted**

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

ii. Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

iii. Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

iv. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

v. Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Impairment of assets and other non-recurring items of revenue or expense
- Income tax expense
- Current and deferred tax assets and liabilities
- Other financial liabilities

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 23 Operating segments (cont.)

For the Year to 30 June 2016	Australian Exploration \$	African Exploration \$	Total \$
Segment revenue and other income	8,902	-	8,902
Segment Results	8,902	-	8,902
Amounts not included in segment results but reviewed by Board: <i>Expenses not directly allocable to identifiable segments or areas of interest</i>			
▶ Business development	(267,530)	(1,150)	(268,680)
▶ Compliance	(156,355)	(6,847)	(163,202)
▶ Director remuneration excluding consulting fees	(180,470)	-	(180,470)
▶ Exploration and rehabilitation (expenditure) / recovered	(11,500)	(68,915)	(80,415)
▶ Finance costs	(3,712)	-	(3,712)
▶ Impairment (expense) / overprovision	-	-	-
▶ Legal and consulting fees	(8,286)	(440)	(8,726)
▶ Other expenses	(23,413)	(957)	(24,370)
▶ Income tax expense	-	-	-
Loss after Income Tax			(720,673)
As at 30 June 2016			
Segment Assets	703,845	45,218	749,063
Unallocated Assets:			
▶ Trade and other receivables			13,037
▶ Other non-current assets			14,630
Total Assets			776,730
Segment Liabilities	230,615	385	231,000
Unallocated Liabilities:			
▶ Other payables			22,432
▶ Short-term borrowings			-
Total Liabilities			253,432

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 23 OPERATING SEGMENTS (cont.)

For the Year to 30 June 2015	Australian Exploration \$	African Exploration \$	Total \$
Segment revenue and other income	(38,771)	-	(38,771)
Segment Results	(38,771)	-	(38,771)
Amounts not included in segment results but reviewed by Board: <i>Expenses not directly allocable to identifiable segments or areas of interest</i>			
▶ Business development	(20,175)	(1,150)	(21,325)
▶ Compliance	(177,397)	(33,762)	(211,159)
▶ Director remuneration excluding consulting fees	(102,696)	-	(102,696)
▶ Exploration and rehabilitation (expenditure) / recovered	13,146	(333,744)	(320,598)
▶ Finance costs	(5,213)	-	(5,213)
▶ Impairment (expense) / overprovision	-	-	-
▶ Legal fee and consulting fees	(18,535)	(2,666)	(21,201)
▶ Share-based payments	-	-	-
▶ Other expenses	(20,124)	(4,665)	(24,789)
▶ Income tax expense	-	-	-
Loss after Income Tax			(745,752)
As at 30 June 2015			
Segment Assets	536,497	44,799	581,296
Unallocated Assets:			
▶ Trade and other receivables			7,398
▶ Other non-current assets			19,485
Total Assets			608,179
Segment Liabilities	272,894	385	273,279
Unallocated Liabilities:			
▶ Other payables			100,010
▶ Short-term borrowings			5,122
Total Liabilities			378,411

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 24 Financial risk management

a. Financial Risk Management Policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

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

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

	Floating Interest Rate	Fixed Interest Rate	Non- interest Bearing	2016 Total	Floating Interest Rate	Fixed Interest Rate	Non- interest Bearing	2015 Total
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
▶ Cash and cash equivalents	502,063	-	-	502,063	334,296	-	-	334,296
▶ Trade and other receivables	-	-	260,037	260,037	-	-	254,398	254,398
Total Financial Assets	502,063	-	260,037	762,100	334,296	-	254,398	588,694
Financial Liabilities								
Financial liabilities at amortised cost								
▶ Trade and other payables	-	-	109,893	109,893	-	5,122	217,038	222,160
Total Financial Liabilities	-	-	109,893	109,893	-	5,122	217,038	222,160
Net Financial Assets	502,063	-	150,144	652,207	334,296	(5,122)	37,360	366,534

b. Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

i. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 24 Financial risk management (cont.)

○ Credit risk exposures

The maximum exposure to credit risk is that to its alliance partners and that is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where ever possible.

