COZIRON RESOURCES LIMITED & CONTROLLED ENTITIES
ABN 91 112 866 869

ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

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CORPORATE DIRECTORY

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Adam Sierakowski
Robert Ramsay

COMPANY SECRETARY
Stephen Hewitt-Dutton

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STOCK EXCHANGE LISTING
Australian Stock Exchange
(Home Exchange: Perth, Western Australia)
Code: CZR

DIRECTORS' REPORT

The directors of Coziron Resources Limited present the financial report of the company and its controlled entities (referred to hereafter as the Group) for the financial year ended 30 June 2015.

In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

DIRECTORS

The names of directors who held office during or since the end of the year:

Adam Sierakowski (Chairman)
Stephen Lowe
Dr Robert Ramsay

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

The following persons have held the position of company secretary during or at the end of the financial year:

Stephen Hewitt-Dutton

PRINCIPAL ACTIVITIES

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

There were no significant changes in the nature of the Entity's principal activities during the financial year.

OPERATING RESULTS

The loss of the Group after providing for income tax amounted to $5,361,215 (2014: $1,631,531).

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

REVIEW OF OPERATIONS

Introduction

Coziron Resources Ltd has exploration focused primarily on feed-stock material for the steel-making business but investigates any opportunities for gold, copper and other base-metal mineralisation on the tenements controlled by the company. The most significant tenements are the Yarraloola, Shepherds Well and Yarrie Iron-ore projects in the Pilbara region of Western Australia (Fig 1). Yarraloola and Shepherds Well are located in the West Pilbara and are crossed by the proposed haul-road to the trans-shipping port being developed by Iron-ore Holdings Ltd and a rail corridor controlled by the Australian Premium Iron Joint Venture. Yarrie is located in the North Pilbara adjacent to the recently closed BHP mining operations. Other projects include the Buddadoo Iron Project in the mid-west of Western Australia, near a rail corridor to the port of Geraldton, along with the KingX Manganese Project which is more remotely located but within a very lightly explored part of Western Australia (Fig 1).

Details of the projects and an overview of the activities, prospectivity and results from the past year are presented in the following sections.

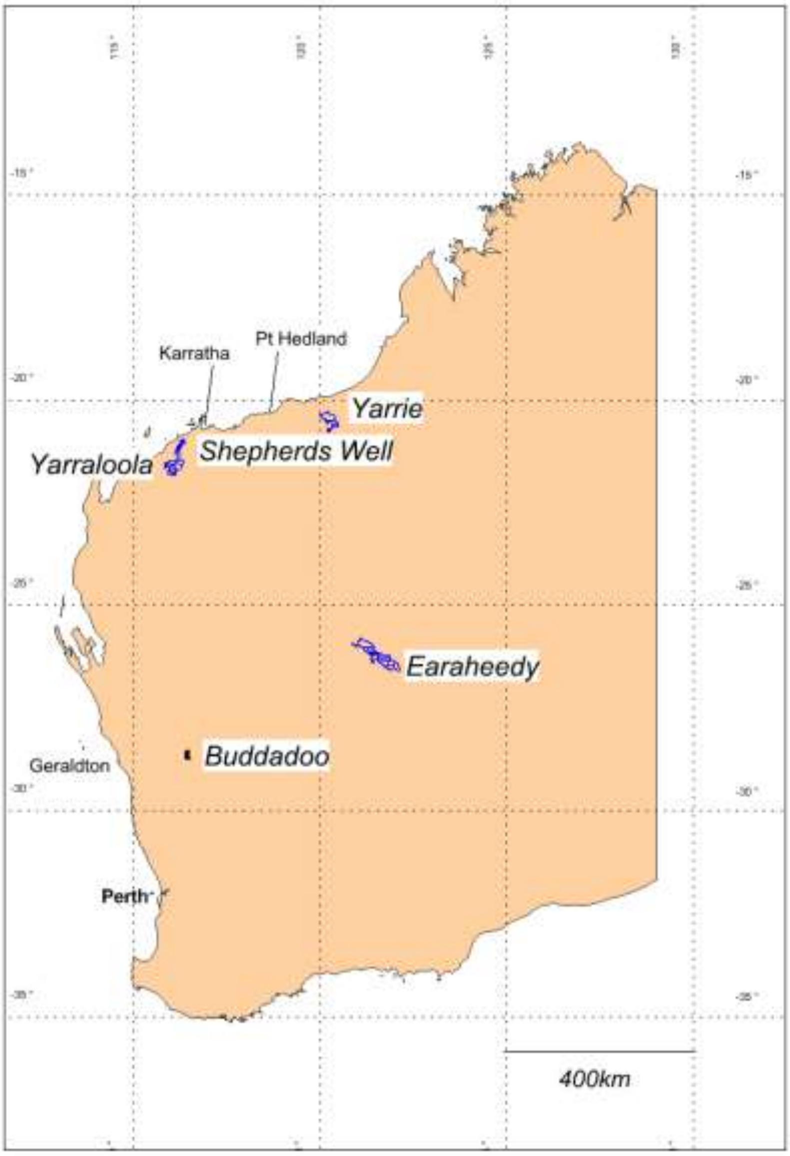

Fig 1 – Location of the Coziron Resouces Ltd tenements in Western Australia.

