

A thick orange vertical bar on the left side of the page, with a rounded top-left corner.

**NAMIBIAN COPPER LIMITED**

ABN: 52 118 913 232

**ANNUAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2016**

<b>ABN</b>	52 118 913 232
<b>Directors</b>	Neil Warburton Non-Executive Chairman  Ross Cotton Non-Executive Director  Gregory Hall Non-Executive Director  Michael Curnow Non-Executive Director
<b>Company Secretary</b>	Jay Richard Stephenson
<b>Registered office</b>	Suite 12, Level 1 11 Ventnor Avenue WEST PERTH WA 6005
<b>Principal place of business</b>	Suite 12, Level 1 11 Ventnor Avenue WEST PERTH WA 6005
<b>Stock Exchange Listing</b>	Namibian Copper Limited by shares are listed on Australian Securities Exchange (ASX: NCO)
<b>Share registry</b>	Advanced Share Registry Services
<b>Solicitors</b>	Steinepreis Paganin
<b>Bankers</b>	Westpac Banking Corporation
<b>Auditors</b>	Bentleys Audit & Corporate (WA) Pty Ltd

## CONTENTS

---

	Page
• Directors' Report	3
• Corporate Governance Statement	21
• Auditor's Independence Declaration	29
• Consolidated Statement of Profit or Loss and Other Comprehensive Income	30
• Consolidated Statement of Financial Position	31
• Consolidated Statement of Changes in Equity	32
• Consolidated Statement of Cash Flows	33
• Notes to and forming part of the Consolidated Financial Statements	34
• Directors' Declaration	57
• Independent Auditor's Report	58
• Additional Information	60

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

Your Directors present their report, together with the financial statements of Namibian Copper Limited (the Company) and its controlled entities (the Consolidated Group) for the financial year ended 30 June 2016.

**Directors**

The names of Directors in office at any time during or since the end of the financial year up to the date of this report are:

Mr Neil Warburton - Non-Executive Director (Appointed as Non-Executive Chairman on 20 January 2016)

Mr Ross Cotton – Non Executive Director (Appointed on 20 January 2016)

Mr Gregory Hall - Non-Executive Director

Mr Michael Curnow - Non-Executive Director

Mr John (Gus) Simpson - Non-Executive Chairman (Resigned on 20 January 2016)

**Company Secretary**

Mr. Jay Richard Stephenson

**Principal Activities**

The Principal activities of the Consolidated Group during the financial year were the exploration of its Project in Namibia.

On 14 December 2015, the Company signed a Terms Sheet to acquire a 100% equity interest in Ausnet Real Estate Services Pty Ltd ("Ausnet"), a parent of a group of companies, specialising in financial and wealth management services as well as real estate services. On 19 April 2016, the Company signed a binding Heads of Agreement ("HOA") which replaced the Terms Sheet.

Should the acquisition be successful, it will result in a change in the Group's nature and scale of its activities.

**Operating Results**

Loss of the Consolidated Group, after providing for income tax and eliminating non-controlling interests amounted to \$626,098 (2015: loss of \$2,291,708).

**Financial Position**

The net assets of the Consolidated Group have decreased by \$25,051 from \$479,989 at 30 June 2015 to \$454,938 in at 30 June 2016.

**Dividends Paid or Recommended**

No dividends have been paid or proposed since the start of the financial year, and the Directors do not recommend the payment of a dividend in respect of the financial year.

**Review of Operations**

On 14 December 2015, the Company signed a non-binding Terms Sheet to acquire a 100% equity interest in Ausnet, a parent of a group of companies, specialising in financial and wealth management services as well as real estate services. On 19 April 2016, the Company signed a binding Heads of Agreement ("HOA") which replaced the Terms Sheet.

The acquisition remains conditional on satisfaction (or waiver) of the conditions stated in the signed HOA between the Company and Ausnet. At the date of this report, both parties are still in the process of fulfilling the conditions and as such, the proposed acquisition remains incomplete and uncertain. The conditions still required to be satisfied at the date of this report includes:

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

**Review of Operations (Cont')**

- (i) The Company, on a best endeavours basis, to raise (post-Consolidation) a minimum of \$3,500,000 (or such other amount as required to meet the assets test admission criteria of the ASX and subsequently increased to \$3,800,000) with oversubscriptions for up to another \$2,000,000 of which Ausnet or its associates (Richmond Advisory) will introduce subscribers for 60% of the total amount raised through the issue of the Company's shares at not less than \$0.02 per share or a price to be determined by mutual agreement by the Company and Ausnet;
- (ii) The Company obtaining all necessary shareholder and regulatory approvals pursuant to the Corporations Act 2001 (Cth) (Corporations Act), the ASX Listing Rules or any other law, as well as third party approvals or consents to give effect to the matters set out in the Terms Sheet to allow the Company to lawfully complete the acquisition;
- (iii) The Company receiving a letter from the ASX confirming that the ASX will re-admit the Company to the Official List of the ASX, on conditions acceptable to the Company and Ausnet (acting reasonably);
- (iv) Cancellation of the existing performance rights currently on issue by the Company on or before settlement of the acquisition;
- (v) In December 2015, the Company entered into a binding convertible note agreement with Ausnet of which the Company agrees to subscribe a convertible note in Ausnet to the value of \$350,000. Subsequently, a deed of variation was signed and the convertible note value was revised to \$150,000 plus interest. The Company has fully impaired the convertible note loan during the year, refer to Note 11 for details.
- (vi) There will be execution of a formal Share Sale Agreement by Ausnet, NCO and those Ausnet Shareholders holding more than 5% of the issued shares of Ausnet.

The end date on the terms sheet for the conditions to be satisfied (or waived) was on 29 July as mutually agreed with Ausnet. This has been extended and both parties are working to complete the transaction as quickly as possible. The Company has a general meeting on the 29th of November which will then satisfy the shareholder approval requirements. It is anticipated that the Prospectus will be lodged sometime between 30 September and 7 October.

On 20 January 2016, Mr Ross Cotton was appointed as a Director of the Company.

**Significant Changes in State of Affairs**

The following significant changes in the state of affairs of the parent entity occurred during the financial year.

- i. On 20 August 2015, the Company changed its principal place of business and registered office to Suite 12, Level 1, 11 Ventnor Avenue WEST PERTH WA 6005.
- ii. On 14 October 2015, 10,180,995 fully paid ordinary shares at a price of \$0.00442 per share were issued to directors in lieu of the directors fees as approved by the shareholders at the Annual General Meeting held on 28 November 2014. The Company will issue shares under the Director's share plan on a quarterly basis to satisfy the relevant fees or salary owing by the Company. The shares issued pursuant to the Directors' share plan were issued for nil consideration and the issue price is determined by the Board at the time of issue of the shares.
- iii. On 14 October 2015, 7,989,882 fully paid ordinary shares at a price of \$0.00323 per share were issued to settle the outstanding company secretarial and accounting services fees to Wolfstar Corporate Management Pty Ltd ("WCM") or its nominees.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

**Significant Changes in State of Affairs (Cont')**

- iv. On 9 December 2015, 4,830,054 fully paid ordinary shares at a price of \$0.005592 per share were issued in lieu of the directors fees as approved by the shareholders at the Annual General Meeting held on 28 November 2014. The Company will issue shares under the Director's share plan on a quarterly basis to satisfy the relevant fees or salary owing by the Company. The shares issued pursuant to the Directors' share plan were issued for nil consideration and the issue price is determined by the Board at the time of issue of the shares.
- v. On 22 December 2015, the Company issued a Renounceable Rights Prospectus Offer of three (3) Shares for every two (2) Shares held at an issue price of \$0.001 per Share. This Rights Issue was completed on 19 January 2016 and the Company successfully raised \$518,921 before issue costs. These funds raised will be used to fund acquisition and due diligence costs associated with the proposed acquisition of Ausnet, working capital and on-going expenditure commitments of the Group.
- vi. On 19 January 2016, 17,563,771 of the Rights Issue shares were issued to John (Gus) Simpson as his full entitlement as part payment of outstanding director fees and 11,984,824 Rights Issue shares were issued to WCM or its nominee as their full entitlement against company secretarial and accounting services fees
- vii. On 21 January 2016, Mr. John (Gus) Simpson resigned as Non-Executive Chairman, Mr. Ross Cotton was appointed as Non-Executive Director and Mr Neil Warburton was elected the new Non-Executive Chairman of the Company.
- viii. On 4 April 2016, the Company issued 14,112,114 ordinary shares at a price of \$0.002551 per share to directors in lieu of director fees for the period of 1 December 2015 to 31 March 2016 as approved by the shareholders at the AGM held on 28 November 2014.
- ix. On 29 April 2016, the Shareholders approved the special resolutions to change the status of the Company from a public no liability company to a public company limited by shares and to repeal its existing constitution and adapt a new constitution in the form as signed by the chairman of the Meeting for identification purposes.

**Events after the Reporting Date**

On 20 July 2016, the shareholders approved the following resolutions:

- i. to make a significant change in the nature and scale of its activities from mineral exploration to provision of real estate and wealth management services;
- ii. to issue Shares at an issue price of not less than \$0.02 per Share;
- iii. to have Options on issue upon settlement with an exercise price of not less than \$0.02 per Option;
- iv. the issue of 50,000,000 pre-Consolidation Shares and 50 000,000 pre-Consolidation Options to Richmond Food Systems Pty Ltd (ACN 109 629 601) ATF The Monterey Trust (Richmond) (or its nominees) in consideration for Richmond introducing the Ausnet transaction to the Company;
- v. Shares on issue (including those pre-Consolidation Shares to be issued to Richmond Advisory) will be reduced from 927,929,931 to 92,792,993 subject to rounding) on 10:1 consolidation of shares;
- vi. Options on issue (including those pre-Consolidation Options to be issued to Richmond Advisory) will be reduced from 290,760,719 to 29,076,072 (subject to rounding) on 10:1 consolidation of shares;
- vii. The Company proposes to issue (amongst other securities) 113,333,334 Performance Shares, being 66,666,667 Performance Shares convertible into Shares on the achievement of Milestone 1 (Consideration Performance Shares); and 46,666,667 Performance Shares convertible into Shares on the achievement of Milestone 2 (Incentive Performance Shares);
- viii. the issue of up to 200,000,000 post-Consolidation Shares; and 66,666,667 post-Consolidation Tranche 1 Performance shares (together, Ausnet Consideration Securities) to the Ausnet Shareholders (or their nominees);
- ix. the issue of up to 290,000,000 post-Consolidation Shares at the Capital Raising Issue Price per Share to raise up to \$5,800,000 (with a minimum of \$3,800,000 to be raised pursuant to the Capital Raising);

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

**Events after the Reporting Date (Cont')**

- x. Pursuant to the HOA, at Settlement it is proposed that Paul Niardone, Philip Re, Adam Davey and John Kolenda each be appointed as a Director;
- xi. to issue a total of 46,666,667 Incentive Performance Shares amongst Paul Niardone, Philip Re, Adam Davey, John Kolenda and Ross Cotton (or their nominees);
- xii. to change the Company's name to "Namibian Copper Limited";
- xiii. the removal of William Buck Audit (WA) Pty Ltd as the auditor of the Company and appointment of Bentleys as the new auditor of the Company.
- xiv. to issue Performance Rights under the Plan and Options under the Scheme to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

On 2 August 2016, the Company completed its 10 for 1 Consolidation.

Except the matters disclosed above, there has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated group, the results of the operations, or the state of the affairs of the consolidated group in future financial years.

**Future Developments**

All the exploration activities of the Consolidated Group have ceased to preserve the cash reserve until the completion of the acquisition of Ausnet.

**Environmental Regulations**

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out exploration work.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

**Information on Directors**

**MR NEIL Warburton**

**Qualifications and Experiences**

- Non-Executive Director – Appointed as Non-Executive Chairman on 20 January 2016
- Mr. Warburton graduated from the Western Australia School of Mines with an Associate Degree in Mining Engineering (Assoc MinEng WASM, MAusIMM, FAICD). He is a Fellow of the Australian Institute of Company Directors (FAICD) and Member of the Australian Institute of Mining and Metallurgy. Mr. Warburton has over 35 years' experience in all areas of mining management and operations. During his 11 years within Barminto Limited, he successfully grew the Company into Australia and West Africa's largest underground mining contractor with annual revenues of more than \$800m. Prior to joining Barminto, Mr. Warburton held several senior corporate positions, these included serving as Managing Director of Coolgardie Gold NL.