○ Impairment losses

The Group has not material items past due and not impaired. Other receivables include environmental bonds (\$247,000). The ultimate recoupment of the environmental bonds is dependent on the completion, to the satisfaction of the Department of Mines and Petroleum, of rehabilitation of the relevant sites.

ii. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings.

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

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

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

○ Contractual Maturities

The following are the contractual maturities of financial liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Financial liabilities due for payment						
Trade and other payables	109,893	217,038	-	-	109,893	217,038
Borrowings	-	5,122	-	-	-	5,122
Total contractual outflows	109,893	222,160	-	-	109,893	222,160
Financial assets						
Cash and cash equivalents	502,063	334,296	-	-	502,063	334,296
Trade and other receivables	13,037	43,398	247,000	211,000	260,037	254,398
Total anticipated inflows	515,100	377,694	247,000	211,000	762,100	588,694
Net inflow on financial instruments	405,207	155,534	247,000	211,000	652,207	366,534

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 24 Financial risk management (cont.)

The Board meets on a regular basis and considers the Group's exposure currency and interest rate risk.

(1) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is not material to the Group as no debt arrangements have been entered into, and movement in interest rates on the Group's financial assets is not material.

(2) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

With instruments being held by overseas operations, fluctuations in foreign currencies may impact on the Group's financial results. The Group's exposure to foreign exchange risk is minimal; however the Board continues to review this exposure regularly.

(3) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

iv. Sensitivity Analyses**(1) Interest rates**

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

A change of 100 basis points in the interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. The analysis is performed on the same basis for 2015.

	Profit \$	Equity \$
Year ended 30 June 2016		
±100 basis points change in interest rates	± 5,021	± 5,021
Year ended 30 June 2015		
±100 basis points change in interest rates	± 3,343	± 3,343

(2) Foreign exchange

The Group did not carry significant assets or liabilities in foreign currencies in the 2016 financial year (2015: nil), and therefore was not subject to material foreign exchange risk, and according not subject to material sensitivities.

v. Net Fair Values**(1) Fair value estimation**

The fair values of financial assets and financial liabilities are presented in the table in note 24a and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Notes to the consolidated financial statements

for the year ended 30 June 2016

Note 25 Parent entity disclosures**a. Financial Position of Blina Minerals NL****Current assets**

Cash and cash equivalents

Trade and other receivables

Prepayments

Total current assets**Non-current assets**

Trade and other receivables

Financial assets

Total non-current assets**Total assets****Current liabilities**

Trade and other payables

Short-term provisions

Borrowings

Total current liabilities**Non-current liabilities**

Long-term provisions

Total non-current liabilities**Total liabilities****Net assets****Equity**

Issued capital

Reserves

Accumulated losses

Total equity**b. Financial assets of Blina Minerals NL**

Loans to subsidiaries

Less: Provision for impairment

Shares in controlled entities at cost

Net carrying value**c. Financial performance of Blina Minerals NL**

Profit / (loss) for the year

Total comprehensive income

Note	2016 \$	2015 \$
	456,845	289,497
	10,725	42,467
	13,750	17,725
	481,320	349,689
	247,000	211,000
25b	26,495	26,495
	273,495	237,495
	754,815	587,184
	109,507	216,654
	66,651	66,651
	-	5,122
	176,158	288,427
	76,888	89,600
	76,888	89,600
	253,046	378,027
	501,769	209,157
	33,854,887	32,940,458
	102,078	418
	(33,455,196)	(32,731,719)
	501,769	209,157
	792,576	712,611
	(792,576)	(712,611)
	26,495	26,495
	26,495	26,495
	723,477	754,752
	723,477	754,752

Note 25 Parent entity disclosures (cont.)

c. Guarantees entered into by Blina Minerals NL for the debts of its subsidiaries

There are no guarantees entered into by Blina Minerals NL for the debts of its subsidiaries as at 30 June 2016 (2015: none).