<u>Yarraloola Iron-ore Project</u>

The Yarraloola Project consists of seven contiguous exploration licences and two prospecting licenses with a total area of 1,437km^2 (Fig 2). These cover the western part of the Hamersley Basin, adjacent parts of the Ashburton Trough and on-lapping younger sediments of the Carnarvon Basin. In the southern part of the tenements palaeo-channels of the Robe River host deposits of pisolitic iron-ore (CID) which are mined by RioTinto Ltd. Additional JORC-compliant resources are reported within palaeo-channel extensions covered by tenements held by Red Hill Iron Ltd. The Group's tenements also cover banded iron-formation units which are being mined and processed for magnetite by Citic Pacific Mining Ltd to the north of Yarraloola. Another significant contributor to the value of Yarraloola is independent study completed by Engenium Pty Ltd for the Group in 2013 which estimated costs of loading and transporting direct-shipping ore to Cape Preston for about \$24.33/tonne, while magnetite could be transported through an 82km pipeline for a capital cost about \$130 million and an operating cost of \$2.80/tonne. As such, relatively small exploration targets have the potential to deliver economic deposits due to the relatively low capital and operating costs required to deliver product to market.

During 2014, the Group commenced exploration on high priority prospects that had been generated from a systematic review of all the geological, geochemical and geophysical data that was available for the Yarraloola Project. The prospects included areas with the potential to host extensions to the known palaeo-channel systems hosting CID, the upper parts of the Marra Mamba and Brockman Iron Formations in the Hamersley Basin that elsewhere host major deposits of of direct-shipping iron-ores and an 12km by 1km zone of high-intensity magnetic anomalies in the Ashburton Trough where mapping and sampling by Coziron has identified magnetite-rich schists (Fig 2).

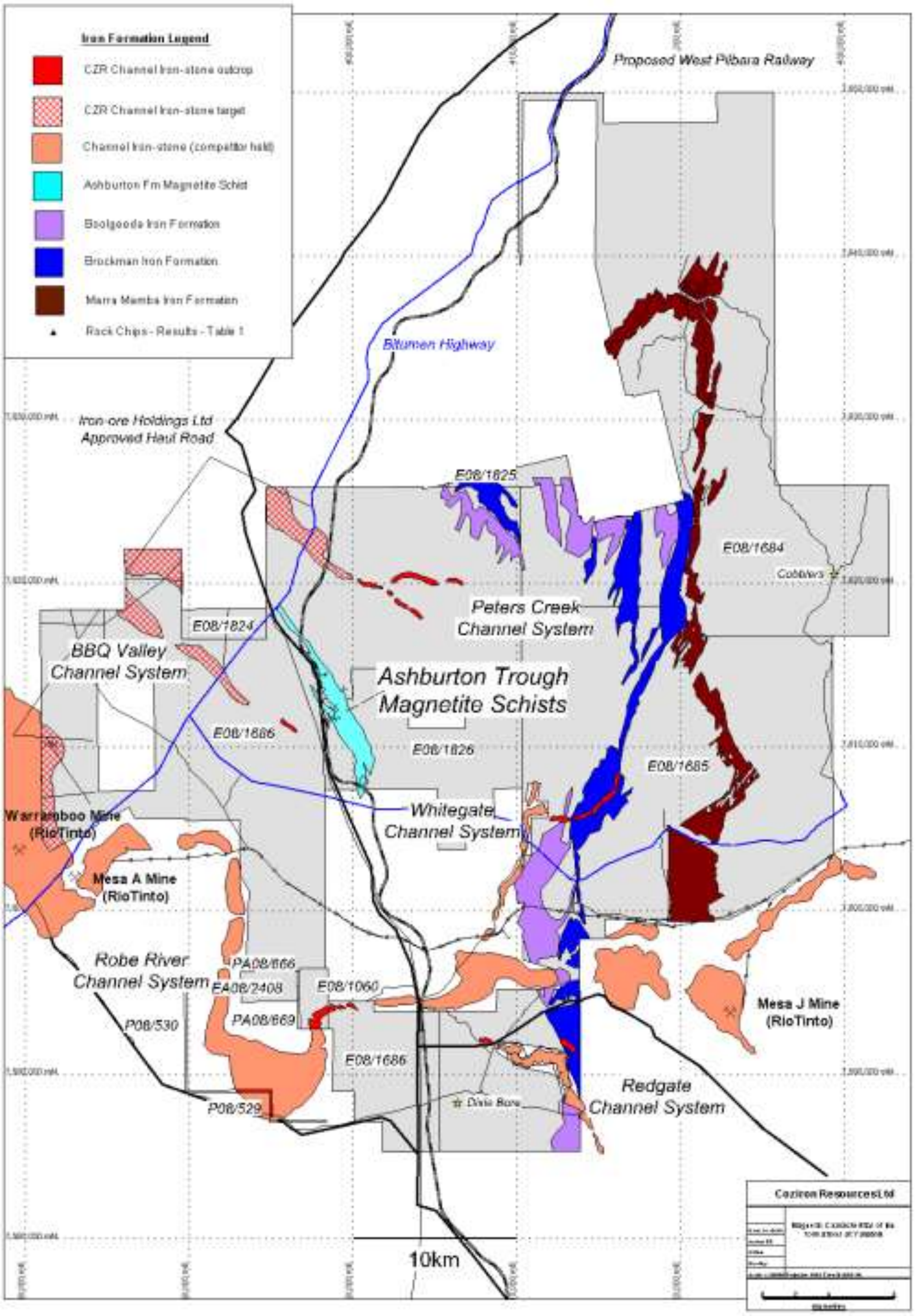

Fig 2 - Yarraloola tenements showing the distribution of the main pisolitic iron-stone (CID) deposits and targets, the Ashburton Magnetite Schist, the Marra Mamba, Brockman and Boolgeeda Iron Formations.

