



ABN 20 147 678 779

Financial Report  
for the half-year ended  
31 December 2015

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The Directors of the Company present their report on the consolidated entity consisting of Anova Metals Limited and the entities it controlled at the end, or during, the half-year ended 31 December 2015.

### Directors

The Directors of the Company at any time during or since the end of the half-year are:

Mr Mal James – Non-Executive Chairman  
 Mr Gregory (Bill) Fry – Executive Director  
 Mr Alasdair Cooke – Non-Executive Director

### Review of Operations

Anova Metals Limited is a mineral exploration company which listed on the ASX in 2011. The Company acquired its current project, the Big Springs gold deposit in Nevada, USA from Victoria Gold Corporation in 2013.

#### Big Springs Project, Nevada, USA

Big Springs is a Carlin-style gold deposit located in an established gold mining region, 80km north of Elko in north eastern Nevada, USA. The Project's gold deposits exhibit many of the characteristics of Carlin-type deposits and comprise five separate zones. The project was mined by Freeport McMoRan between 1987 and 1993 producing 386,000 ounces of gold from several open pits. Mining at the Project ceased in 1993 due to low gold prices. From 2002, the then owners of the Project, Gateway Gold Corp (Gateway) completed extensive exploration work on the Project including 49,100 m of RC and diamond drilling. This work was combined with pre-existing drill data to produce a combined database with over 2,400 drill holes.

The project occurs entirely within public lands. Land access agreements with individual landholders are not required. Previously mined areas and waste dumps remain the liability of the previous owners. Net smelter return ('NSR') royalties in the range of zero to three per cent are payable to various claim groups related to the deposits.

In addition to the complex of known deposits, the Project also comprises more than 50 km<sup>2</sup> of highly prospective stratigraphy which contains significant, untested, gold-in-soil geochemical anomalies as well as a number of geophysical targets that remain to be drill tested.

The Mineral Resource estimate for the Big Springs gold deposit totals 1.03 Moz of contained gold. The Measured, Indicated and Inferred Mineral Resource estimate has been completed in accordance with the JORC Code and comprises a total resource of 16.0 million tonnes at 2.0 g/t gold. Increasing the cut-off grade to 2.5 g/t gold yields a high grade core of 3.1 million tonnes at 4.2 g/t gold for 415,000 ounces.

Deposit	Cut-off (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Contained gold ('000 ounces)
North Sammy	1.0	1.5	3.9	184
North Sammy Contact	0.8	1.3	1.7	72
South Sammy	0.8	7.6	1.8	437
Beadles Creek	1.0	2.7	2.3	202
Mac Ridge	0.8	1.9	1.3	81
Dorsey Creek	0.8	0.3	1.4	13
Briens Fault	1.0	0.8	1.6	41
<b>Total</b>		<b>16.0</b>	<b>2.0</b>	<b>1,030</b>

*Note: Appropriate rounding applied*

Activities during the period focussed on metallurgical test work, engineering design and study work and permit approvals to facilitate the commencement of mining operations at South Sammy.

Composite samples from four diamond core holes drilled in late 2014 within the proposed 601 open pit mining area at South Sammy were submitted for metallurgical test work. The results received from Hazen confirm historical recoveries for the 601 open pit. Three further representative composites from the North Sammy 303 and Thumb Shoots plus the South Sammy 701 Zone were created from historical core and analysed using the same procedure. The results again confirmed the historical recoveries for the North Sammy zones of mineralisation.

Open pit optimisations utilising the terms of the previously negotiated tolling arrangement, were completed by Anova's specialist mining consultants during the period. Results show the potential for the proposed operation to generate robust cash flow under current gold prices.

Additional samples from the 701 zones were submitted for geomechanical testwork with results now incorporated into the geotechnical model and the analysis added to the summary geotechnical report. Analysis of the results of the pump testing from late 2014 and early 2015 plus historic pump testing information was initiated for the North Sammy area. Refinement of the detailed hydrogeology model has been started and will continue into 2016 and will form part of a Plan of Operations for North Sammy underground. Site reclamation work was completed as per the requirements of exploration drilling plan of operations and the site was prepared for winter.