Directors' declaration

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 12 to 48, are in accordance with the *Corporations Act 2001* (Cth) and:
 - (a) comply with Accounting Standards;
 - (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1 to the financial statements; and
 - (c) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the Company and Group.
2. the Chief Executive Officer (equivalent) and Chief Financial Officer (equivalent) have each declared that:
 - (a) the financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001* (Cth);
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



BRETT FRASER

Chairman

Dated this Friday, 30 September 2016

Independent auditor's report to the members of Blina Minerals NL

Report on the financial report

We have audited the accompanying financial report of Blina Minerals NL which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the directors' declaration of the consolidated entity. The Group comprises the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report, comprising the financial statements and notes, complies with *International Financial Reporting Standards* as issued by the International Accounting Standards Board.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, 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 in 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 and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Nexia Perth Audit Services Pty Ltd

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Opinion

In our opinion:

- (a) the financial report of Blina Minerals NL is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Material uncertainty related to going concern

Without modifying our opinion, we draw attention to Note 1(a)(ii) to the Financial Report, which indicates that the Group will require further funding in the next twelve months from the date of this report to fund its planned activities. These conditions, along with other matters as set forth in Note 1(a)(ii), indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

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.

Opinion

In our opinion, the remuneration report of Blina Minerals NL for the year ended 30 June 2016 complies with Section 300A of the *Corporations Act 2001*.



Nexia Perth Audit Services Pty Ltd



PTC Klopper
Director
30 September 2016
Perth

Corporate governance statement

This Corporate Governance summary discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication 'Corporate Governance Principles and Recommendations (3rd Edition)' (**Recommendations**). The Recommendations are not mandatory, however, the Recommendations that will not be followed have been identified and reasons have been provided for not following them.

The Company's Corporate Governance Plan has been posted on the Company's website at www.blinaminerals.com.au.

Principles And Recommendations	Comply (Yes/No)	Explanation
Principle 1: Lay solid foundations for management and oversight		
<p>Recommendation 1.1 A listed entity should have and disclose a charter which:</p> <p>(a) sets out the respective roles and responsibilities of the board, the chair and management; and</p> <p>(b) includes a description of those matters expressly reserved to the board and those delegated to management.</p>	YES	<p>The Company has adopted a Board Charter.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Boards composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors access to company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter is available on the Company's website.</p>
<p>Recommendation 1.2 A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.</p>	YES	<p>(a) The Company has detailed guidelines for the appointment and selection of the Board. The Company's Corporate Governance Plan requires the Board to undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director.</p> <p>(b) Material information relevant to any decision on whether or not to elect or re-elect a Director will be provided to security holders in the notice of meeting holding the resolution to elect or re-elect the Director.</p>
<p>Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	YES	<p>The Company's Corporate Governance Plan requires the Board to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p>
<p>Recommendation 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.</p>	YES	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.</p>
<p>Recommendation 1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board:</p> <p>(i) to set measurable objectives for achieving gender diversity; and</p> <p>(ii) to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <p>(i) 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; and</p> <p>(ii) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.</p>	YES	<p>(a) The Company has adopted a Diversity Policy.</p> <p>(i) The Diversity Policy provides a framework for the Company to achieve a list of 6 measurable objectives that encompass gender equality.</p> <p>(ii) The Diversity Policy provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The company is responsible for implementing, monitoring and reporting on the measurable objectives.</p> <p>(b) The Diversity Policy is stated in Schedule 9 of the Corporate Governance Plan which is available on the company website.</p> <p>(c)</p> <p>(i) The measurable objectives set by the Board will be included in the annual key performance indicators for the CEO, MD and senior executives. In addition the Board will review progress against the objectives in its annual performance assessment.</p> <p>(ii) The Board will include in the annual report each year, the measurable objectives, progress against the objectives, and the proportion of male and female employees in the whole organisation, at senior management level and at Board Level.</p>