**Interest in Shares and Options**

- 4,585,412 ordinary shares (post consolidation)  
714,286 options exercisable at \$0.15 on or before 30 April 2019 (post consolidation)  
250,000 Class A performance rights  
250,000 Class B performance rights  
500,000 Class C performance rights  
500,000 Class D performance rights

**Directorships held in other listed entities during the past three years**

- Non-Executive Director of Independence Group NL since October 2015  
Non-Executive Director of Sirius Resources NL (resigned September 2016)  
Non-Executive Director of Peninsular Energy Limited (retired April 2016)  
Non-Executive Chairman of Red Mountain Mining Limited (retired July 2016)  
Non-Executive Director of Australian Mines Limited

**MR GREGORY Hall**

**Qualifications and Experiences**

- Director (Non-Executive) – Appointed 14 June 2013
- Mr. Hall received a Bachelor of Applied Geology (First Class) from the University of New South Wales in 1973. Greg is a Director of Golden Phoenix International Pty Ltd, a geological consulting company. He was Chief Geologist for the Placer Dome Group from 2000 to 2006. Prior to this he managed exploration in WA for CSR Limited. He has made significant contributions to the discovery of Rio Tinto's Yandi iron ore mine in the Pilbara region of WA and to Barricks Granny Smith gold mine in WA, including Keringal and Sunrise satellite gold mines.

**Interest in Shares and Options**

- 3,512,199 ordinary shares (post consolidation)  
285,000 listed options exercisable at \$0.15 on or before 30 April 2019 (post consolidation)  
250,000 Class A performance rights  
250,000 Class B performance rights  
500,000 Class C performance rights  
500,000 Class D performance rights

**Directorships held in other listed entities during the past three years**

- Non-Executive Director of Zeus Uranium Limited  
Non-Executive Director of Gold Phoenix Resources Limited  
Non-Executive Director of Montero Mining and Exploration Limited who are listed on the Toronto Stock Exchange ("TSX")  
Non-Executive Director of Laurentian Goldfields Limited who are listed on the TSX  
Non-Executive Director of Colossus Minerals Inc who are listed on the TSX  
Non-Executive Director of China Gold International Resources who are listed on the TSX



**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

**Information on Directors**

**MR MICHAEL CURNOW**

**Qualifications and Experiences**

Director (Non-Executive) – Appointed on 12 June 2014

- Mr Curnow brings extensive and valuable experience in the resources sector to the Company with his past positions including gold, platinum and mineral sands exploration. He has been involved in the ownership and management of a range of businesses in South Africa and Australia, including being the founding Director of Gallery Gold Limited and AGR Limited.

**Interest in Shares and Options**

- 2,865,174 ordinary shares (post consolidation)  
285,000 listed options exercisable at \$0.15 on or before 30 April 2019 (post consolidation)  
250,000 Class A performance rights  
250,000 Class B performance rights  
500,000 Class C performance rights  
500,000 Class D performance rights

**Directorships held in other listed entities during the past three years**

- Non-Executive Director of Energy Ventures Limited  
Non-Executive Director of Citation Resources Limited (2012-2015)  
Non-Executive Director of African Energy Resources Limited (2006-2014)

**MR ROSS COTTON**

**Qualifications and Experiences**

Non- Executive Director – Appointed on 20 January 2016

- Mr Cotton has extensive experience in both equity capital markets and corporate finance. As a corporate adviser, he has been advising both public and private companies on strategy, financing, acquisitions and corporate restructuring across the technology, industrial and resource sectors for over 10 years.

Mr Cotton has raised significant capital (via both equity and debt arrangements) for a wide range of companies in the small to mid-cap market and has a strong network of contacts in the investment industry throughout Australia, Asia and the United States of America.

**Interest in Shares and Options**

- 3,000,000 ordinary shares (post consolidation)

**Directorships held in other listed entities during the past three years**

- Executive Chairman of iCollege Limited since 6 October 2015  
Executive Director of iCollege Limited since 20 October 2014

**MR JOHN (GUS) SIMPSON**

Non-Executive Chairman – Appointed on 10 October 2014 and resigned on 20 January 2016

**Qualifications and Experiences**

- Mr. Simpson is both a Science and Arts (B. Sc, B.A) graduate from Curtin University, Western Australia. He has over 26 years of experiences in the management of listed mineral companies. He has had principal involvement in a number of successful mineral discoveries in Africa, Australia and North America.

**Interest in Shares and Options**

- 2,922,789 ordinary shares (post consolidation)  
978,572 options exercisable at \$0.15 on or before 30 April 2019 (post consolidation)

**Directorships held in other listed entities during the past three years**

- Managing Director/CEO of Peninsular Energy Limited  
Chairman of Quest Petroleum NL  
Non-Executive Chairman of Indus Energy NL

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Company Secretary**

The following person held the position of Company Secretary at the end of the financial year:

Mr Jay Richard Stephenson — Chartered Secretary (FCIS), Master of Business Administration (MBA), Fellow of the Certified Practicing Accountants (FCPA), Certified Management Accountant (CMA), Member of the Australian Institute of Company Directors (MAICD).

Mr Stephenson has been involved in business development for over 20 years including approximately 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 has 9,987,353 interests in shares of the Company as at the date of this report. (post consolidation)

**Meetings of Directors**

During the financial year, 6 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Director's Meetings	
	Eligible to attend	Attended
Neil Warburton	6	6
Gregory Hall	6	4
Michael Curnow	6	5
John (Gus) Simpson	4	4
Ross Cotton	2	1

**Indemnifying Officers or Auditor**

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a willful breach of duty in relation to the Company.

No indemnification has been obtained for the auditor of the Company.

**Options**

At the date of this report, the unissued ordinary shares of Namibian Copper Limited under option (post consolidation) are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
2 September 2014	30 April 2019	\$0.15	22,147,500
2 September 2014	30 April 2019	\$0.15	500,000
5 September 2014	30 April 2019	\$0.15	1,428,572
			<u>24,076,072</u>

Option holders do not have any rights to participate in any issues of shares or other interests in the company or any other entity.

There have been no options granted over unissued shares or interests of any controlled entity within the Group during or since the end of the reporting period.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Performance Rights**

At 30 June 2016, there were 4,500,000 Performance Rights on issue as follows:

Grant Date	Performance Right	Vesting Dates	Expiration dates	Number of rights issued <sup>1</sup>	Value per Right at Grant Date(cents)	Total Value \$
28 November 2014	Class A	31 December 2014	30 June 2019	750,000	0.3600	2,700
28 November 2014	Class B	31 December 2015	30 June 2019	750,000	0.1800	1,350
28 November 2014	Class C	31 December 2016	30 June 2019	1,500,000	0.0180	270
28 November 2014	Class D	31 December 2017	30 June 2019	1,500,000	0.0009	15
				<b>4,500,000</b>		<b>4,335</b>

The Performance Rights will be cancelled on or before settlement of the acquisition of Ausnet.

**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.

**Non-Audit Services**

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Board of Directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid to the external auditors during the year ended 30 June 2016:

Service	\$
Investigating Accountant Report	21,035
<b>Total</b>	<b>21,035</b>

All non-audit services described above were performed by Bentleys Audit & Corporate (WA) Pty Ltd prior to the appointment of Bentleys Audit & Corporate (WA) Pty Ltd as the auditor of the Company.

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 29 of the Annual Report.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

**Remuneration Report – Audited**

This report which forms part of the Directors' Report, details the nature and amount about the remuneration of the Consolidated Group Directors and key management personnel ("KMP").

Key Management Personnel include:

**Non-Executive Directors**

Mr Neil Warburton	Non-Executive Director (Appointed as Non-Executive Chairman on 20 January 2016)
Mr Ross Cotton	Non-Executive Director (Appointed on 20 January 2016)
Mr Gregory Hall	Non-Executive Director
Mr Michael Curnow	Non-Executive Director
Mr John (Gus) Simpson	Non-Executive Chairman (Resigned on 20 January 2016)

**Other Key Management Personnel**

Mr. Jay Richard Stephenson	Company Secretary
----------------------------	-------------------

**A. Remuneration Policy**

The remuneration policy of Namibian Copper Limited has been designed to align director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives, based on key performance areas affecting the Consolidated Group's financial results. The Board of Namibian Copper Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and directors to run and manage the Consolidated Group, as well as create goal congruence between directors, executives and shareholders.

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

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

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

The Board policy is to remunerate non-executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting (AGM) and capped at \$36,000. Fees for non-executive Directors are not linked to the performance of the Consolidated Group.

On 28 November 2014, the shareholders approved at the AGM the issue of ordinary shares to non-executive directors in lieu of director fees to conserve cash reserves.

**B. Performance Conditions Linked to Remuneration**

The Consolidated Group seeks to establish and maintain a Namibian Copper Limited Performance Rights Plan ("Plan") to provide ongoing incentives to any full time or part time employee, consultant or any person nominated by the Board (including director or company secretary of the Company who holds salaried employment with the Company on a full or part time basis) ("Eligible Participants") of the Company.

The Board adopted the Plan to allow Eligible Participants to be granted Performance Rights to acquire shares in the Company.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

The objective of the Plan is to provide the Company with a remuneration mechanism, through the issue of securities in the capital of the Company, to motivate and reward the performance of Eligible Participants in achieving specified performance milestones within a specified performance period. The Board will ensure that the performance milestones attached to the securities issued pursuant to the Plan are aligned with the successful growth of the Company's business activities.

Last year, 12,000,000 performance rights were issued to the directors of the Company and 900,000 performance rights were issued to Robert Timmins (key management personnel). As per the HOA, on or before settlement of the acquisition of Ausnet, all the existing performance rights issued will be cancelled.

**Employment Details of Members of Key Management Personnel**

The following table provides employment details of persons who were, during the financial year, members of KMP of the consolidated group. The table also illustrates the proportion of remuneration that was performance based and the proportion of remuneration received in the form of options.

	Position Held as at 30 June 2016 and any Change during the Year	Contract Commencement /Termination Date	Proportions of Elements of Remuneration Related to Performance			Proportions of Elements of Remuneration Not Related to Performance		
			Non-salary Cash-based Incentives	Shares/ Units	Options/ Rights	Fixed Salary/ Fees – cash based	Fixed Salary/ Fees – share based	Total
			%	%	%	%		%
<b>Group KMP</b>								
Neil Warburton	Non-Executive Chairman	Appointed 20 January 2016	-	-	3%	12,000	36,000	97%
Ross Cotton	Non-Executive Director	Appointed 20 January 2016	-	-	-	15,978	-	100%
Gregory Hall	Non-Executive Director	N/A	-	-	3%	12,000	36,000	97%
Michael Curnow	Non-Executive Director	N/A	-	-	3%	12,000	36,000	97%
John (Gus) Simpson	Non-Executive Chairman	Resigned 20 January 2016	-	-	-	18,350	17,537	100%
Jay Stephenson	Company Secretary	Since 2010	-	-	-	14,314	37,792	100%

**C. Remuneration**

Details of the nature and amount of each element of the remuneration of each of the KMP of the Company (the Directors) for the year ended 30 June 2016 are set out in the following tables:

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

**Remuneration Expense Details**

The following table of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the Consolidated Group. Such amounts have been calculated in accordance with Australian Accounting Standards.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**C. Remuneration (Cont')**

**For the year ended 30 June 2016**

Name	Short-term benefits		Post-employment benefits	Equity	Other payments	Total	Performance-based
	Salary and fees	Other benefits	Superannuation	Share-based payment			
	\$	\$	\$	\$	\$	\$	%
<b>Directors:</b>							
Neil Warburton	12,000	-	-	36,000	-	48,000	-
Ross Cotton <sup>2</sup>	15,978	-	-	-	-	15,978	-
Gregory Hall	12,000	-	-	36,000	-	48,000	-
Michael Curnow	12,000	-	-	36,000	-	48,000	-
John (Gus) Simpson <sup>3</sup>	18,350	-	-	17,537	-	35,887	-
<b>Company secretary:</b>							
Jay Stephenson	14,314	-	-	37,792	-	52,106	-
	84,642	-	-	163,329	-	247,971	-

<sup>2</sup> Balance at the end of year represents Non-Executive Director remuneration from 20 January 2016.