Anova has continued to progress the permitting for the Big Springs Gold Project during the period. The majority of activities have been focussed on revising and expanding the level of engineering design plus undertaking additional geochemical characterization test work as requested by NDEP. Anova and its engineering consultants completed the designs of all mining related infrastructure, including comprehensive design of the site stormwater management structures, infrastructure pad, road systems and waste disposal areas. The updated designs incorporate results of additional basin-specific infiltration testing. The use of the updated infiltration rates has led to a reduction in the overall size of water management features, which will lower construction costs and bond requirements.

Following completion of the detailed engineering designs and report, a revised Water Pollution Control Permit application was completed and a submitted to the Nevada Division of Environmental Protection ("NDEP"). Outputs from the engineering study were also incorporated into a revised Plan of Operations which was scheduled to be submitted to the United States Forest Service ("USFS") early in the first quarter of 2016. A re-estimation of the project closure cost and bonding requirements was commenced during the quarter and will be submitted to NDEP when the Plan of Operations is finalised.

During the period, Anova continued to review the extensive exploration database it received when it acquired the Big Springs Project, including surface geochemistry (rock chip, soils and stream sediment samples), geological and structural mapping, geophysics (magnetics, electro-magnetics, radiometrics and limited IP) plus limited drilling away from the historically mined areas. With the primary focus being permitting and infill drilling at the proposed initial mining area at the 601 Deposit and the Thumb and 303 Shoots at North Sammy, there has been no opportunity to conduct exploration work at Big Springs. As such, when compared to the Jerritt Canyon area immediately to the south (11 Moz identified, 8 Moz produced, continuous exploration since the 1980's), it highlights the prospectivity of the Big Springs Project (350,000oz produced, 1 Moz in resource, limited exploration since mine closure in 1993) and opportunity for significant further ounces to be identified through systematic exploration work. Anova's continued review of the exploration data package during the past year has identified a number of additional targets as highlighted in the following diagrams. In particular, the potential extension of the North Sammy shoots, beneath 601 and 701 at South Sammy and at lower Mac Ridge where limited historical drilling into surface geochemistry anomalies have intersected significant gold mineralisation. Anova has a list of exploration targets prioritised ready for future work programmes.

**Corporate**

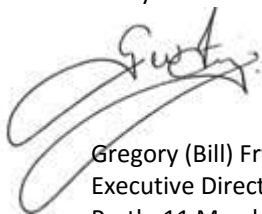
During the period the Company completed a capital raising of A\$0.5 m at 4.5 cents per share. On 2 March 2016 the Company completed a capital raising of A\$1.5m at 4.5 cents per share to provide additional funding to advance the Big Springs Project.

**Competent Person Statement**

*The information in this report that relates to Mineral Resources is based on information compiled by Mr Lauritz Barnes, Principal Consultant Geologist – Trepanier Pty Ltd. Mr Barnes is also a shareholder of Anova Metals. Mr Barnes is a member of the Australasian Institute of Mining and Metallurgy and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barnes consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.*

**Auditor's Independence Declaration**

The auditor's Independence Declaration is set out on page 7 and forms part of the Directors' report for the half-year ended 31 December 2015.



Gregory (Bill) Fry  
Executive Director  
Perth, 11 March 2016

- 1 In the opinion of the Directors of Anova Metals Limited :
  - a. The financial statements and notes set out on pages 10 to 17, are in accordance with the Corporations Act 2001, including:
    - i. Giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
    - ii. Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - b. there are reasonable grounds to believe that Anova Metals Limited 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 Directors, made pursuant to s303(5) of the Corporations Act 2001.



Gregory (Bill) Fry  
Executive Director  
Perth, 11 March 2016

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Anova Metals Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia  
11 March 2016



**D I Buckley**  
Partner

**INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Anova Metals Limited

**Report on the Condensed Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Anova Metals Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

*Directors' responsibility for the half-year financial report*

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

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



*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Anova Metals Limited is not in accordance with the *Corporations Act 2001* including:

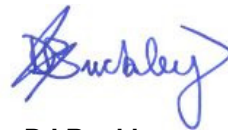
- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Emphasis of matter*

Without qualifying our conclusion, we draw attention to Note 1 to the half-year financial report which outlines conditions that indicate the existence of a material uncertainty that may cast significant doubt on the ability of the consolidated entity to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business.