Principles And Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 1.6 A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 	<p>NO</p>	<ul style="list-style-type: none"> (a) The Board is responsible for evaluating the performance of the Board and individual directors on an annual basis. It may do so with the aid of an independent advisor. The process for this can be found in the Performance Evaluation Policy document which is available on the Company's website. (b) The Company's Performance Evaluation Policy requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period. Details of the performance evaluations conducted will be provided in the Company's Annual Reports.
<p>Recommendation 1.7 A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 	<p>NO</p>	<ul style="list-style-type: none"> (a) The Board is responsible for evaluating the performance of senior executives. The Board is to arrange an annual performance evaluation of the senior executives. (b) The Company's Performance Evaluation Policy requires the Board to conduct annual performance of the senior executives. The Policy requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period. Details of the performance evaluations conducted will be provided in the Company's Annual Report.
<p>Principle 2: Structure the board to add value</p>		
<p>Recommendation 2.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> (a) have a nomination committee which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively. 	<p>NO</p>	<ul style="list-style-type: none"> (a) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Nomination Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Nomination Committee under the written terms of reference for that committee. The duties of the Nomination Committee are outlined in Schedule 5 of the Company's Corporate Governance Plan available online on the Company's website. The Board devotes time at each board meeting to discuss board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules. The Board regularly updates the Company's board skills matrix (in accordance with recommendation 2.2) to assess the appropriate balance of skills, experience, independence and knowledge of the entity.

Principles And Recommendations	Comply (Yes/No)	Explanation																																		
<p>Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	YES	<table border="1" data-bbox="868 338 1457 898"> <thead> <tr> <th data-bbox="868 338 1251 398">Board Skills Matrix</th> <th data-bbox="1251 338 1457 398">Number of Directors that Meet the Skill</th> </tr> </thead> <tbody> <tr><td data-bbox="868 398 1251 427">Executive & Non- Executive experience</td><td data-bbox="1251 398 1457 427">3</td></tr> <tr><td data-bbox="868 427 1251 456">Industry experience & knowledge</td><td data-bbox="1251 427 1457 456">2</td></tr> <tr><td data-bbox="868 456 1251 486">Leadership</td><td data-bbox="1251 456 1457 486">2</td></tr> <tr><td data-bbox="868 486 1251 515">Corporate governance & risk management</td><td data-bbox="1251 486 1457 515">3</td></tr> <tr><td data-bbox="868 515 1251 544">Strategic thinking</td><td data-bbox="1251 515 1457 544">2</td></tr> <tr><td data-bbox="868 544 1251 573">Desired behavioural competencies</td><td data-bbox="1251 544 1457 573">3</td></tr> <tr><td data-bbox="868 573 1251 602">Geographic experience</td><td data-bbox="1251 573 1457 602">3</td></tr> <tr><td data-bbox="868 602 1251 631">Capital Markets experience</td><td data-bbox="1251 602 1457 631">3</td></tr> <tr><td colspan="2" data-bbox="868 631 1457 660"><i>Subject matter expertise:</i></td></tr> <tr><td data-bbox="868 660 1251 689">- accounting</td><td data-bbox="1251 660 1457 689">1</td></tr> <tr><td data-bbox="868 689 1251 719">- capital management</td><td data-bbox="1251 689 1457 719">3</td></tr> <tr><td data-bbox="868 719 1251 748">- corporate financing</td><td data-bbox="1251 719 1457 748">2</td></tr> <tr><td data-bbox="868 748 1251 777">- industry taxation ¹</td><td data-bbox="1251 748 1457 777">0</td></tr> <tr><td data-bbox="868 777 1251 806">- risk management</td><td data-bbox="1251 777 1457 806">3</td></tr> <tr><td data-bbox="868 806 1251 835">- legal</td><td data-bbox="1251 806 1457 835">3</td></tr> <tr><td data-bbox="868 835 1251 864">- IT expertise ²</td><td data-bbox="1251 835 1457 864">0</td></tr> </tbody> </table> <p>(1) Skill gap noticed however an external taxation firm is employed to maintain taxation requirements. (2) Skill gap noticed however an external IT firm is employed on an adhoc basis to maintain IT requirements.</p>	Board Skills Matrix	Number of Directors that Meet the Skill	Executive & Non- Executive experience	3	Industry experience & knowledge	2	Leadership	2	Corporate governance & risk management	3	Strategic thinking	2	Desired behavioural competencies	3	Geographic experience	3	Capital Markets experience	3	<i>Subject matter expertise:</i>		- accounting	1	- capital management	3	- corporate financing	2	- industry taxation ¹	0	- risk management	3	- legal	3	- IT expertise ²	0
Board Skills Matrix	Number of Directors that Meet the Skill																																			
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- risk management	3																																			
- legal	3																																			
- IT expertise ²	0																																			
<p>Recommendation 2.3 A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type 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 (c) the length of service of each director</p>	YES	<p>(a) The Board Charter provides for the disclosure of the names of Directors considered by the Board to be independent. These details are provided in the Annual Reports and Company website. (b) The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the Board in light of the interests disclosed by Directors. Details of the Directors interests, positions associations and relationships are provided in the Annual Reports and Company website. (c) The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is provided in the Annual Reports and Company website.</p>																																		
<p>Recommendation 2.4 A majority of the board of a listed entity should be independent directors.</p>	YES	<p>The Board Charter requires that where practical the majority of the Board will be independent. Details of each Director's independence are provided in the Annual Reports and Company website.</p>																																		
<p>Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	YES	<p>The Board Charter provides that where practical, the Chairman of the Board will be a non-executive director. If the Chairman ceases to be independent then the Board will consider appointing a lead independent Director.</p>																																		
<p>Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.</p>	YES	<p>The Board Charter states that a specific responsibility of the Board is to procure appropriate professional development opportunities for Directors. The Board is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.</p>																																		
Principle 3: Act ethically and responsibly																																				
<p>Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.</p>	YES	<p>(a) The Corporate Code of Conduct applies to the Company's directors, senior executives and employees. (b) The Company's Corporate Code of Conduct can be found on the Company's website.</p>																																		