CID Exploration

Among the priority exploration targets for CID mineralisation at Yarraloola, the Group focussed on mapping and sampling extensions to the Robe River channel system. Tenement E08/1060 and an adjacent portion of E08/1686 cover a 1.5km section of the intermittently preserved palaeo-channel between the Mesa J and Mesa A-Warramboo CID Mines. During the year, the Group reported pisolite-rich samples from the area with Fe consistently in the range of 55 to 60% (ASX report 11-July-2014) and the Robe prospect was assessed geologically as a priority drill-target (Fig 2). In addition, the outcrop area with mineralisation is located only about 5km west of the proposed IOH haul road. In response, the Group lodged a Programme of Works for approval by the WA Department of Mines and Petroleum and a Heritage Notice for approval and clearance with the Native Title Party to drill 25 RC holes into the prospect.

In addition to the Robe Channel, the Group has located a 6km long easterly extension of the Whitegate Channel on E08/1685 (Fig 2). The system fills a deeply eroded channel in shale between more siliceous members of the Brockman Iron Formation. Samples from intervals of exposed pisolites report Fe to 60.1% (ASX report 11-July-2014). However, drilling is required to determine the extent, thickness and indicative grade of the mineralisation which is generally covered by sand and debris.

Other exposed sections of palaeo-channels with pisolitic iron mineralisation in the central and northern parts of the Yarraloola have been mapped and sampled. The Peters Creek system with samples reporting Fe to 58% (ASX report 11-July-2014) outcrops intermittently over a distance of about 6km. An extension to the east has been identified beneath a veneer of sand and gravel and drill targets have been identified. To the west, it appears system is potentially covered by younger detritus and the projected trace of the channel system requires exploratory drilling to determine the sub-surface stratigraphy.

CID Drilling

Following statutory approval and heritage clearance, access tracks and drill-pads were prepared and in late 2014, SBD drilling completed 25 RC drill-holes for a total of 1568m into the Robe Mesa (Fig 3). Samples (1m interval) were submitted to Bureau Veritas Laboratories in Perth for extended iron-ore suite XRF analysis on fused disk with activities and results reported in full to the ASX on 27 October 2014, 21 November 2014 and 12 December 2014.

Geological observations from the 25 RC drill-holes in the Robe Mesa as located on Fig 3 can be summarised as follows.

1. Many of the drill-holes that were planned to depths of 50m were extended to between 60 and 80m in order to intersect the entire channel sequence and contact the underlying basement of Proterozoic-age.
2. Two intervals of dark reddish brown, flat-lying, pisolitic iron-stone sediments that are each up to 25m thick were intersected. These are separated by up to 20m of lighter coloured shaley to sandy material.
3. The upper interval of pisolitic iron-stone is well exposed as a continuous outcropping sheet on the mesa. The deeper interval of pisolitic ironstone appears to represent the subcrop extension of a partially exposed, lower level of pisolitic iron-stone mineralisation that was identified and mapped by the Company to the east of the Robe Mesa during the 2014 field season.

Analytical results from the drill-samples show the pisolitic ironstone with iron (Fe) >50% on the Robe Mesa are characterised by low phosphorous (P<0.05%) and high volatile-content (mostly water), termed loss on ignition (LOI>10%). During processing, these volatiles are lost and the resulting calcined iron content (Fe_{ca}) is upgraded. As such, all down-hole intercepts that are greater than 5m thickness with Fe> 50% (Fe_{ca}>55%) and have no more than two (dilutionary) samples within an intercept with Fe<50% were reported on 12 Dec 2014. The intercepts are interpreted as true-thickness through the flat-lying zones of pisolitic iron-stone. Representative schematic cross-sections from the Robe Mesa are included in this summary to provide guidance on the interpreted relationships of the reported intercepts between the drill-holes and potential for lateral continuity (Figs 4 and 5).