<sup>3</sup> Balance at the end of year represents Non-Executive Chairman remuneration from 1 July 2015 to the date of contract termination on 20 January 2016. Performance right options issued lapsed upon resignation of Mr. Simpson.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**D. Remuneration (Cont')**

**For the year ended 30 June 2015**

Name	Short-term benefits		Post-employment benefits	Equity		Total	Performance-based
	Salary and fees	Other benefits	Superannuation	Share-based payment	Other payments		
	\$	\$	\$	\$	\$	\$	%
<i>Directors:</i>							
Lachlan Reynolds <sup>1</sup>	183,333	-	-	4,334	-	187,667	2%
Gregory Hall	-	-	-	22,445	-	22,445	6%
Michael Curnow	-	-	-	22,445	-	22,445	6%
John (Gus) Simpson	37,500	-	-	2,889	-	40,389	7%
Neil Warburton	-	-	-	22,445	-	22,445	6%
Robert Timmins <sup>2</sup>	-	-	-	-	-	-	-
Joshua Amukugo <sup>3</sup>	9,432	-	-	-	-	9,432	-
Ben Shingenge <sup>4</sup>	9,432	-	-	-	-	9,432	-
<i>Company secretary:</i>							
Jay Stephenson	66,920	-	-	-	-	66,920	-
	306,617	-	-	74,558	-	381,175	-

**D. Service Agreements**

***Service Agreement with Wolfstar Corporate Management Pty Ltd***

The Group engaged Wolfstar Corporate Management Pty Ltd ("WCM") to appoint Jay Stephenson (Company Secretary) for the corporate secretarial and accounting services. WCM is a related party of the Company by virtue of it being controlled by Jay Stephenson.

In consideration for the corporate secretarial and accounting services provided, WCM is entitled to a monthly fee of \$4,950 (plus GST). The Group will reimburse WCM for all reasonable out-of-pocket expenses incurred including, but not limited to, photocopying, facsimile, longer distance telephone, delivery services and travelling expenditure as required.

This service agreement may be terminated at any time by either party giving one month's written notice to the other party.

<sup>1</sup> Balance at the end of year represents Managing Director's remuneration from 1 July 2014 to the date of contract termination on 30 April 2015. Performance right options issued lapsed upon resignation of Mr. Reynolds

<sup>2</sup> Balance at the end of year represents Non-Executive Director's remuneration from 1 July 2014 to the date of contract termination on 30 March 2015. Performance right options issued lapsed upon resignation of Mr. Robert Timmins.

<sup>3</sup> Balance at the end of year represents Non-Executive Director's remuneration from 1 July 2014 to the date of contract termination on 30 May 2015.

<sup>4</sup> Balance at the end of year represents Non-Executive Director's remuneration from 1 July 2014 to the date of contract termination on 30 May 2015.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**E. Options and Performance Rights Granted as Remuneration**

**For the year ended 30 June 2016**

	Balance at Beginning of Year	Grant Details			Exercised		Lapsed		Balance at End of Year	
		Issue Date	No.	Value \$ (Note 1)	No.	Value \$	No.	Value \$		
<i>Group KMP</i>										
Gregory Hall	1,445	28 Nov 2014	1,500,000	1,445	-	-	-	-	1,500,000	1,445
Michael Curnow	1,445	28 Nov 2014	1,500,000	1,445	-	-	-	-	1,500,000	1,445
John (Gus) Simpson <sup>1</sup>	2,889	28 Nov 2014	3,000,000	2,889	-	-	(3,000,000) (2,889)		-	-
Neil Warburton	1,445	28 Nov 2014	1,500,000	1,445	-	-	-	-	1,500,000	1,445
Ross Cotton	-	-	-	-	-	-	-	-	-	-
	7,224			7,224	-	-	(3,000,000) (2,889)		4,500,000	4,335

**For the year ended 30 June 2015**

	Balance at Beginning of Year	Grant Details			Exercised		Lapsed		Balance at End of Year	
		Issue Date	No.	Value \$ (Note 1)	No.	Value \$	No.	Value \$		
Group KMP										
Lachlan Reynolds <sup>2</sup>	-	28 Nov 2014	4,500,000	4,334	-	-	(4,500,000)	(4,334)	-	-
Gregory Hall	-	28 Nov 2014	1,500,000	1,445	-	-	-	-	1,500,000	1,445
Michael Curnow	-	28 Nov 2014	1,500,000	1,445	-	-	-	-	1,500,000	1,445
John (Gus) Simpson	-	28 Nov 2014	3,000,000	2,889	-	-	-	-	3,000,000	2,889
Neil Warburton	-	28 Nov 2014	1,500,000	1,445	-	-	-	-	1,500,000	1,445
Robert Timmins <sup>3</sup>	-	28 Nov 2014	900,000	894	-	-	(900,000)	(894)	-	-
	-			12,452	-	-	(5,400,000)	(5,228)	7,500,000	7,224

<sup>1</sup> Mr Gus Simpson resigned from the position of non-executive director on 20 January 2016. Accordingly, all performance right options previously granted to Mr Simpson were lapsed on this date.

<sup>2</sup> Mr Lachlan Reynolds retired from the position of Managing Director on 8 June 2015. Accordingly, all performance right options previously granted to Mr Reynolds were lapsed on this date.

<sup>3</sup> Mr Robert Timmins resigned from the position of non-executive director on 30 May 2015. Accordingly, all performance right options previously granted to Mr Timmins were lapsed on this date.



**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**E. Options and Performance Rights Granted as Remuneration (Cont')**

	Balance at End of Year No.	Vested			Unvested Total at End of Year No.
		Exercisable No.	Unexercisable No.	Total at End of Year No.	
<b>Group KMP</b>					
Gregory Hall	1,500,000	-	-	-	1,500,000
Michael Curnow	1,500,000	-	-	-	1,500,000
John (Gus) Simpson <sup>1</sup>	3,000,000	-	(3,000,000)	-	-
Neil Warburton	1,500,000	-	-	-	1,500,000
	7,500,000	-	(3,000,000)	-	4,500,000

Note 1 The fair value of rights granted as remuneration and as shown in the above table has been determined in accordance with Australian Accounting Standards and will be recognised as an expense over the relevant vesting period to the extent that conditions necessary for vesting are satisfied. If the acquisition successful, all the performance rights would be cancelled.

**Performance rights**

The following table shows how many performance rights were granted, vested and forfeited during the year.

				Performance Rights				Balance at end	
	Financial Year granted	Balance at start of year	Granted during the year	Vested		Forfeited		of year (unvested)	Maximum value yet to vest*
<i>Name</i>		No.	No.	No.	%	No.	%	No.	\$
Gregory Hall	2015	1,500,000	-	-	-	-	-		1,445
Michael Curnow	2015	1,500,000	-	-	-	-	-		1,445
John (Gus) Simpson	2015	3,000,000	-	-	-	(3,000,000)	100%	-	-
Neil Warburton	2015	1,500,000	-	-	-	-	-		1,445

\* The maximum value of the performance rights yet to vest was estimated based on the fair value of rights granted. The minimum value of the performance rights yet to vest is nil, as the rights will be forfeited if the vesting conditions are not met.

**Description of Options/Performance Rights Issued as Remuneration**

Details of the options granted as remuneration to those KMP listed in the previous table are as follows:

Grant Date	Performance Right	Vesting Dates	Expiration dates	Number of rights issued	Value per Right at Grant Date(cents)	Total Value \$
28 November 2014	Class A	31 December 2014	30 June 2019	750,000	0.3600	2,700
28 November 2014	Class B	31 December 2015	30 June 2019	750,000	0.1800	1,350
28 November 2014	Class C	31 December 2016	30 June 2019	1,500,000	0.0180	270
28 November 2014	Class D	31 December 2017	30 June 2019	1,500,000	0.0009	15
				4,500,000		4,335

<sup>1</sup> Mr Gus Simpson resigned from the position of non-executive director on 20 January 2016. Accordingly, all performance right options previously granted to Mr Simpson were lapsed on this date.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**E. Options and Performance Rights Granted as Remuneration (Cont')**

Performance rights values at grant date were determined using the performance milestones summarised in the table below. Each Performance Right will vest as one Share subject to the satisfaction of certain performance criteria (Performance Milestones).

Class	Milestone
	<i>Market capitalisation of the Company to be equal to or above</i>
Class A Performance Rights	\$8,800,000 for 10 consecutive trading days
Class B Performance Rights	\$17,600,000 for 10 consecutive trading days
Class C Performance Rights	\$33,000,000 for 10 consecutive trading days
Class D Performance Rights	\$66,000,000 for 10 consecutive trading days

The Performance Rights will vest into ordinary shares in the Company upon the satisfaction of vesting conditions that are market based vesting conditions as disclosed above.

**F. Share Holdings Disclosures Relating to Key Management Personnel**

The number of ordinary shares in the Parent Entity held during the financial year by each Director of Namibian Copper Limited and any other key management personnel, including their personally related parties, are set out below:

2016	Balance 1 July 2015	Granted as Remuneration during the year	Issued on Exercise of Options during the year	Other Movements	Balance 30 June 2016
Neil Warburton	11,456,349	9,707,721**	-	24,690,048*	45,854,118
Gregory Hall	7,163,492	9,707,721**	-	18,250,773*	35,121,986
Michael Curnow	7,163,492	9,707,721**	-	11,780,525*	28,651,738
Ross Cotton <sup>1</sup>	-	-	-	30,000,000*	30,000,000
John (Gus) Simpson <sup>2</sup>	11,691,214	17,536,671**	-	-	29,227,885
Jay Stephenson	-	9,987,353***	-	-	9,987,353
Total	37,474,547	56,647,187	-	84,721,346	178,843,080

\*Other movements relate to purchase/sale of shares.

\*\* During the year, 10,180,995 shares at \$0.00442 per share (listed share price at issuance), 4,830,054 shares at \$0.00559 per share (listed share price at issuance), 17,536,671 shares at \$0.001 per share (listed share price at issuance), and 14,112,114 shares at \$0.002551 per share (listed share price at issuance) were issued to the directors in lieu of the directors fees, totalling \$125,537.

\*\*\* During the year, 7,989,882 shares at \$0.003223 per share (listed share price at issuance) and 11,984,284 shares at \$0.001 per share (listed share price at issuance) were issued to the Company secretary in lieu of the company secretary and accounting fees, totalling \$37,792. Half of the Shares that were to be issued to the Company secretary were issued to an unrelated third party and as such only half of the shares that were issued in lieu of fees are shown to be held by the Company secretary.

<sup>1</sup> Mr Ross Cotton was appointed as Non-Executive Director on 20 January 2016.

<sup>2</sup> Balance of the shareholdings represents the balance at the date of resignation of Mr Gus Simpson on 20 January 2016.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**F. Share Holdings Disclosures Relating to Key Management Personnel (Con't)**

<b>2015</b>	<b>Balance 1 July 2014</b>	<b>Granted as Remuneration during the year</b>	<b>Issued on Exercise of Options during the year</b>	<b>Other Movements</b>	<b>Balance 30 June 2015</b>
Lachlan Reynolds	-	-	-	2,850,000*	2,850,000 <sup>1</sup>
Gregory Hall	-	4,313,492**	-	2,850,000*	7,163,492
Michael Curnow	-	4,313,492**	-	2,850,000*	7,163,492
John (Gus) Simpson	-	-	-	11,691,214 <sup>2</sup>	11,691,214
Neil Warburton	-	4,313,492**	-	7,142,857 <sup>3</sup>	11,456,349
Robert Timmins	7,000,000	-	-	-	7,000,000 <sup>4</sup>
Joshua Amukugo	-	-	-	-	- <sup>5</sup>
Ben Shingenge	-	-	-	-	- <sup>6</sup>
Jay Stephenson	-	-	-	-	-
<b>Total</b>	<b>7,000,000</b>	<b>12,940,476</b>	<b>-</b>	<b>27,384,071</b>	<b>47,324,547</b>

\*Other movements relate to purchase/sale of shares.