Principles And Recommendations	Comply (Yes/No)	Explanation
Principle 4: Safeguard integrity in financial reporting		
<p>Recommendation 4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	NO	<p>(a) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee.</p> <p>The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</p>
<p>Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	YES	<p>The Company's Corporate Governance Plan states that a duty and responsibility of the Board is to ensure that before approving the entity's financial statements for a financial period, the CEO and CFO have declared that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>
<p>Recommendation 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.</p>	YES	<p>The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>
Principle 5: Make timely and balanced disclosure		
<p>Recommendation 5.1 A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	YES	<p>(a) The Company's Continuous Disclosure Policy details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation.</p> <p>(b) The Company's Continuous Disclosure Policy is available on the Company website.</p>
Principle 6: Respect the rights of security holders		
<p>Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.</p>	YES	<p>Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.</p> <p>Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company website.</p>
<p>Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	YES	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Shareholder Communications Strategy outlines a range of ways in which information is communicated to shareholders.</p>

Principles And Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 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.</p>	YES	<p>The Shareholder Communication Strategy states that as a part of the Company's developing investor relations program, Shareholders can register with the Company Secretary to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholders are encouraged to participate at all EGMs and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material with that notice of meeting stating that all Shareholders are encouraged to participate at the meeting.</p>
<p>Recommendation 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.</p>	YES	<p>Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p>
Principle 7: Recognise and manage risk		
<p>Recommendation 7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	NO	<p>(b) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee.</p> <p>The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devote time at annual board meeting to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.</p>
<p>Recommendation 7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	YES	<p>(a) The Company process for risk management and internal compliance includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. Schedule 8 of the Corporate Governance Plan is entitled 'Disclosure – Risk Management' and details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls.</p> <p>(b) The Board Charter requires the Board to disclose the number of times the Board met throughout the relevant reporting period, and the individual attendances of the members at those meetings. Details of the meetings will be provided in the Company's Annual Report.</p>
<p>Recommendation 7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	YES	<p>Schedule 3 of the Company's Corporate Plan provides for the internal audit function of the Company. The Board Charter outlines the monitoring, review and assessment of a range of internal audit functions and procedures.</p>

Principles And Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 7.4 A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>YES</p>	<p>Schedule 3 of the Company's Corporate Plan details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (if appropriate). Review of the Company's risk management framework is conducted at least annually and reports are continually created by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.</p>
<p>Principle 8: Remunerate fairly and responsibly</p>		
<p>Recommendation 8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>NO</p>	<p>Due to the size and nature of the existing board and the magnitude of the Company's operations the Company currently has no Remuneration Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Remuneration Committee under the written terms of reference for that committee.</p> <p>The role and responsibilities of the Remuneration Committee are outlined in Schedule 4 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>
<p>Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.</p>	<p>YES</p>	<p>The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of non-executive, executive and other senior directors.</p>
<p>Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>YES</p>	<p>(a) Company's Corporate Governance Plan states that the Board is required to review, manage and disclose the policy (if any) on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. The Board must review and approve any equity based plans.</p> <p>(b) A copy of the Company's Corporate Governance Plan is available on the Company's website.</p>

Additional information for listed public companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies.