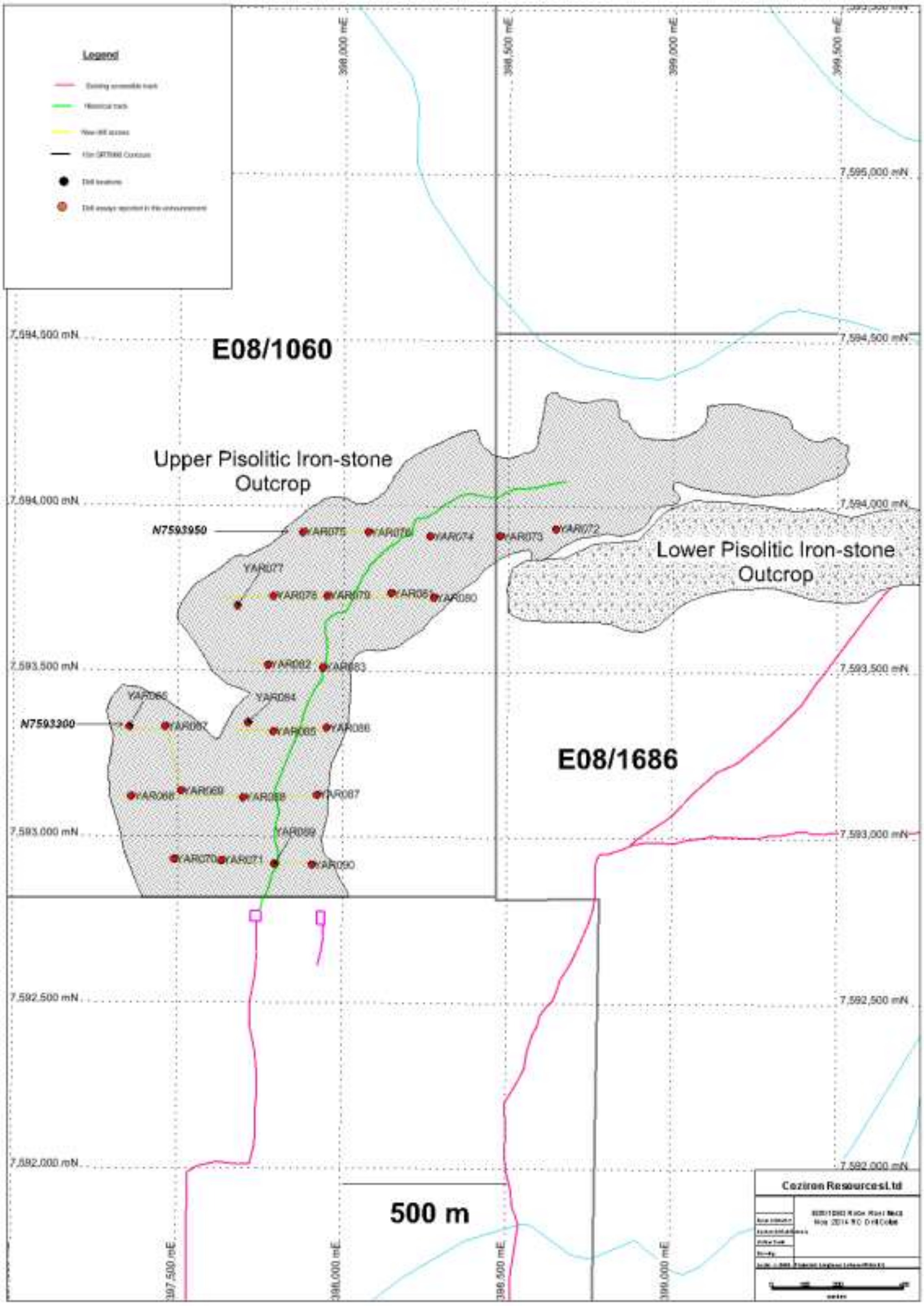

Fig 3. Location of drill-sites on the Robe Mesa within the tenements E08/1060 and E08/1686 from which the downhole intervals in Table 2 are reported and the cross-sections at 7593300N and 7593950N as Figs 4 and 5 are constructed.

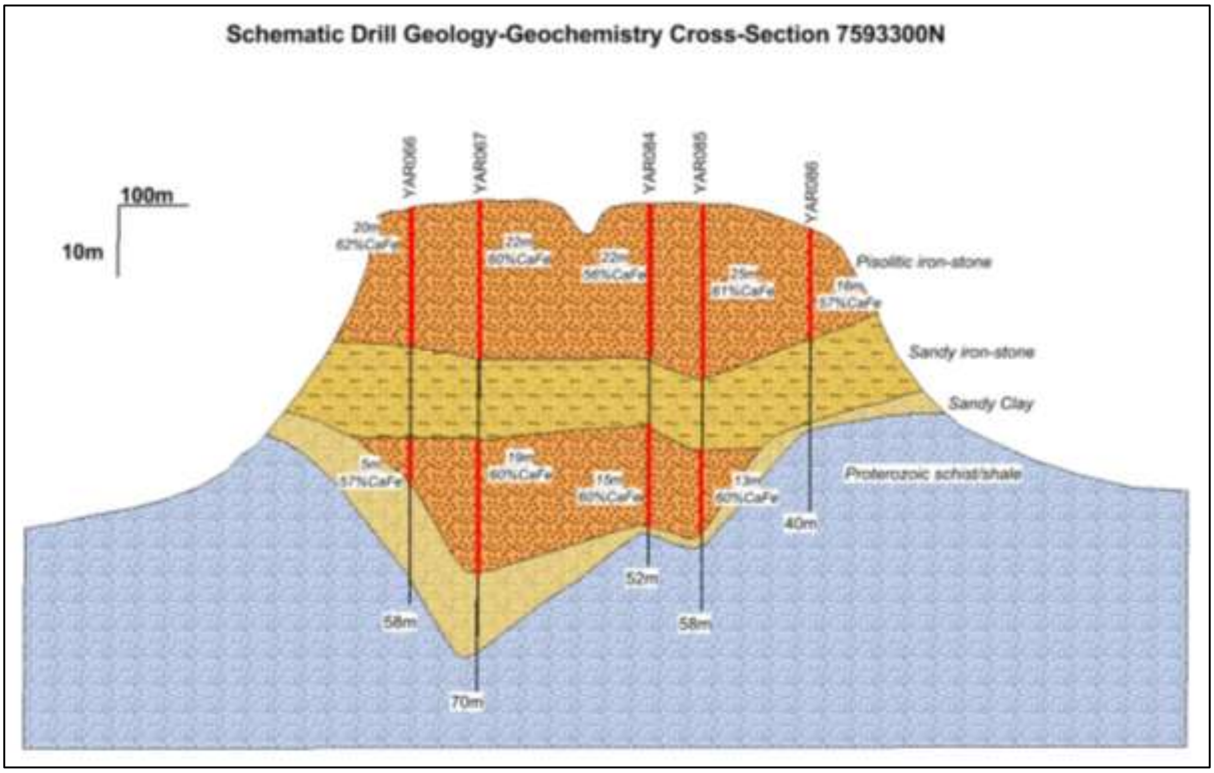

Fig 4. Interpreted geological cross-section on 7593300N (from Fig 3) showing the 1m sampled down-hole intervals reporting calcined Fe>55% (Fe>50%).