**HLB Mann Judd**  
Chartered Accountants



**D I Buckley**  
Partner

**Perth, Western Australia**  
**11 March 2016**

**ANOVA METALS LIMITED**
**Condensed Consolidated Statement of Profit or Loss & Other Comprehensive Income**

For the half-year ended 31 December 2015

	<i>Note</i>	<b>31-Dec-15</b> \$	<b>31-Dec-14</b> \$
Revenue	5	6,834	10,643
Consultant and employee benefits expenses		(491,511)	(533,124)
Exploration expensed as incurred		(751,325)	(1,493,040)
Administration expenses		(64,186)	(68,712)
Share-based payment expenses		(15,010)	(11,903)
Occupancy expenses		(76,130)	(116,268)
Net financial expense		23	-
<b>Loss before income tax</b>		<b>(1,391,305)</b>	<b>(2,212,405)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(1,391,305)</b>	<b>(2,212,405)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Foreign currency translation		372,280	939,888
<b>Total comprehensive loss for the period</b>		<b>(1,019,025)</b>	<b>(1,272,517)</b>
<b>Loss per share:</b>			
Basic and diluted (cents per share)		(0.44)	(0.95)

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

**ANOVA METALS LIMITED**
**Condensed Consolidated Statement of Financial Position**

As at 31 December 2015

	<i>Note</i>	31-Dec-15 \$	30-Jun-15 \$
<b>Assets</b>			
<i>Current Assets</i>			
Cash and cash equivalents		558,956	1,473,092
Trade and other receivables		20,121	21,482
Other assets		8,131	17,889
<b>Total current assets</b>		<b>587,208</b>	<b>1,512,463</b>
<i>Non-current Assets</i>			
Property, plant and equipment		4,177	5,331
Exploration and evaluation expenditure	7	11,101,118	10,752,627
Security deposits		443,524	423,120
<b>Total non-current assets</b>		<b>11,548,819</b>	<b>11,181,078</b>
<b>Total assets</b>		<b>12,136,027</b>	<b>12,693,541</b>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Trade and other payables		371,648	396,087
<b>Total current liabilities</b>		<b>371,648</b>	<b>396,087</b>
<b>Total liabilities</b>		<b>371,648</b>	<b>396,087</b>
<b>Net assets</b>		<b>11,764,379</b>	<b>12,297,454</b>
<b>Equity</b>			
Issued capital	8	33,366,564	32,895,624
Reserves		2,563,451	2,176,161
Accumulated losses		(24,165,636)	(22,774,331)
<b>Total equity</b>		<b>11,764,379</b>	<b>12,297,454</b>

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

**ANOVA METALS LIMITED**
**Condensed Consolidated Statement of Changes in Equity**

For the half-year ended 31 December 2015

	Issued capital	Foreign currency translation reserve	Share-based payments	Accumulated losses	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2015</b>	<b>32,895,624</b>	<b>1,874,890</b>	<b>301,271</b>	<b>(22,774,331)</b>	<b>12,297,454</b>
Loss for the period	-	-	-	(1,391,305)	(1,391,305)
Other comprehensive income	-	372,280	-	-	372,280
Total comprehensive loss for the period	-	372,280	-	(1,391,305)	(1,019,025)
Share issue net of issue costs	470,940	-	-	-	470,940
Share-based payments	-	-	15,010	-	15,010
<b>Balance at 31 December 2015</b>	<b>33,366,564</b>	<b>2,247,170</b>	<b>316,281</b>	<b>(24,165,636)</b>	<b>11,764,379</b>
<b>Balance at 1 July 2014</b>	<b>29,315,219</b>	<b>484,611</b>	<b>1,412,821</b>	<b>(19,118,002)</b>	<b>12,094,649</b>
Loss for the period	-	-	-	(2,212,405)	(2,212,405)
Other comprehensive income	-	939,888	-	-	939,888
Total comprehensive loss for the period	-	939,888	-	(2,212,405)	(1,272,517)
Share issue net of issue costs	1,643,380	-	-	-	1,643,380
Share-based payments	-	-	11,903	-	11,903
Reversal of share-based payments on expiry	-	-	(16,710)	16,710	-
<b>Balance at 31 December 2014</b>	<b>30,958,599</b>	<b>1,424,499</b>	<b>1,408,014</b>	<b>(21,313,698)</b>	<b>12,477,414</b>