\*\* During the year, 5,043,429 shares at \$0.007138 per share (listed share price at issuance) and 7,897,047 shares at \$0.003419 per share (listed share price at issuance) were issued to the directors in lieu of the directors fees, totalling \$63,000.

**G. Option Holdings Disclosures Relating to Key Management Personnel**

<b>2016</b>	<b>Balance 1 July 2015</b>	<b>Granted as Remuneration during the year</b>	<b>Issued on Exercise of Options during the year</b>	<b>Other Movements</b>	<b>Balance 30 June 2016</b>
Neil Warburton	7,142,857	-	-	-	7,142,857
Gregory Hall	2,850,000	-	-	-	2,850,000
Michael Curnow	2,850,000	-	-	-	2,850,000
Ross Cotton <sup>7</sup>	-	-	-	-	-
John (Gus) Simpson <sup>8</sup>	9,785,714	-	-	-	9,785,714
Jay Stephenson	-	-	-	-	-
<b>Total</b>	<b>22,628,571</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,628,571</b>

<sup>1</sup> Balance of the shareholdings represents the balance at the date of resignation of Mr Reynolds resigned on 8 June 2015

<sup>2</sup> Mr Simpson was appointed as Non-Executive Chairman on 10 October 2014

<sup>3</sup> Mr Warburton was appointed as Non-Executive Director on 10 October 2014

<sup>4</sup> Balance of the shareholdings represents the balance at the date of resignation of Mr Timmins resigned on 30 May 2015

<sup>5</sup> Balance of the shareholdings represents the balance at the date of resignation of Mr Amukugo resigned on 30 May 2015

<sup>6</sup> Balance of the shareholdings represents the balance at the date of resignation of Mr Shingenge resigned on 30 May 2015

<sup>7</sup> Mr Ross Cotton was appointed as Non-Executive Director on 20 January 2016.

<sup>8</sup> Balance of the optionholdings represents the balance at the date of resignation of Mr Gus Simpson on 20 January 2016.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

**Remuneration Report – Audited**

**G. Option Holdings Disclosures Relating to Key Management Personnel**

2015	Balance 1 July 2014	Granted as Remuneration during the year	Issued on Exercise of Options during the year	Other Movements	Balance 30 June 2015
Lachlan Reynolds	-	-	-	2,850,000	2,850,000 <sup>1</sup>
Gregory Hall	-	-	-	2,850,000	2,850,000
Michael Curnow	-	-	-	2,850,000	2,850,000
John (Gus) Simpson	-	-	-	9,785,714	9,785,714
Neil Warburton	-	-	-	7,142,857	7,142,857
Robert Timmins	-	-	-	-	-
Joshua Amukugo	-	-	-	-	-
Ben Shingenge	-	-	-	-	-
Jay Stephenson	-	-	-	-	-
<b>Total</b>	-	-	-	25,478,571	25,478,571

**H. Other Transactions with Key Management Personnel**

Some Directors or former Directors of the Consolidated Group hold or have held positions in other companies, where it is considered they control or significantly influence the financial or operating policies of those entities. During the year, the following entities provided exploration, accounting and corporate services to the Consolidated Group. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Entity	Nature of transactions	Key Management Personnel	Total Transactions		Payable Balance	
			2016	2015	2016	2015
			\$	\$	\$	\$
RP Timmins	Geological consultancy services	Robert Timmins*	-	182,191	-	24,640
Wolfstar Group Pty Ltd/ Wolfstar Corporate Management Pty Ltd	Due Diligence/Corporate secretarial and accounting services	Jay Stephenson	89,284	66,920	45,767	10,070

\*Mr Robert Timmins resigned as non-executive director on 30 May 2014.

**I. Loans to Directors and Executives**

There are no loans at 30 June 2016 to any Directors.

**Voting and Comments Made at the Company's 2015 Annual General Meeting**

At the Annual General Meeting held on 26 November 2015, the company received 13,989,882 (13%) "Yes" and 47,655,542 (45%) "Abstain" votes on its remuneration report for the 2015 financial year.

The Consolidated Group did not employ a remuneration consultant during the year.

**- END OF REMUNERATION REPORT**

<sup>1</sup> Balance of the optionholdings represents the balance at the date of resignation of Mr Reynolds resigned on 8 June 2015

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' REPORT**

---

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.



Neil Warburton

**CHAIRMAN**

Dated 30 September 2016

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**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 (3<sup>rd</sup> 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.namibiancopper.com.au](http://www.namibiancopper.com.au).

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<b>Recommendation 1.1</b> A listed entity should have and disclose a charter which: (a) sets out the respective roles and responsibilities of the board, the chair and management; and (b) includes a description of those matters expressly reserved to the board and those delegated to management.	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 stated in Schedule 1 of the Corporate Governance Plan which is available on the Company's website.</p>
<b>Recommendation 1.2</b> A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	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>
<b>Recommendation 1.3</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	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>
<b>Recommendation 1.4</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	YES	<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>
<b>Recommendation 1.5</b> A listed entity should: (a) have a diversity policy which includes requirements for the board: (i) to set measurable objectives for achieving gender diversity; and (ii) to assess annually both the objectives and	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</p>

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

<p>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>		<p>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 Company currently has no employees and utilises external consultants and contractors as and when required.</p> <p>The Board will review this position on an annual basis and will implement measurable objectives as and when they deem the Company to require them.</p>
<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>NO</p>	<p>(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 Schedule 6 of the Company's Corporate Governance Plan.</p> <p>(b) The Company's Corporate Governance Plan requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period.</p> <p>Due to the size of the Board and the nature of the business, it has not been deemed necessary to institute a formal documented performance review program of individuals. However, the Chairman intends to conduct formal reviews each financial year whereby the performance of the Board as a whole and the individual contributions of each director are disclosed. The Board considers that at this stage of the Company's development an informal process is appropriate.</p> <p>The review will assist to indicate if the Board's performance is appropriate and efficient with respect to the Board Charter.</p> <p>The Board regularly reviews its skill base and whether it remains appropriate for the Company's operational, legal and financial requirements. New Directors are obliged to participate in the Company's induction process, which provides a comprehensive understanding of the Company, its objectives and the market in which the Company operates.</p> <p>Directors are encouraged to avail themselves of resources required to fulfil the performance of their duties.</p>

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>NO</p>	<p>(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.</p> <p>(b) The Company’s Corporate Governance Plan requires the Board to conduct annual performance of the senior executives. Schedule 6 ‘Performance Evaluation’ requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period.</p> <p>During the financial year an evaluation of performance of the individuals was not formally carried out. However, a general review of the individuals occurs on an on-going basis to ensure that structures suitable to the Company’s status as a listed entity are in place.</p>										
<p><b>Principle 2: Structure the board to add value</b></p>												
<p><b>Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(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> <p>(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>	<p>NO</p>	<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 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.</p> <p>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.</p> <p>The Board devotes time at board meetings 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.</p> <p>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.</p>										
<p><b>Recommendation 2.2</b></p> <p>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>	<p>YES</p>	<table><tr><th>Board Skills Matrix</th><th>Number of Directors that Meet the Skill</th></tr><tr><td>Executive &amp; Non- Executive experience</td><td>4</td></tr><tr><td>Industry experience &amp; knowledge</td><td>4</td></tr><tr><td>Leadership</td><td>4</td></tr><tr><td>Corporate governance &amp; risk management</td><td>3</td></tr></table>	Board Skills Matrix	Number of Directors that Meet the Skill	Executive & Non- Executive experience	4	Industry experience & knowledge	4	Leadership	4	Corporate governance & risk management	3
Board Skills Matrix	Number of Directors that Meet the Skill											
Executive & Non- Executive experience	4											
Industry experience & knowledge	4											
Leadership	4											
Corporate governance & risk management	3											



**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

		<p>Strategic thinking 4</p> <p>Desired behavioural competencies 4</p> <p>Geographic experience 4</p> <p>Capital Markets experience 3</p> <p><i>Subject matter expertise:</i></p> <ul style="list-style-type: none"> <li>- accounting 4</li> <li>- capital management 4</li> <li>- corporate financing 4</li> <li>- industry taxation <sup>1</sup> 0</li> <li>- risk management 4</li> <li>- legal 2</li> <li>- IT expertise <sup>2</sup> 0</li> </ul> <p>(1) Skill gap noticed however an external taxation firm is employed to maintain taxation requirements.</p> <p>(2) Skill gap noticed however an external IT firm is employed on an adhoc basis to maintain IT requirements.</p>
<p><b>Recommendation 2.3</b></p> <p><b>A listed entity should disclose:</b></p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(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</p> <p>(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.</p> <p>(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.</p> <p>(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><b>Recommendation 2.4</b></p> <p>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.</p> <p>Details of each Director's independence are provided in the Annual Reports and Company website.</p>
<p><b>Recommendation 2.5</b></p> <p>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><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new directors and providing appropriate</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</p>

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.		induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.
<b>Principle 3: Act ethically and responsibly</b>		
<b>Recommendation 3.1</b> A listed entity should:  (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	(a) The Corporate Code of Conduct applies to the Company's directors, senior executives and employees.  (b) The Company's Corporate Code of Conduct is in Schedule 2 of the Corporate Governance Plan which is on the Company's website.
<b>Principle 4: Safeguard integrity in financial reporting</b>		
<b>Recommendation 4.1</b> The board of a listed entity should:  (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (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  (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.	NO	(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.  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.  The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's arrangements with external auditors. The Company does not currently have a formal internal audit function however the Board oversee the effectiveness of risk management and internal control.  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.
<b>Recommendation 4.2</b> 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	YES	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.

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

the basis of a sound system of risk management and internal control which is operating effectively.		
<b>Recommendation 4.3</b> A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	YES	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.
<b>Principle 5: Make timely and balanced disclosure</b>		
<b>Recommendation 5.1</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	YES	<ul style="list-style-type: none"> <li>(a) The Board Charter provides details of the Company's disclosure policy. In addition, Schedule 7 of the Corporate Governance Plan is entitled 'Disclosure – Continuous Disclosure' and details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation.</li> <li>(b) The Board Charter and Schedule 7 of the Corporate Governance Plan are available on the Company website.</li> </ul>
<b>Principle 6: Respect the rights of security holders</b>		
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company website.
<b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	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.
<b>Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	YES	<p>The Shareholder Communications 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>
<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	<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>
<b>Principle 7: Recognise and manage risk</b>		
<b>Recommendation 7.1</b> <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have a committee or committees to oversee</li> </ul>	NO	<ul style="list-style-type: none"> <li>• 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</li> </ul>

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

<p>risk, each of which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(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</li> </ul> <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>		<p>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><b>Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <ul style="list-style-type: none"> <li>(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</li> <li>(b) disclose in relation to each reporting period, whether such a review has taken place.</li> </ul>	<p align="center">YES</p>	<ul style="list-style-type: none"> <li>(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.</li> <li>(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.</li> </ul>
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>(a) if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>(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.</li> </ul>	<p align="center">YES</p>	<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>
<p><b>Recommendation 7.4</b></p> <p>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 align="center">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>

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

**CORPORATE GOVERNANCE STATEMENT**

<b>Principle 8: Remunerate fairly and responsibly</b>		
<p><b>Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(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</li> </ul> <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>	NO	<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><b>Recommendation 8.2</b></p> <p>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>	YES	<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><b>Recommendation 8.3</b></p> <p>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>	YES	<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>

**Bentleys Audit & Corporate  
(WA) Pty Ltd**

London House

Level 3,

216 St Georges Terrace

Perth WA 6000

PO Box 7775

Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

[bentleys.com.au](http://bentleys.com.au)