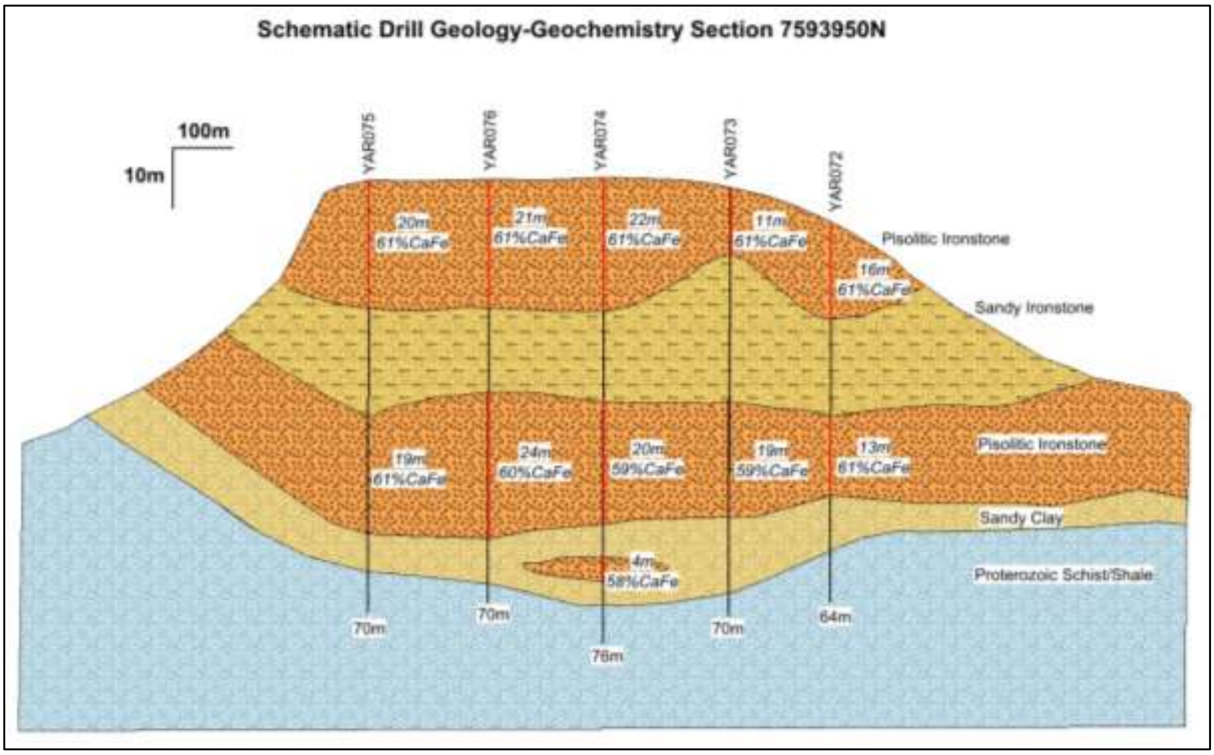

Fig 5. Interpreted geological cross-section on 7593950N (from fig 3) showing the 1m sampled down-hole intervals reporting calcined Fe>55% (ie Fe>50%).

CID Resource

Following the development of the geological model and receipt of all geochemical data, Optiro Pty Ltd generated a resource model in Surpac reported the tonnages which are summarised in the following tables.

Table 1. Robe Mesa – Mineral Resource Estimate at January 2015 – reported above a **Fe cut-off grade of 50%**.

Category	**Mt**	**Fe%**	**SiO2%**	**Al2O3%**	**TiO2%**	**LOI%**	**P%**	**S%**	**Fe_{ca}%**
Inferred	73	53.9	8.0	3.4	0.13	10.8	0.04	0.02	60.4

Table 2. Robe Mesa – Mineral Resource Estimate at January 2015 – reported above a **Fe cut-off grade of 55%**.

Category	**Mt**	**Fe%**	**SiO_2%**	**Al_2O_3%**	**TiO2%**	**LOI%**	**P%**	**S%**	**Fe_{ca}%**
Inferred	20	55.7	6.2	2.9	0.11	10.6	0.04	0.02	62.3

Overall, the pisolitic iron-stone in the Robe Mesa represents a low phosphorous (P) style of "channel-iron" mineralisation which will upgrade significantly (reported as Fe_{ca} content) during the calcining process to remove the volatiles (mostly crystalline water) prior to smelting.

In June 2015, further statutory clearances were obtained and a second Heritage Survey was undertaken to clear areas for an additional 50 drill-pads on the upper part of the Robe Mesa (Fig 6). This allowed access for additional RC drilling to be completed on the prospect to infill the original drill grid and provide additional intercepts through both the upper and lower zones of mineralisation.