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

**ANOVA METALS LIMITED****Condensed Consolidated Statement of Cash Flows**

For the half-year ended 31 December 2015

	31-Dec-15	31-Dec-14
	\$	\$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(626,213)	(790,601)
Payment for exploration and evaluation expenditure	(767,779)	(1,003,111)
Interest received	6,227	11,185
<b>Net cash used in operating activities</b>	<b>(1,387,765)</b>	<b>(1,782,527)</b>
<b>Cash flows from investing activities</b>		
Payment for property, plant and equipment	-	(3,525)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(3,525)</b>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of issued capital	504,000	1,690,000
Payment for share issue costs	(33,060)	(46,620)
<b>Net cash provided by financing activities</b>	<b>470,940</b>	<b>1,643,380</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(916,825)</b>	<b>(142,672)</b>
<b>Cash and cash equivalents at 1 July</b>	<b>1,473,092</b>	<b>1,480,590</b>
Effect of exchange rates on cash holdings in foreign currencies	2,689	54,654
<b>Cash and cash equivalents at 31 December</b>	<b>558,956</b>	<b>1,392,572</b>

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

### **1. Basis of preparation of half-year statements**

These general purpose financial statements are for the half-year reporting period ended 31 December 2015 and have been prepared in accordance with *Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

The financial report does not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2015 and any public announcements made by Anova Metals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

For the purposes of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

#### 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 normal course of business. During the half-year ended 31 December 2015, the consolidated entity incurred a net loss of \$1,391,305 and had net operating cash outflows of \$1,387,765.

The Directors have prepared cash flow projections that support the ability of the consolidated entity to continue as a going concern. These cash flow projections assume the consolidated entity obtains additional funding through existing shareholders or other parties, in addition to the \$1,500,000 capital raising completed in early March 2016. If such funding is not achieved, the consolidated entity plans to reduce expenditure significantly.

The Directors believe that the consolidated entity will continue as a going concern. As a result the financial report has been prepared on a going concern basis. However, should the consolidated entity be unsuccessful in securing additional funding or not be able to appropriately manage its expenditure, there is a material uncertainty that may cast significant doubt on the ability of the consolidated entity to continue as a going concern and therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. No adjustments have been made relating to the recoverability of assets and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

### **2. Significant accounting policies and methods of computation**

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period.

### **3. Adoption of new and revised standards**

The consolidated entity has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current half-year. The Directors have reviewed all accounting standards and interpretations on issue but not effective at balance date. As a result of the review no changes to the consolidated entity accounting policies were required.

### **4. Significant accounting judgements and key estimates**

Judgements made by management in the application of AIFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant note to the financial statements.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

**ANOVA METALS LIMITED**
**Notes to the Condensed Consolidated Financial Statements  
For the half-ended 31 December 2015**
**Impairment**

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

**Share based payments**

The Company measures the cost of equity settled transactions with consultants and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black & Scholes model using various assumptions.

**5. Revenue**

	31-Dec-15	31-Dec-14
	\$	\$
Interest income	6,834	10,643

**6. Segment reporting**

During the half year the Company operated in one geographical and industry segment, the exploration for mineral resources in the United States. During a prior period the Company withdrew from its Cummins Range Project in Australia. As a result, the revenue, results, assets and liabilities of this segment has been disclosed below as discontinued. The unallocated column below refers to corporate costs and cash management.