To The Board of Directors

### **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001**

As lead audit director for the audit of the financial statements of Namibian Copper Limited for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



**BENTLEYS**  
**Chartered Accountants**



**Mark Delaurentis CA**  
**Director**

Dated at Perth this 30<sup>th</sup> of September 2016

**NAMIBIAN COPPER LIMITED**

**and its controlled entities**

**ABN: 52 118 913 232**

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

	<b>Note</b>	<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
Interest revenue	<b>4</b>	13,888	13,294
Other income	<b>4</b>	1,336	(253)
<i>Less Expenses:</i>			
Acquisition costs		(113,059)	-
Administration costs		(82,542)	(120,864)
Consultant costs		(11,546)	(169,367)
Depreciation and amortisation		(2,578)	(848)
Employee benefits		-	(12,421)
Deposit written off		(5,000)	(30,000)
Mineral exploration and evaluation expenditure written off	<b>14</b>	(886)	(1,771,952)
Impairment of assets expense	<b>11</b>	(156,877)	(19,084)
Insurance		(12,449)	(16,281)
Legal fees		(12,719)	(972)
Directors' fees		(66,162)	(76,345)
Share-based payments	<b>18</b>	(163,329)	(45,360)
Travel and accommodation		-	(25,076)
Operating lease expense		-	(2,250)
Other expenses		(14,035)	(18,369)
<b>Loss before income tax</b>		<b>(625,958)</b>	<b>(2,296,148)</b>
Income tax expense	<b>7</b>	-	-
<b>Loss for the year</b>		<b>(625,958)</b>	<b>(2,296,148)</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss – currency translation difference arising from consolidation		(64)	15,340
Other comprehensive (loss)/income for the year		(64)	15,340
<b>Total comprehensive loss for the year</b>		<b>(626,022)</b>	<b>(2,280,808)</b>
Net loss attributable to:			
Non-controlling interest		140	(4,440)
Members of the parent entity		(626,098)	(2,291,708)
		<b>(625,958)</b>	<b>(2,296,148)</b>
Total comprehensive loss attributable to:			
Non-controlling interest		128	(1,372)
Members of the parent entity		(626,150)	(2,279,436)
		<b>(626,022)</b>	<b>(2,280,808)</b>
<b>Loss per share</b>		<b>\$</b>	<b>\$</b>
Basic and diluted loss (cents per share)	<b>8</b>	(0.001)	(0.008)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	9	583,146	518,987
Trade and other receivables	10	17,724	7,467
Other financial assets	11	-	-
Other current assets	12	3,679	10,445
<b>Total Current Assets</b>		<b>604,549</b>	<b>536,899</b>
<b>Non-current Assets</b>			
Intangible assets	13	-	1,991
Mineral exploration and evaluation expenditure	14	-	-
Plant and equipment	15	-	587
<b>Total Non-current Assets</b>		<b>-</b>	<b>2,578</b>
<b>TOTAL ASSETS</b>		<b>604,549</b>	<b>539,477</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	16	149,611	59,488
<b>Total Current Liabilities</b>		<b>149,611</b>	<b>59,488</b>
<b>TOTAL LIABILITIES</b>		<b>149,611</b>	<b>59,488</b>
<b>NET ASSETS</b>		<b>454,938</b>	<b>479,989</b>
<b>EQUITY</b>			
Issued equity	18	8,203,866	7,602,895
Reserves	19	8,021	17,095
Accumulated losses		(7,740,444)	(7,123,356)
<b>Equity attributable to the members of NAMIBIAN COPPER LIMITED</b>		<b>471,443</b>	<b>496,634</b>
<b>Non-controlling interest</b>		<b>(16,505)</b>	<b>(16,645)</b>
<b>TOTAL EQUITY</b>		<b>454,938</b>	<b>479,989</b>

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes



**NAMIBIAN COPPER LIMITED**

and its controlled entities

ABN: 52 118 913 232

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	Issued Capital	Accumulated Losses	Share Based Payments Reserve	Non- controlling Interest	Foreign Translation Reserve	Total Equity
		\$	\$	\$	\$	\$	\$
<b>Opening balance 1 July 2014</b>	<b>Notes</b>	<b>6,005,690</b>	<b>(4,831,648)</b>	<b>-</b>	<b>(12,205)</b>	<b>(11,590)</b>	<b>1,150,247</b>
Loss for the year		-	(2,291,708)	-	(4,440)	-	(2,296,148)
Other comprehensive loss for the year		-	-	-	-	15,340	15,340
Total comprehensive loss for the year		-	(2,291,708)	-	(4,440)	15,340	(2,280,808)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>							
Shares issued during the year	<b>18</b>	1,650,325	-	-	-	-	1,650,325
Transaction costs	<b>18</b>	(116,120)	-	-	-	-	(116,120)
Share based payments	<b>18</b>	63,000	-	13,345	-	-	76,345
<b>Balance 30 June 2015</b>		<b>7,602,895</b>	<b>(7,123,356)</b>	<b>13,345</b>	<b>(16,645)</b>	<b>3,750</b>	<b>479,989</b>
<b>Opening balance 1 July 2015</b>	<b>Notes</b>	<b>7,602,895</b>	<b>(7,123,356)</b>	<b>13,345</b>	<b>(16,645)</b>	<b>3,750</b>	<b>479,989</b>
Loss for the year		-	(626,098)	-	140	-	(625,958)
Other comprehensive loss for the year	<b>19</b>	-	-	-	-	(64)	(64)
Total comprehensive loss for the year		-	(626,098)	-	140	(64)	(626,022)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>							
Shares issued during the year	<b>18</b>	488,770	-	-	-	-	488,770
Transaction costs	<b>18</b>	(51,128)	-	-	-	-	(51,128)
Share based payments	<b>18</b>	163,329	-	-	-	-	163,329
Options lapsed during the year	<b>19</b>	-	9,010	(9,010)	-	-	-
<b>Balance 30 June 2016</b>		<b>8,203,866</b>	<b>(7,740,444)</b>	<b>4,335</b>	<b>(16,505)</b>	<b>3,686</b>	<b>454,938</b>

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(173,083)	(456,873)
Interest paid		-	(2)
Interest received		7,114	13,294
<b>Net cash outflow from operating activities</b>	<b>20</b>	(165,969)	(443,581)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Disbursement for convertible notes loan		(150,000)	-
Payments for acquisition costs		(39,537)	
Payments for exploration expenditure		(26,586)	(623,099)
<b>Net cash outflow from investing activities</b>		(216,123)	(623,099)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares, net of capital raising costs		437,643	1,534,205
Proceeds from oversubscriptions		8,618	-
<b>Net cash provided by financing activities</b>		446,261	1,534,205
Net increase in cash and cash equivalents		64,169	467,523
Effects of currency translation on cash and cash equivalents		(10)	(302)
Cash and cash equivalents at the beginning of the year		518,987	51,766
<b>NET CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>9</b>	583,146	518,987

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

The financial report includes the consolidated financial statements and notes of Namibian Copper Limited ("Parent Entity") and its controlled entities ('Consolidated Entity' or 'Group'). Namibian Copper Limited is a listed public company, incorporated and domiciled in Australia.

The financial report was authorised for issue on 30 September 2016 by the board of directors.

## **1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Preparation**

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The separate financial statements of the parent entity, Namibian Copper Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

### **(a) Going Concern**

The financial report has 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 of \$626,098 (2015: \$2,291,708) for the year ended 30 June 2016 and had a cash balance of \$583,146 at the end of the reporting date.

The Board has evaluated the cash flow forecast, along with the matters outlined above, and considers the Group to be a going concern and recognises that additional funding is required to ensure that the Group can continue to fund its operations for the 12 month period from the date of this financial report.

The Directors believe it is appropriate to prepare the financial report on a going concern basis because:

- The Group has the ability to issue additional equity under the *Corporations Act 2001* and,
- The Group's expenditure requirements are minimal.

This includes the assumption that Namibian Copper acquires 100% of the issued share capital in Ausnet. The key terms of the Acquisition are as follows:

(i) (Consideration): Subject to satisfaction or waiver of the conditions precedent, in consideration for the Acquisition, the Company has agreed to issue upon Settlement, the following securities to the Ausnet Shareholders:

(A) 133,333,333 Consideration Shares; and

(B) 133,333,333 Performance Shares that convert into Shares upon satisfaction of one of the following milestones or such other milestones and on such terms and conditions as approved by the ASX:

The acquisition remains conditional on satisfaction (or waiver) of the conditions stated in the signed HOA between the Company and Ausnet. At the date of this report, both parties are still in the process of fulfilling the conditions and as such, the proposed acquisition remains incomplete and uncertain. As at the date of this report the outstanding conditions required to be satisfied, includes:

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

- a) The Company, on a best endeavours basis, to raise (post-Consolidation) a minimum of \$3,500,000 (or such other amount as required to meet the assets test admission criteria of the ASX) with oversubscriptions for up to another \$2,000,000 of which Ausnet or its associates (Richmond Advisory) will introduce subscribers for 60% of the total amount raised through the issue of the Company's shares at not less than \$0.02 per share or a price to be determined by mutual agreement by the Company and Ausnet;
- b) The Company obtaining all necessary shareholder and regulatory approvals pursuant to the Corporations Act 2001 (Cth) (Corporations Act), the ASX Listing Rules or any other law, as well as third party approvals or consents to give effect to the matters set out in the Terms Sheet to allow the Company to lawfully complete the acquisition;
- c) The Company receiving a letter from the ASX confirming that the ASX will re-admit the Company to the Official List of the ASX, on conditions acceptable to the Company and Ausnet (acting reasonably);
- d) Cancellation of the existing performance rights currently on issue by the Company on or before settlement of the acquisition;
- e) In December 2015, the Company entered into a binding convertible note agreement with Ausnet of which the Company agrees to subscribe a convertible note in Ausnet to the value of \$350,000. Subsequently, a deed of variation was signed and the convertible note value was revised to \$150,000 plus interest; due to unfavorable financial position of Ausnet, the Company has fully impaired the convertible note loan during the year, refer to Note 11 for details.
- f) There will be execution of a formal share sale agreement by Ausnet, NCO and those Ausnet Shareholders holding more than 5% of the issued shares of Ausnet.

The end date on the terms sheet for the conditions to be satisfied (or waived) was on 29 July as mutually agreed with Ausnet. This has been extended and both parties are working to complete the transaction as quickly as possible. The Company has a general meeting on the 29th of November which will then satisfy the shareholder approval requirements. It is anticipated that the Prospectus will be lodged sometime between 30 September and 7 October 2016.

Accordingly, the Directors believe that subject to prevailing equity market conditions, the Group will obtain sufficient funding to enable it to continue as going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report. Should the Group be unable to obtain sufficient funding as outlined above, there is material uncertainty whether the Group will continue as a going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

**(b) Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Namibian Copper Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 17.

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

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

**(c) Business Combination**

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

**(d) Income Tax**

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

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

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

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

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

**(d) Income Tax (cont')**

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

**(e) Exploration, Evaluation and Development Expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against the loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

**(f) Plant and Equipment**

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

The depreciable amount of plant and equipment is depreciated 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.

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

<u>Class of Asset</u>	<u>Depreciation Rate</u>
Computer Hardware	33%
Computer Software	25%

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 disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Profit or Loss.

**(g) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

**(g) Financial Instruments (Cont')**

**Classification and subsequent measurement**

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- d. less any reduction for impairment.

The Consolidated Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

*Loans and receivables*

Loans and receivables 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 and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

*Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

**Fair value**

Fair value is the price the Group would be received to sell an asset or would have to be paid to transfer a liability in an ordinary (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

**Impairment**

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

**(g) Financial Instruments (Cont')**

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows 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 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.

**(h) Impairment of Assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

**(i) Foreign Currency Transactions and Balances**

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.

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 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 equity to the extent that the gain or loss is directly recognised in other comprehensive income; otherwise the exchange difference is recognised in Profit or Loss.