1 Capital

a. Ordinary Share Capital

2,543,891,570 ordinary fully paid shares held by 2,815 shareholders.

b. Unlisted Options over Unissued Shares

The Company has an additional 120,000,000 options on issue in accordance with section 7.1 of the Directors' Report,

c. Voting Rights

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares:** Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Unlisted Options:** Options do not entitle the holders to vote in respect of that option, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.

d. Substantial Shareholders as at 29 September 2016

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Metallica Investments Pty Ltd <Metallica Trust A/C>	242,281,250	9.52
Mr John Moody	106,338,190	4.18

e. Distribution of Shareholders as at 29 September 2016

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	673	250,191	0.01
1,001 – 5,000	880	2,057,286	0.08
5,001 – 10,000	198	1,451,863	0.06
10,001 – 100,000	413	17,506,474	0.69
100,001 – and over	651	2,522,595,756	99.16
	2,815	2,543,891,570	100.00

f. Unmarketable Parcels as at 29 September 2016

As at 29 September 2016 there were 2,380 fully paid ordinary shareholders holding less than a marketable parcel and 2,618 holding less than an economic parcel of shares.

g. On-Market Buy-Back

There is no current on-market buy-back.

h. Restricted Securities

The Company has no restricted securities on issue.

Additional information for listed public companies

i. 20 Largest Shareholders — Ordinary Shares as at 19 September 2016

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	Metallica Investments Pty Ltd <Metallica Trust A/C>	242,281,250	9.52
2.	Mr John Moody	106,338,190	4.18
3.	Mr Constandinos Kyrkou	97,526,063	3.83
4.	Mr Patrick Holywell	77,495,216	3.05
5.	Mr William Brown	60,000,000	2.36
6.	Mr W Jansen & Mrs M G Jansen <W & MG Jensen Super Fund A/C>	55,500,000	2.18
7.	Mr D K Jensen & Mrs V T Jensen	50,024,315	1.97
8.	Vivaldi Cap Sdn Bhd	50,000,000	1.97
9.	Bond street Custs Limited	50,000,000	1.97
10.	Pomany Pty Ltd	50,000,000	1.97
11.	Stevsand Holdings Pty Ltd	50,000,000	1.97
12.	Dilkara Nom Pty Ltd < BMS Cons S/F A/C>	50,000,000	1.97
13.	Virgin Pty Ltd	47,100,000	1.85
14.	Mr David Porter	40,500,000	1.59
15.	Pomerol Holdings Snd Bhd	40,000,000	1.57
16.	Mr D K Jensen & V T Jensen	35,000,000	1.38
17.	Mr D K Anderson & Mrs C Anderson <Canterbury S/F A/C>	35,000,000	1.38
18.	Mr J Jansen & Dale Jansen < JJ Retirement Fund A/C>	35,000,000	1.38
19.	Pinewood Asset Pty Ltd < Fraser Fam A/C>	33,691,667	1.32
20.	Vin Ethos Pty Ltd < Vinethos Trust A/C>	31,691,666	1.25
TOTAL		1,237,148,367	48.66

2 The name of the Company Secretary is Jay Stephenson.

3 Principal registered office

As disclosed in Note 2 Company details on page 28 of this Annual Report.

4 REGISTERS OF SECURITIES

As disclosed in the Corporate directory on page i of this Annual Report.

5 STOCK EXCHANGE LISTING

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, As disclosed in the Corporate directory on page i of this Annual Report.

6 USE OF FUNDS

The Company has used its funds in accordance with its initial business objectives.

Tenement report

As at 30 June 2016

Exploration work has ceased on the Colombian Gold Project with Andres Resources Ltd pending resolution of a legal dispute between the parties which could take up to 12 months. Considering the time frame to resolve the legal dispute with Andres Blina is also examining other opportunities for lithium, gold and copper in Australia and overseas.

Blina does not have any tenements on hand as at 30 June 2016.



BLINA
MINERALS