Period ended 31 December 2015	Unallocated	United States	Discontinued	Consolidated
	\$	\$	\$	\$
<b>Total segment revenue</b>	<b>6,227</b>	<b>608</b>	-	<b>6,834</b>
<b>Segment net loss after tax</b>	<b>(635,621)</b>	<b>(755,684)</b>	-	<b>(1,391,305)</b>
Interest income	6,227	608	-	6,834
Depreciation	(603)	(719)	-	(1,321)
Exploration expensed as incurred	-	(751,325)	-	(751,325)
Share-based payments expense	(15,010)	-	-	(15,010)
<b>Segment assets</b>	<b>573,333</b>	<b>11,562,694</b>	-	<b>12,136,027</b>
<b>Segment liabilities</b>	<b>135,473</b>	<b>236,174</b>	-	<b>371,647</b>
<b>Period ended 31 December 2014</b>	<b>Unallocated</b>	<b>United States</b>	<b>Discontinued</b>	<b>Consolidated</b>
	\$	\$	\$	\$
<b>Total segment revenue</b>	<b>10,102</b>	<b>541</b>	-	<b>10,643</b>
<b>Segment net loss after tax</b>	<b>(719,681)</b>	<b>(1,492,724)</b>	-	<b>(2,212,405)</b>
Interest income	10,102	541	-	10,643
Depreciation	(4,369)	(241)	-	(4,610)
Exploration expensed as incurred	-	(1,493,040)	-	(1,493,040)
Share-based payments expense	(11,903)	-	-	(11,903)
<b>Segment assets</b>	<b>726,897</b>	<b>12,611,364</b>	-	<b>13,338,261</b>
<b>Segment liabilities</b>	<b>102,693</b>	<b>737,153</b>	<b>21,000</b>	<b>860,846</b>

**7. Exploration and evaluation expenditure**

	31-Dec-15 \$	30-Jun-15 \$
<b>Exploration and evaluation phase</b>		
Balance at beginning of the period	10,752,627	10,615,174
Adjustments to prior period acquisition costs	-	(1,155,000)
Foreign currency movements	348,491	1,292,453
Balance at end of the period	11,101,118	10,752,627

The ultimate recoupment of costs carried forward in respect of areas of interest still in the exploration and/or evaluation phases is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

**8. Issued capital**

	31-Dec-15 \$	30-Jun-15 \$
324,884,273 (313,684,272) fully paid ordinary shares	33,366,564	32,895,624
	33,366,564	32,895,624

	Half-year ended 31-Dec-15		Full year ended 30-Jun-15	
	No.	\$	No.	\$
<b>Fully paid ordinary shares</b>				
Balance at beginning of the period	313,684,272	32,895,624	220,184,269	29,315,219
Placements	11,200,001	504,000	92,250,003	3,690,000
Conversion of unlisted options	-	-	1,250,000	62,500
Share issue costs	-	(33,060)	-	(172,095)
Balance at end of the period	324,884,273	33,366,564	313,684,272	32,895,624

**9. Share based payments**

	Half-year ended 31-Dec-15 No.	Full year ended 30-Jun-15 No.
<b>Unlisted options</b>		
Balance at beginning of the period	25,875,000	8,500,000
Issued	-	21,125,000
Lapsed	-	(2,500,000)
Converted	-	(1,250,000)
Balance at end of the period	25,875,000	25,875,000

	Half-year ended 31-Dec-15 No.	Full year ended 30-Jun-15 No.
<b>Performance Rights</b>		
Balance at beginning of the period	4,250,000	-
Granted	-	4,250,000
Balance at end of the period	4,250,000	4,250,000

250,000 performance rights have met the vesting hurdle for conversion, being continuous service until 30 June 2015. The rights were converted into ordinary shares on 2 March 2016.



**10. Contingent assets and liabilities**

There are no identified contingent assets or liabilities as at reporting date.

**11. Related parties**

Transactions with related parties are consistent with those disclosed in the 30 June 2015 financial report.

**12. Fair value of financial instructions**

The fair value of financial assets and liabilities at balance date approximates their carrying amount.

**13. Events occurring after the reporting period**

On 2 March 2016 the Company completed a capital raising of A\$1.5m at 4.5 cents per share to provide additional funding to advance the Big Springs Project.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations, results or the state of affairs of the consolidated entity in future financial years.