Group companies

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 the end of the reporting period;
- 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 recognised in the other comprehensive income and included in the foreign currency translation reserve in the Statement of Financial Position. These differences are reclassified into Profit or Loss in the period in which the operation is disposed.



**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

**(j) Contributed Equity**

Contributed equity is recognised at the fair value of the consideration received by the Group, less any capital raising costs in relation to the issue.

**(k) Employee Benefits**

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

**Equity-settled compensation**

The Group operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. The fair value of performance right options is determined using the satisfaction of certain performance criteria (Performance Milestones). The number of shares option and performance rights expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

**(l) Provisions**

Provisions are recognised when the Consolidated 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 measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(m) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and deposits held at call with banks.

**(n) Revenue**

Interest revenue is recognised on a time-proportion basis using the effective interest rate method.

**(o) Goods and Services Tax (GST)**

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

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

**(p) Intangible Assets**

**Website costs**

Costs incurred in the establishment and development of the Group website. Amortisation is calculated on a diminishing value basis over periods generally ranging from 7 to 8 years.

**(q) Leases**

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

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont')**

**(r) Segment Reporting**

Operating segments are reported in a manner that is consistent with internal reporting to the chief operating decision maker ("CODM"), which has been identified by the Board of directors. Refer to Note 23 of the financial statements.

**(s) Earnings Per Share**

Basic earnings per share is calculated by dividing:

- the profit attributable to member of the parent entity, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year (if any).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

**(t) Comparative Information**

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

**2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

**Critical judgments in applying the entity's accounting policies**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. The following are the critical judgements and estimations that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

**Key judgement**

Exploration and evaluation expenditure

Exploration and evaluation expenditure is reviewed regularly to ensure that the capitalised expenditure is only carried forward to the extent that it is expected to be recouped through the successful development of the areas of interest or when activities in the areas of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

**Key estimates**

Share based payment transactions

The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date which they are granted. The fair value of share options and performance rights is determined by an external valuer using an appropriate model.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

### 3. NEW AND REVISED ACCOUNTING STANDARDS

#### Adoption of New and Revised Accounting Standards

The Group has adopted all of the new and revised pronouncements which became mandatory for annual reporting periods beginning on or after 1 July 2014. In adopting these new and revised pronouncements, the Group has determined that there has been no material impact on the Group's reported position or performance.

#### New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

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

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

	2016 \$	2015 \$
<b>4. REVENUE AND OTHER INCOME</b>		
Revenue		
Interest received, non-related parties	7,114	13,294
Interest received, related parties	6,774	-
Total Revenue	<u>13,888</u>	<u>13,294</u>
Other Income		
Foreign exchange gain/(loss)	1,336	(253)
	<u>1,336</u>	<u>(253)</u>

### 5. EMPLOYEE BENEFITS EXPENSE / KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2016.

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

	2016 \$	2015 \$
Short-term employee benefits	84,642	306,617
Equity Settled	163,329	75,452
Total KMP Compensation	<u>247,971</u>	<u>382,069</u>

6. AUDITOR'S REMUNERATION	2016 \$	2015 \$
Remuneration of the auditor of the entity for:		
Audit of review of the financial report – William Buck Audit (WA) Pty Ltd	11,150	26,580
Audit of the financial report – Bentleys Audit & Corporate (WA) Pty Ltd	15,000	-
Investigation Accountant Report - Bentleys Audit & Corporate (WA) Pty Ltd	21,035	-
7. INCOME TAX EXPENSE	2016 \$	2015 \$
<b>(a) Income tax expense</b>	-	-
Current tax	-	-
Deferred tax	-	-
Deferred income tax expense included in income tax expense comprises:	-	-
(Increase) in deferred tax assets	-	-
Increase in deferred tax liabilities	-	-
<b>(b) Reconciliation of income tax expense to prima facie tax payable</b>		
Net loss before tax	(625,958)	(2,296,148)
Prima facie tax on operating loss at 30% (2015: 30%)	(187,787)	(688,844)
Add / (Less): Non-deductible items		
-NANE related expenditure	55	123,013
-Other	84,448	28,946
Current year tax loss not recognised	103,284	536,886
Income tax attributable to operating loss	-	-
The applicable weighted average effective tax rates are as follows:	Nil%	Nil%
Balance of franking account at year end	Nil	Nil
<b>Deferred tax assets</b>		
Tax losses	1,472,177	1,517,246
Other	51,713	3,608
Unrecognised deferred tax asset	1,523,890	1,520,854
Set-off deferred tax liabilities	-	-
Net deferred tax assets	1,523,890	1,520,854
Set-off deferred tax assets	-	-
Net deferred tax liabilities	-	-
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	1,523,890	1,520,854

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

<b>8. LOSS PER SHARE</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
a. Loss attributable to members of the Parent Entity used for calculating basic and diluted loss per share	(626,098)	(2,291,708)
b. Weighted average number of ordinary shares during the financial year used in calculating basic and diluted loss per share	572,304,599	271,829,252
Weighted average number of shares outstanding during the year	572,304,599	271,829,252
Basic and diluted loss per share (cents per share)	(0.001)	(0.008)

The effect of options on issue is anti-dilutive on the loss per share calculation as the exercise price of the options is above the current market value. The effect of performance rights on issue is also anti-dilutive on the loss per share calculation as the current market capitalisation of the Company is below the performance criteria.

<b>9. CASH AND CASH EQUIVALENTS</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	583,146	518,987

<b>10. TRADE AND OTHER RECEIVABLES</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Other receivable from a related party	-	103
GST receivable	17,724	10,201
Cash advances to a related party	-	6,863
	17,724	17,167
Provision for impairment	-	(9,700)
	17,724	7,467

The Group has analysed its trade and other receivables below. All trade and other receivables disclosed below are not impaired.

	<b>Past due and impaired 0 – 30 days</b>	<b>0 – 30 days</b>	<b>Past Due But Not Impaired (Days Overdue)</b>			<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>30 – 60 days</b>	<b>60 – 90 days</b>	<b>90+ days</b>	<b>\$</b>
<b>2016</b>						
Trade and other receivables	-	17,724	-	-	-	17,724
<b>2015</b>						
Trade and other receivables	9,700	7,467	-	-	-	17,167

**a. Provision for Impairment of Receivables**

Movement in the provision for impairment of receivables is as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Opening balance	-	-
Charge for the year	-	9,700
Closing balance	-	-

<b>11. OTHER FINANCIAL ASSETS</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Secured convertible notes	156,774	-
Provision for impairment	(156,774)	-
	-	-

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**11. OTHER FINANCIAL ASSETS (continued)**

In December 2015, the Company subscribed to a convertible note in Ausnet to a value of \$150,000. The Convertible Note will be automatically redeemed and converted into that number of fully paid ordinary shares in Ausnet, 12 months after the subscription date or such other date as is agreed between the parties and Ausnet must repay the whole subscription amount, plus any interest due and payable, to the Company within 7 business days from the maturity date. The Convertible Note is secured against a fixed charge over Ausnet's loan book.

Face Value	\$150,000
Interest	8% per annum
Maturity date	12 months after the subscription date of 23 December 2015

The Convertible Note is only convertible into shares of Ausnet if the proposed acquisition of Ausnet is successfully completed, or otherwise if the Company and the Ausnet mutually agree, and upon Ausnet providing the Company with written notice that the Company intends to convert the Convertible Note into shares, such election made at any time up to 7 days prior to the maturity date, with interest to be calculated based on conversion occurring on the maturity date.

Audited information of Ausnet is unavailable at the date of this report and based on the latest publicly available unaudited information, Ausnet was in a net liability position of \$907,230 as at 31 March 2016. Management has therefore, decided to fully impair this Convertible Note and any interest revenue accrued on the financial asset.

**12. OTHER CURRENT ASSETS**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Prepayments	3,679	5,445
Deposits	-	5,000
	<u>3,679</u>	<u>10,445</u>

**13. INTANGIBLE ASSETS**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Website costs capitalised	5,865	5,865
Less: Accumulated depreciation	(5,865)	(3,874)
Total	<u>-</u>	<u>1,991</u>

**14. MINERAL EXPLORATION AND EVALUATION EXPENDITURE**

<u>Cost</u>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Opening balance	-	1,150,162
Additions during the year	886	625,897
Written off during the year	(886)	(1,771,952)
Foreign currency translation	-	(4,107)
Closing balance	<u>-</u>	<u>-</u>

The above amounts represent capitalised costs of exploration areas of interest carried forward as an asset in accordance with the accounting policy set out in Note 1 (e). The ultimate recoupment of the exploration and evaluation expenditure in respect to the areas of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively the sale of the underlying areas of interest for at least their carrying value.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**14. MINERAL EXPLORATION AND EVALUATION EXPENDITURE (continued)**

Last financial year, the Namibian Ministry of Mines and Energy refused the Company's application on renewal of licence (EPL 3238); therefore capitalised expenditure allocated to this tenement of \$1,771,952 was written off in accordance with AASB 6 'Exploration for and Evaluation of Mineral Resources' in the Statement of Profit or Loss and Other Comprehensive Income.

**15. PLANT AND EQUIPMENT**

	<b>2015</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Computer hardware at cost	8,463	8,463
Less: Accumulated depreciation	(8,463)	(7,876)
	<u>-</u>	<u>587</u>
Computer software at cost	19,250	19,250
Less: Accumulated depreciation	(19,250)	(19,250)
	<u>-</u>	<u>-</u>
Closing balance	<u>-</u>	<u>587</u>

	<b>Computer Hardware</b>	<b>Computer Software</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2014	979	-	979
Depreciation charge for the year	(392)	-	(392)
Balance at 30 June 2015	<u>587</u>	<u>-</u>	<u>587</u>
Balance at 1 July 2015	587	-	587
Depreciation charge for the year	(587)	-	(587)
Balance at 30 June 2016	<u>-</u>	<u>-</u>	<u>-</u>

**16. TRADE AND OTHER PAYABLES**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Trade payables	40,990	2,165
Other payables and accrued expenses	25,876	18,257
Amount payable to related parties	82,745	39,066
	<u>149,611</u>	<u>59,488</u>

**17. CONTROLLED ENTITIES**

The subsidiaries listed below have share capital consisting solely of ordinary shares held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation. The subsidiary management accounts used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

<b>Controlled Entities</b>	<b>Country of Incorporation / Principal activities</b>	<b>Percentage Owned interest held</b>	<b>Ownership by non-controlling interests</b>
Namibian Resources Pty Ltd	Australia Mineral exploration	100%	-
Gazania Investments Thirty Two Pty Ltd	Namibia Mineral exploration	80% (through Namibian Resources Pty Ltd)	20%

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

<b>NOTE 18: ISSUED CAPITAL</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Share Capital</b>		
877,929,931 (2015: 322,526,196) fully paid ordinary shares	8,203,866	7,602,895
	<u>8,203,866</u>	<u>7,602,895</u>

**(b) Movements in fully paid capital**

	<b>Date</b>	<b>Number</b>	<b>\$</b>
Balance at beginning of the reporting period	1 July 2014	73,825,001	6,005,690
Issue of shares	26 August 2014	221,475,003	1,550,325
Placement	5 September 2014	14,285,716	100,000
Share based payments in lieu of directors' fees (refer Note 26)	28 November 2014	5,043,429	36,000
Share based payments in lieu of directors' fees (refer Note 26)	13 May 2015	7,897,047	27,000
Capital raising cost		-	(116,120)
<b>Balance at end of the reporting year</b>	<b>30 June 2015</b>	<b>322,526,196</b>	<b>7,602,895</b>

**NOTE 18: ISSUED CAPITAL (CON'T)**

**(b) Movements in fully paid capital**

	<b>Date</b>	<b>Number</b>	<b>\$</b>
Balance at end of the reporting year	30 June 2015	322,526,196	7,602,895
Share based payments in lieu of directors' fees (refer Note 26)	14 Oct 2015	10,180,995	45,000
Share based payments in lieu of secretarial and accounting fees (refer Note 26)	14 Oct 2015	7,989,882	25,808
Share based payments in lieu of directors' fees (refer Note 26)	9 Dec 2015	4,830,054	27,000
Share based payments in lieu of directors' fees (refer Note 26)	19 January 2016	17,536,671	17,537
Share based payments in lieu of secretarial and accounting fees (refer Note 26)	19 January 2016	11,984,824	11,985
Rights Issued	19 January 2016	488,769,195	488,769
Share based payments in lieu of directors' fees (refer Note 26)	4 April 2016	14,112,114	36,000
Capital raising cost		-	(51,128)
<b>Balance at the end of the reporting year</b>	<b>30 June 2016</b>	<b>877,929,931</b>	<b>8,203,866</b>

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

**(c) Capital Management**

The Directors' objectives when managing capital are to ensure that the Group can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. 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 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.