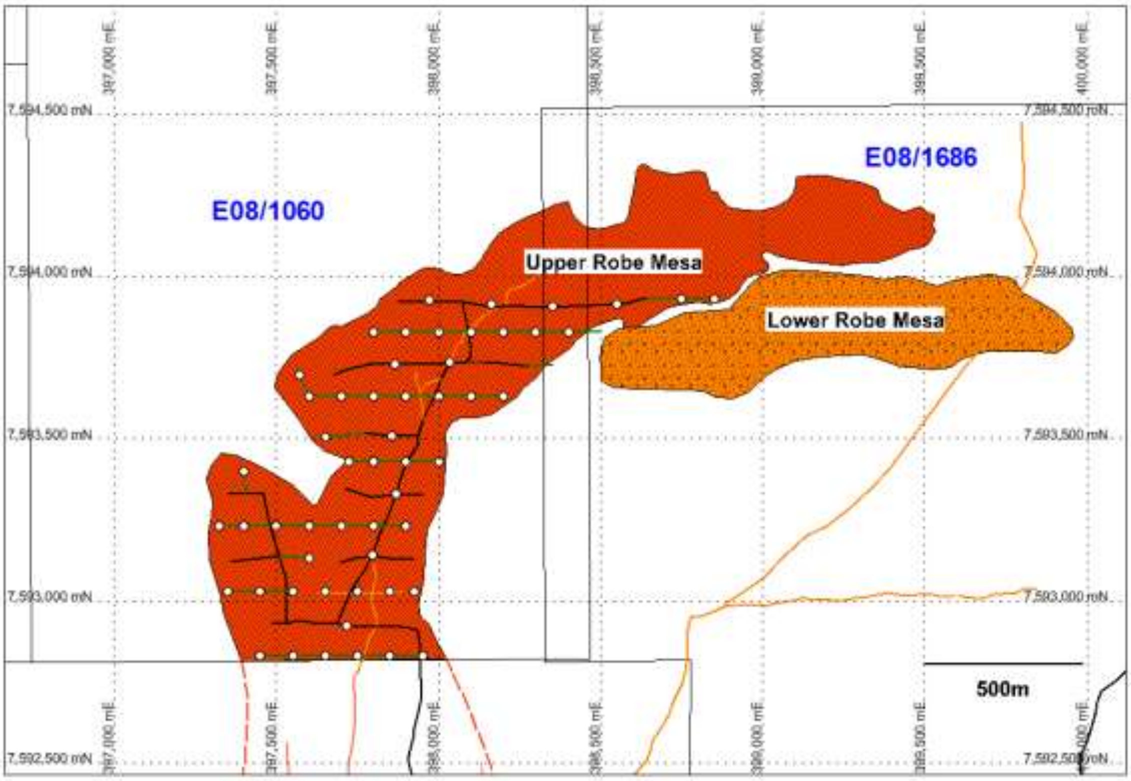

Fig 6. Geological map of pisolitic iron-stone distribution and planned infill RC drill-pads on the Robe Mesa cleared by Heritage Survey in June 2015.Magnetite Exploration

Yarraloola has also been recognised as a low-risk opportunity for the discovery of large-scale magnetite deposits. During 2014, detailed mapping and additional sampling has been completed on an intermittently outcropping 6 km interval of magnetite-bearing schists from a 12km zone of high-order magnetic anomalies in the Ashburton Trough. Surface samples commonly report Fe from 36-39% (ASX report 17-July-2014) and the magnetite hosted by the strongly foliated rocks has a coarser grain-size than the Brockman Iron Formation in the adjacent Hamersley Basin. In response, statutory and heritage notices were lodged for drilling.

Magnetite Drilling

Following the receipt of the statutory and heritage approvals, three inclined (-60) RC holes for a total of 606m were completed to provide representative geological and geochemical sections (Fig 7). In the south, YAR091 intersected 100m downhole of magnetite schists before entering a sequence which is interpreted as rhyolitic to dacitic volcaniclastics. Further to the north, YAR092 on the western margin of the magnetic anomaly intersected a sequence of carbonaceous phyllites. The northern-most hole YAR093, intersected two intervals of magnetite-rich rocks. An upper zone from 28 to 75m (29m downhole) and a lower intersection extending from 76 to 132m (56m downhole). The geochemical summary of the intercepts as reported to the ASX on 11 February 2015 is presented in Table 3.

Table 3. Intercept summary from XRF analysis for magnetite-bearing schists in the Ashburton Trough from which samples for Davis Tube magnetite recovery were selected.

Hole Number	*Depth From*	*Depth To*	*Interval m*	*Geol**	*Fe%*	*SiO_2%*	*Al_2O_3%*	*P%*	*S%*	*LOI% 1000*
YAR091	0	56	56	ox	23.5	53.1	6.48	0.07	0.06	3.11
YAR091	56	90	34	fr	28.7	51.5	2.48	0.14	0.04	1.85
YAR091	90	105	15	M-MI	12.9	61.6	7.61	0.07	0.08	5.14
YAR093	28	57	29	fr	31.9	47.5	2.80	0.11	0.15	1.61
YAR093	76	132	56	fr	31.6	44.8	2.68	0.12	0.05	1.34

*- ox = oxidised/weathered, fr = fresh; M-Mi = moderate magnetic intensity

For grind-size optimisation, bulked RC-samples were processed to determine the optimal size-fraction for a magnetite concentrate with Fe @ 67% from the Davis Tube. YAR091-0-45m and YAR093-28-53m each produced a good quality concentrate in the grind-size range of 63 and 45 microns, while YAR091-45-105m and YAR093-76-129m required grinding to 38 microns to produce a concentrate of the same quality. As a result, all Davis Tube recovery was undertaken at -38 micron to standardise the mass recovery and concentrate analysis. These results as announced to the ASX on 11-February-2015.

Overall, drilling shows the following.

1. There is a relatively thin (<30m deep) near-surface oxidation zone
2. There is no indication of crocidolite (asbestos) associated with the mineralisation
3. The geochemistry indicates Fe-contents typical of the values from most well documented iron-formations
4. The grind-size optimisation suggests the magnetite-host-rock is relatively soft
5. The Davis Tube shows the magnetite recoveries are relatively consistent with low levels of contaminants such as phosphorous. Further work is planned to assess the commercial significance of the magnetite schists in the Ashburton Trough.