**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 18: ISSUED CAPITAL (continued)**

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

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	583,146	518,987
Other receivables and other current assets	21,403	17,912
Trade and other payables	(149,611)	(59,488)
Working capital position	<u>454,938</u>	<u>477,411</u>

The Consolidated Group's principal financial instruments comprise cash and short term deposits, accounts receivable and payables which arise directly from its operations. It has been the Consolidated Group's policy not to trade in financial instruments.

**19. RESERVES**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Foreign translation reserve	3,686	3,750
Share Based Payments Reserve	4,335	13,345
	<u>8,021</u>	<u>17,095</u>

**Movements**

Foreign Translation Reserve

Balance as at beginning of the year	3,750	(11,590)
Net currency translation difference of financial statements of foreign controlled entity	(64)	15,340
Balance as at end of the year	<u>3,686</u>	<u>3,750</u>

Share Based Payments Reserve

Balance as at beginning of the year	13,345	-
Performance rights options issued during the year (Refer to Note 26)	-	13,345
Performance rights options lapsed during the year (Refer to Note 26)	(9,010)	
Balance as at end of the year	<u>4,335</u>	<u>13,345</u>

Nature and purpose of reserves

*Foreign translation reserve*

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

*Share Based Payments Reserve*

The share based payments reserve records items recognised as expenses on valuation of share options.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

<b>20. CASH FLOW INFORMATION</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of Cash Flow from Operations with Loss after Income Tax</b>		
Loss after income tax	(625,958)	(2,296,148)
Acquisition cost	113,059	-
Deposit written off	5,000	30,000
Depreciation and amortisation expense	2,578	848
Mineral exploration and evaluation expenditure written off	886	1,771,952
Impairment of assets	156,877	19,084
Net exchange differences	(64)	(3,442)
Share based payments	163,329	76,345
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	(17,134)	16,057
(Increase)/Decrease in other current assets	1,765	(53)
Increase/(Decrease) in trade and other payables	(33,693)	(57,132)
Increase/(Decrease) in provision	-	(1,092)
Cash flow from operations	<u>(165,969)</u>	<u>(443,581)</u>

**Non – Cash Financing Activities**

- i. On 14 October 2015, 10,180,995 fully paid ordinary shares at a price of \$0.00442 per share were issued in lieu of the directors fees as approved by the shareholders at the Annual General Meeting held on 28 November 2014. The Company will issue shares under the Director's share plan on a quarterly basis to satisfy the relevant fees or salary owing by the Company. The shares issued pursuant to the Directors' share plan were issued for nil consideration and the issue price is determined by the Board at the time of issue of the shares.
- ii. On 14 October 2015, 7,989,882 fully paid ordinary shares at a price of \$0.00323 per share were issued to settle the outstanding company secretarial and accounting services fees.
- iii. On 9 December 2015, 4,830,054 fully paid ordinary shares at a price of \$0.005592 per share were issued in lieu of the directors fees as approved by the shareholders at the Annual General Meeting held on 28 November 2014. The Company will issue shares under the Director's share plan on a quarterly basis to satisfy the relevant fees or salary owing by the Company. The shares issued pursuant to the Directors' share plan were issued for nil consideration and the issue price is determined by the Board at the time of issue of the shares.
- iv. On 19 January 2016, 17,563,671 and 11,984,824 respectively of the Rights Issue were issued to settle part of the outstanding director fees of John (Gus) Simpson and Wolfstar's company secretarial and accounting services fees.
- v. On 4 April 2016, 14,112,114 fully paid ordinary shares at a price of \$0.002551 per share were issued in lieu of the directors fees as approved by the shareholders at the Annual General Meeting held on 28 November 2014. The Company will issue shares under the Director's share plan on a quarterly basis to satisfy the relevant fees or salary owing by the Company. The shares issued pursuant to the Directors' share plan were issued for nil consideration and the issue price is determined by the Board at the time of issue of the shares.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**21. RELATED PARTY TRANSACTIONS**

**a. Key management personnel**

**Names and positions of key management personnel in office at any time during the financial year are:**

<b>Key Management Person</b>	<b>Position</b>
Neil Warburton	Non-Executive Chairman (Appointed as Non-Executive Chairman on 20 January 2016)
Ross Cotton	Non-Executive Director (Appointed on 20 January 2016)
Gregory Hall	Non-Executive Director
Michael Curnow	Non-Executive Director
John (Gus) Simpson	Non-Executive Chairman (Resigned on 20 January 2016)
Jay Stephenson	Company Secretary

**b. Service agreement**

***Service Agreement with Wolfstar Corporate Management Pty Ltd***

The Group engaged Wolfstar Corporate Management Pty Ltd ("WCM") to appoint Jay Stephenson (Company Secretary) for the corporate secretarial and accounting services. WCM is a related party of the Company by virtue of it being controlled by Jay Stephenson.

In consideration for the corporate secretarial and accounting services provided, WCM is entitled to a monthly fee of \$4,950 (plus GST). The Group will reimburse WCM for all reasonable out-of-pocket expenses incurred including, but not limited to, photocopying, facsimile, longer distance telephone, delivery services and travelling expenditure as required.

This service agreement may be terminated at any time by either party giving one month's written notice to the other party.

**c. Related Party Transactions and Balances**

Some Directors or former Directors of the Group hold or have held positions in other companies, where it is considered they control or significantly influence the financial or operating policies of those entities. During the year, the following entities provided exploration, accounting and corporate services to the Group. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

<b>Entity</b>	<b>Nature of transactions</b>	<b>Key Management Personnel</b>	<b>Total Transactions</b>		<b>Payable Balance</b>	
			<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
			<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
RP Timmins	Geological consultancy services	Robert Timmins*	-	182,191	-	24,640
Wolfstar Group Pty Ltd/	Due Diligence/Corporate	Jay Stephenson				
Wolfstar Corporate Management Pty Ltd	secretarial and accounting services		52,106	66,920	45,767	10,070

\*Mr Robert Timmins resigned as non-executive director on 30 May 2014.

**22. COMMITMENTS AND CONTINGENCIES**

The directors do not believe that there will be any contingent liabilities arising from the above matter and are not aware of any commitments or guarantees at the end of the reporting period.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**23. SEGMENT REPORTING**

Management has determined that the Group has one reportable segment, being mineral exploration in Namibia, which is based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. As the company is focused on mineral exploration, the Board monitors the company based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Revenue by geographical region: The Company has not generated revenue from operations, other than interest income derived from deposits held at call with banks in Australia and reimbursements of shared administration costs.

Assets by geographical region: The location of segment assets is disclosed below by geographical location of the assets.

	2016	2015
	\$	
Australia	604,454	539,477
Namibia	95	-
Total assets	604,549	539,477

**24. EVENTS AFTER THE REPORTING PERIOD**

On 20 July 2016, the shareholders approved the following resolutions:

- i. to make a significant change in the nature and scale of its activities from mineral exploration to provision of real estate and wealth management services;
- ii. to issue Shares at an issue price of not less than \$0.02 per Share;
- iii. to have Options on issue upon settlement with an exercise price of not less than \$0.02 per Option;
- iv. the issue of 50,000,000 pre-Consolidation Shares and 50,000,000 pre-Consolidation Options to Richmond Food Systems Pty Ltd (ACN 109 629 601) ATF The Monterey Trust (Richmond) (or its nominees) in consideration for Richmond introducing the Ausnet transaction to the Company;
- v. Shares on issue (including those pre-Consolidation Shares to be issued to Richmond Advisory) will be reduced from 927,929,931 to 92,792,993 subject to rounding) on 10:1 consolidation of shares;
- vi. Options on issue (including those pre-Consolidation Options to be issued to Richmond Advisory) will be reduced from 290,760,719 to 29,076,072 (subject to rounding) on 10:1 consolidation of shares;
- vii. The Company proposes to issue (amongst other securities) 113,333,334 Performance Shares, being 66,666,667 Performance Shares convertible into Shares on the achievement of Milestone 1 (Consideration Performance Shares); and 46,666,667 Performance Shares convertible into Shares on the achievement of Milestone 2 (Incentive Performance Shares);
- viii. the issue of up to 200,000,000 post-Consolidation Shares; and 66,666,667 post-Consolidation Tranche 1 Performance shares (together, Ausnet Consideration Securities) to the Ausnet Shareholders (or their nominees);
- ix. the issue of up to 290,000,000 post-Consolidation Shares at the Capital Raising Issue Price per Share to raise up to \$5,800,000 (with a minimum of \$3,800,000 to be raised pursuant to the Capital Raising);
- x. Pursuant to the HOA, at Settlement it is proposed that Paul Niardone, Philip Re, Adam Davey and John Kolenda each be appointed as a Director;
- xi. to issue a total of 46,666,667 Incentive Performance Shares amongst Paul Niardone, Philip Re, Adam Davey, John Kolenda and Ross Cotton (or their nominees);

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

---

**24. EVENTS AFTER THE REPORTING PERIOD (continued)**

- xii. to change the Company's name to "Namibian Copper Limited";
- xiii. the removal of William Buck Audit (WA) Pty Ltd as the auditor of the Company and appointment of Bentleys as the new auditor of the Company.
- xiv. to issue Performance Rights under the Plan and Options under the Scheme to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

On 2 August 2016, the Company completed its 10 for 1 Consolidation.

Except the matters disclosed above, there has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated group, the results of the operations, or the state of the affairs of the consolidated group in future financial years.

**25. FINANCIAL RISK MANAGEMENT**

**Overview**

The Consolidated Group has financial instruments comprising of loans and receivables, cash and cash equivalents and trade and other payables.

The Group has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Consolidated Group through regular reviews of the risks.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Consolidated Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from receivables from customers and cash and cash equivalents. For the Consolidated Group, it primarily relates to cash and cash equivalent. All cash balances are held with recognised institutions limiting the exposure to credit risk. There are no formal credit approval processes in place.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit risk exposure. The Consolidated Group's maximum exposure to credit risk at the end of the reporting period was:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Trade and other receivables	17,724	7,467
Cash and cash equivalents	583,146	518,987
	<u>600,870</u>	<u>526,454</u>

**(b) Liquidity risk**

Liquidity risk is the risk that the Consolidated Group will not be able to meet its financial obligations as they fall due. The Consolidated 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.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**25. FINANCIAL RISK MANAGEMENT (continued)**

The Consolidated Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place. The financial liabilities the Group had at the end of the reporting period were trade and other payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

*Maturities of financial liabilities and assets*

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

2016	Less than 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Total contractual cash flows	Carrying amount assets/(liabilities)
	\$	\$	\$	\$	\$	\$	\$
<u>Financial liabilities</u>							
Trade and other payables	(149,611)	-	-	-	-	(149,611)	(149,611)
<u>Financial assets</u>							
Trade and other receivables	17,724	-	-	-	-	17,724	17,724
Convertible notes	156,774	-	-	-	-	156,774	-
Cash and cash equivalents	583,146	-	-	-	-	583,146	583,146
Net cash outflow	608,033	-	-	-	-	608,033	451,259

2015	Less than 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Total contractual cash flows	Carrying amount assets/(liabilities)
	\$	\$	\$	\$	\$	\$	\$
<u>Financial liabilities</u>							
Trade and other payables	(59,489)	-	-	-	-	(59,489)	(59,489)
<u>Financial assets</u>							
Trade and other receivables	7,467	-	-	-	-	7,467	7,467
Cash and cash equivalents	518,987	-	-	-	-	518,987	518,987
Net cash outflow	466,965	-	-	-	-	466,965	466,965

**(c) 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 Consolidated 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.

*(i) Cashflow and interest rate risk*

The Consolidated Group's only interest rate risk arises from cash and cash equivalents held and the convertible notes at fixed interest rates. Current accounts held with variable interest rates expose the Consolidated Group to cash flow interest rate risk and this risk is managed by regular monitoring of the fluctuations of the interest rates.

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**25. FINANCIAL RISK MANAGEMENT (continued)**

The following sets out the Consolidated Group's exposure to interest rate risk, including the effective weighted average interest rate by maturity periods:

	Weighted average variable interest rate	1 year or less \$	2-5 years \$	Total \$
2016				
Financial assets – cash and cash equivalents	1.3%	583,146	-	583,146
Other financial assets – convertible notes	8%	156,774	-	156,774
2015				
Financial assets – cash and cash equivalents	1.7%	518,987	-	518,987

*(ii) 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 currency in which the group holds financial instruments which are other than the AUD functional currency of the Group.

The Group lost its tenement in Gazania during the year and has impaired all assets held in Gazania as at year end. Foreign exchange risk is thus deemed to be insignificant to the Consolidated Group.

**(d) Fair values**

All financial assets and liabilities recognised in the Statement of Financial Position are recognised at amounts that represent a reasonable approximation of fair value.

**26. SHARE-BASED PAYMENTS**

(i) On 28 November 2014, the shareholders approved the issue of 12,000,000 performance rights to be granted to the directors (Mr. John Simpson, Neil Warburton, Michael Curnow, Lachlan Reynolds and Greg Hall) and 1,800,000 performance rights granted to Mr. Robert Timmins and Alan Marlow. The related party performance rights are to be issued to the related parties to provide further incentive to perform and secure the ongoing commitment of the related parties to the continued growth of the Company.

However, due to the resignation of the some directors, the performance rights issued partially cancelled during the year.

As at 30 June 2016, details of the performance rights issued as per below:

**Description of Options/Performance Rights Issued as Remuneration**

Details of the performance rights granted as remuneration to those KMP listed in the previous table are as follows:

Grant Date	Performance Right	Vesting Dates	Expiration dates	Number of rights issued	Value per Right at Grant Date (cents)	Total Value
28 November 2014	Class A	31 December 2014	30 June 2019	750,000	0.3600	2,700
28 November 2014	Class B	31 December 2015	30 June 2019	750,000	0.1800	1,350
28 November 2014	Class C	31 December 2016	30 June 2019	1,500,000	0.0180	270
28 November 2014	Class D	31 December 2017	30 June 2019	1,500,000	0.0009	15
				4,500,000		4,335

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**26. SHARE-BASED PAYMENTS (continued)**

Performance rights values at grant date were determined using the performance milestones summarised in table below. Each Performance Right will vest as one Share subject to the satisfaction of certain performance criteria (Performance Milestones).

Class	Milestone
	<i>Market capitalisation of the Company to be equal to or above</i>
Class A Performance Rights	\$8,800,000 for 10 consecutive trading days
Class B Performance Rights	\$17,600,000 for 10 consecutive trading days
Class C Performance Rights	\$33,000,000 for 10 consecutive trading days
Class D Performance Rights	\$66,000,000 for 10 consecutive trading days

The Performance Rights will vest into ordinary shares in the Company upon the satisfaction of vesting conditions that are market based vesting conditions as disclosed above.

The fair value of the performance rights at grant date is independently determined using the value of the underlying share in the Company as traded on Australian Securities Exchange at the date of issuance of the rights. As the performance conditions are market based performance conditions, a discount is generally applied in valuing the grant at the grant date for not meeting the performance conditions. A discount is only applied where performance conditions are market based or are predominantly market based.

The variables used in the fair value calculation of the performance rights are as follows:

Performance Right	Vesting Dates	Deemed share price 27 October 2014 (cents)	Vesting condition – converting provided the price of shares on ASX is above the following price to convert (cents) (estimate only as noted above)	No. of times the vesting price is greater than share price as at 27 October 2014	Discount for vesting price barrier applied to fair value based on 27 October 2014 share price
Class A	31 December 2014	0.9	2.843	3.159	2,700
Class B	31 December 2015	0.9	5.685	6.317	1,350
Class C	31 December 2016	0.9	10.659	11.844	270
Class D	31 December 2017	0.9	21.319	23.688	15

(ii) Shares granted to key management personnel as share-based payments are as follows:

Grant Date	Number	Share price
14 October 2015	10,180,995	\$0.00442
14 October 2015	7,989,882	\$0.00323
9 December 2015	4,830,054	\$0.00559
19 January 2016	17,536,671	\$0.001
19 January 2016	11,984,824	\$0.001
4 April 2016	14,112,114	\$0.002551

The weighted average fair value of those equity instruments, determined by reference to market price, was \$163,329

These shares were issued in lieu of directors' fees to key management personnel of the Consolidated Group. Further details are provided in the directors' report.



**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**27. PARENT INFORMATION**

The following information has been extracted from the books and records of the legal parent and has been prepared in accordance with Australian Accounting Standards and the accounting policies as outlined in Note 1 with the exception being that investments in subsidiaries are carried at cost, less accumulated impairment provision.

<b>Statement of Financial Position</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
Current Assets	604,998	536,899
Non-Current Assets	(207)	2,578
<b>TOTAL ASSETS</b>	<u>604,791</u>	<u>539,477</u>
<b>LIABILITIES</b>		
Current Liabilities	149,334	59,208
Non-Current Liabilities	-	-
<b>TOTAL LIABILITIES</b>	<u>149,334</u>	<u>59,208</u>
<b>EQUITY</b>		
Issued Capital	16,385,215	15,784,243
Share based payment reserve	4,335	13,345
Accumulated losses	(15,934,093)	(15,317,319)
Equity attributable to the members of NAMIBIAN COPPER LIMITED	<u>455,457</u>	<u>480,269</u>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>		
Total loss	(625,774)	(2,040,531)
Total comprehensive loss	<u>(625,774)</u>	<u>(2,040,531)</u>

As at 30 June 2016, the Company does not have any guarantees, contingent liabilities or contractual commitments.

**28. COMPANY DETAILS**

The registered office of the Parent Entity is:

NAMIBIAN COPPER LIMITED  
Suite 12, Level 1  
11 Ventnor Avenue  
WEST PERTH WA 6005

The principal place of business is:

NAMIBIAN COPPER LIMITED  
Suite 12, Level 1  
11 Ventnor Avenue  
WEST PERTH WA 6005

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**DIRECTORS' DECLARATION**

---

The directors of the company declare that:

1. The consolidated financial statements and notes set out on pages 30 to 56 are in accordance with the *Corporations Act 2001*, including:
  - a. comply with Accounting Standards which as stated in accounting policy Note 1 to the financial statements constitutes compliance with International Financial Reporting Standards (IFRS); and
  - b. give a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date.
2. The Chief Executive Officer and the Company Secretary have declared that:
  - a. the financial records of the Company for the financial year have been properly maintained in accordance with s295A of the Corporations Act 2001;
  - b. the financial statements and notes for the financial year comply with Accounting Standards; and
  - c. the financial statements and notes for the financial year give a true and fair view; and
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:



Neil Warburton

**CHAIRMAN**

Dated 30 September 2016

## Independent Auditor's Report

### To the Members of Namibian Copper Limited

We have audited the accompanying financial report of Namibian Copper Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

### Directors Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standards AASB 101: *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



Bentleys Audit & Corporate  
(WA) Pty Ltd

London House

Level 3,

216 St Georges Terrace

Perth WA 6000

PO Box 7775

Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

[bentleys.com.au](http://bentleys.com.au)



A member of Bentleys, a network of independent accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only and are separate legal entities and not in Partnership. Liability limited by a scheme approved under Professional Standards Legislation.



## Independence

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

## Opinion

In our opinion:

- a. The financial report of Namibian Copper Limited is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
  - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
- b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

## Emphasis of Matter – Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the Company incurred a loss of \$626,098. This condition, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

## 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 Namibian Copper Limited for the year ended 30 June 2016, complies with section 300A of the *Corporations Act 2001*.



**BENTLEYS**  
Chartered Accountants



**Mark Delaurentis CA**  
Director

Dated at Perth this 30<sup>th</sup> day of September 2016

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**ADDITIONAL INFORMATION**

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

**Shareholdings as at 27 September 2016**

**(a) Distribution of Shareholders**

Spread of Holdings	Number of Holders	Number of Units	% Issued Capital
1 – 1,000	129	112,261	0.13%
1,001 – 5,000	90	243,330	0.28%
5,001 – 10,000	30	263,483	0.30%
10,001 – 100,000	80	3,431,519	3.91%
100,001 – 999,999,999	85	83,742,441	95.39%
<b>TOTAL</b>	<b>414</b>	<b>87,793,034</b>	<b>100%</b>

**(b)** The number of shareholders held in less than marketable parcels is 414.

**(c) Voting Rights**

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

*Ordinary Shares*

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at the meeting or by proxy has one vote on a show of hands.

**(d) 20 Largest Shareholders – Ordinary Shares as at 27 September 2016**

Rank	Shareholder	Total Units	% Issued Capital
1	Eyeon Investments Pty Ltd <Eyeon Investments Family A/C>	11,591,821	13.20
2.	Michlange Pty Ltd <Warburton Self Adin S/F A/C>	4,585,412	5.22
3.	Mrs R Paneth + Mrs J Bierenkrant <Ruth Paneth Super Fund A/C>	3,571,429	4.07
4.	Mr Gregory Clifton Hall	3,041,795	3.47
5.	Ocean View WA Pty Ltd <Daniel Wise Superfund A/C>	3,000,000	3.42
6.	Richmond Food Systems Pty Ltd <Montery A/C>	2,900,000	3.30
7.	Smart Investments Limited	2,849,167	3.25
8.	Ramsay Financial Group Pty Ltd <Ramsay Super Fund A/C>	2,835,000	3.23
9.	Etchell Capital Pty Ltd <Simpson Superannuation A/C>	2,446,429	2.79
10.	Mr Peter Andrew Proksa	2,300,000	2.62
11.	Exit Out Pty Ltd <The Discretionary A/C>	2,002,130	2.28
12.	Mr J Vieira & Mrs T Vieira <Bayview Retirement Plan A/C>	1,785,715	2.03
13.	Supa Doopa Pty Ltd <Ramsay Family Super A/C>	1,765,000	2.01
14.	Lemrac Holdings Pty Ltd <Robert Peter Timmins A/C>	1,750,000	1.99
15.	Heatwave Pty Ltd	1,750,000	1.99
16.	Mr Daniel P Wise <Ark Investments A/C>	1,571,240	1.79
17.	Flue Holdings Pty Ltd	1,543,990	1.76
18.	Riveck Nominees Pty Ltd	1,500,000	1.71
19.	Continental Global Investment Limited	1,481,350	1.69
20.	Flue Holdings Pty Ltd	1,419,001	1.61
	<b>TOTAL</b>	<b>55,689,479</b>	<b>63.43</b>

**NAMIBIAN COPPER LIMITED**  
**and its controlled entities**  
**ABN: 52 118 913 232**  
**ADDITIONAL INFORMATION**

**2. The name of the Company Secretary is Jay Richard Stephenson.**

**i. The address of the principal registered office in Australia is:**

Suite 12, Level 1  
11 Ventnor Avenue  
West Perth, WA 6005  
Tel: 08 6141 3500  
Fax: 08 6141 3599

**ii. Registers of securities are held at the following address:**

Advanced Share Registry Services  
150 Stirling Highway  
NEDLANDS WA 6008

**iii. Australian Securities Exchange Listing**

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

**3. Unquoted Securities**

Nil.

**4. Use of Funds**

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

**TENEMENT SCHEDULE**

Tenement	Location	Project	% Held
EPL 4578	Namibia	Kojeka	77.5%*

- Subject to completion of the acquisition of Masterton Investments Pty Ltd