In addition to studies of the magnetite-bearing rocks, the geological and geochemical features of the host-rocks in the Ashburton Trough sequence have been reviewed as part of the programme to establish the potential geological setting and origin for the mineralisation. Evidence of quiet water sedimentation is represented by graphitic schists and carbonates. This appears to be associated with evidence of andesitic to rhyolitic volcanism reflected by the major and trace-element geochemistry of interbedded chloritic schist. These features are regarded as being indicative of "Algoma-style" magnetite mineralisation.

Following the receipt of results from the 2014 drilling programme, statutory and heritage approval access a further eight drill-lines (Fig 8). These drill-sections will provide more detailed information on the geology, thickness of the magnetite-bearing intervals, geochemistry and mass yield of magnetite. In addition to the RC drilling, three representative 500m diamond drill-holes are planned to recover fresh samples of the magnetite schist for compressive-strength testing and crushing and grinding to determine the work-index. Samples from the drilling will also be analysed for a suite of other elements to determine if the volcanic and volcaniclastic rocks are prospective for gold and base-metal mineralisation.

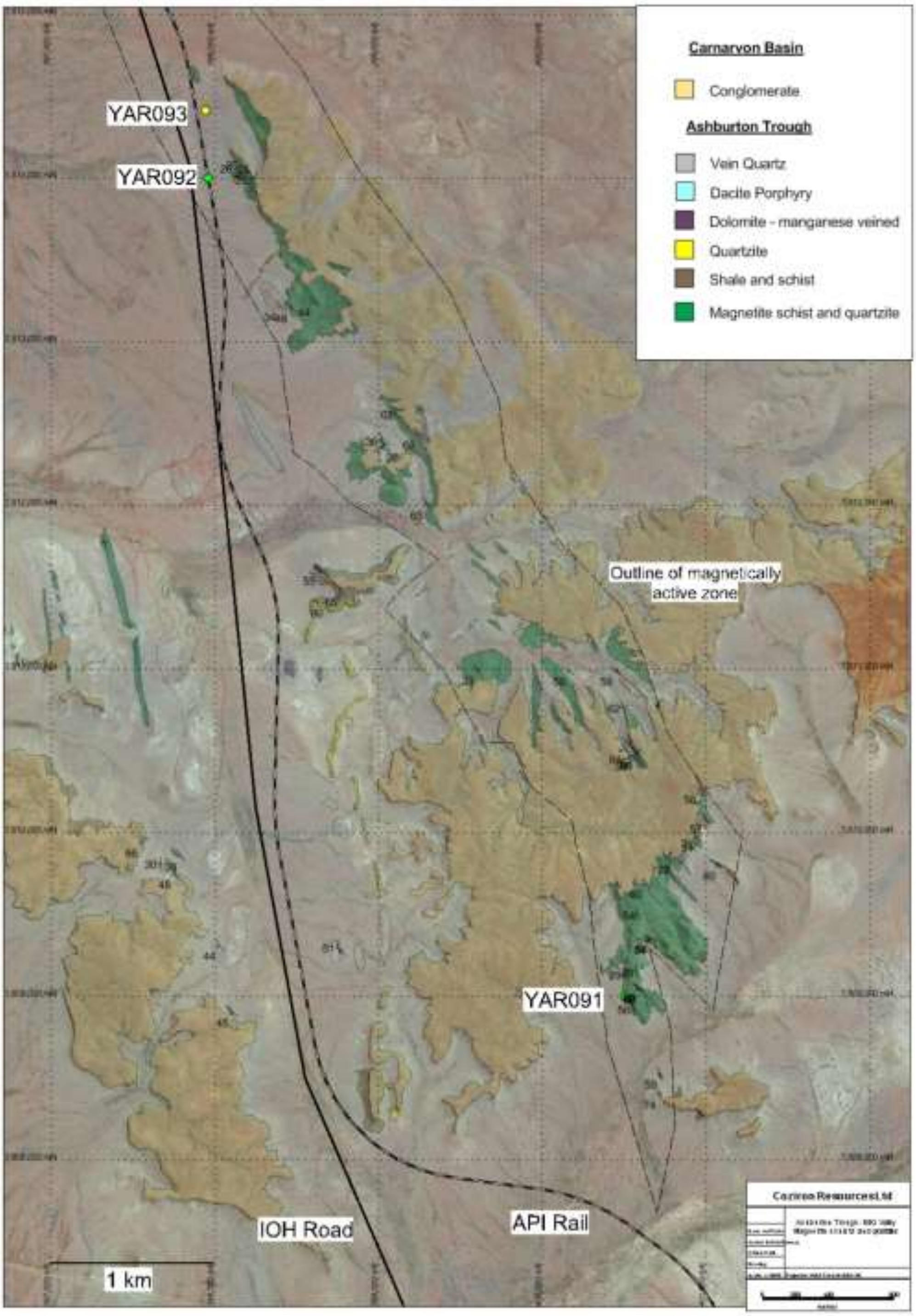

Fig 7. RC drill-holes locations on the magnetite prospect in the Ashburton Trough.

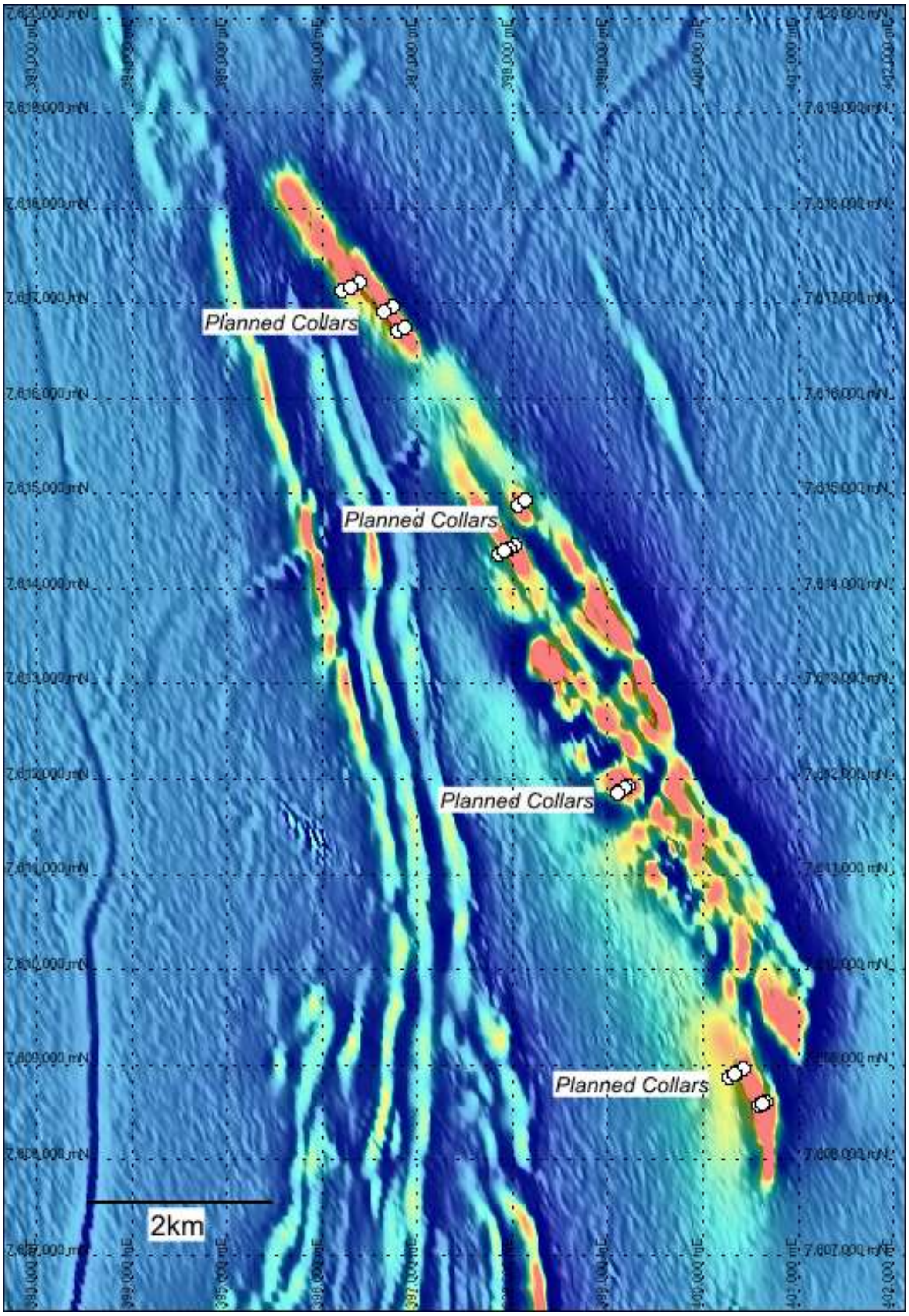

Fig 8. Heritage-cleared drill locations for future exploration on the magnetite prospect in the Ashburton Trough.

Shepherds Well

Shepherds Well is a 192.2km2 exploration license (E08/2361) located 50 km southwest of Karratha (Fig 1). Geographically the tenement is contiguous with the Yarraloola Project and logistically it is serviced by bitumen road access from the Great Northern Highway, located only 25-50km from a new public access port that is proposed for development at Cape Preston East by Iron-ore Holdings and crossed in part by the proposed Australian Premium Iron Joint Venture railway. This planned infrastructure has the potential to improve the economics of any mineral deposits identified within the project area.

Geologically, Shepherds Well compliments Yarraloola through the addition of potential iron-ore mineralisation both as high-grade haematite and magnetite from Archaean-age metasediments of the Cleaverville Terrain. The Cleaverville consists of a sequence of ocean-floor basalts and associated sediments that are part of an accretionary domain that pre-dates the formation of the Hamersley Basin. Regionally, there are iron-formations up to 500m thick interbedded in the Cleaverville and base-metal (Cu-Au-Pb-Zn) occurrences attributed to a sea-floor volcanogenic origin.

Work Programmes

A 2,724 line km, fixed-wing, magnetic-radiometric survey was completed by UTS Limited over the Shepherds Well licence in May 2014. During the year, the data was processed and a number of different targets for iron-ore, base-metal and gold mineralisation were identified (Fig 9). This was followed by an initial programme of mapping and rock-chip sampling.

Results

The most significant magnetic traces on the survey which have a strike length of about 9km appear to reflect the distribution of an iron formation in the Cleaverville Terrain. There is sporadic outcrop of iron formation along the western limb of the system and rock-chip samples reporting Fe to 39% (as reported on 29 July 2014). The eastern limb of the magnetic trace however, is covered by soil and colluvium and represents a future drill-target.

During the field-work, sampling of historical pit spoil in a quartz-muscovite schist reported silver (Ag) to 9.8g/t, lead (Pb) to 4.4%, zinc (Zn) to 0.5% and gold (Au) to 23ppb (as reported to ASX on 16 July 2014). The felsic rocks associated with the mineralisation are highlighted by a potassium-channel radiometric anomaly that extends over several kilometres. Future work will investigate the unit as a potential host for volcanic-hosted massive sulphide mineralisation.

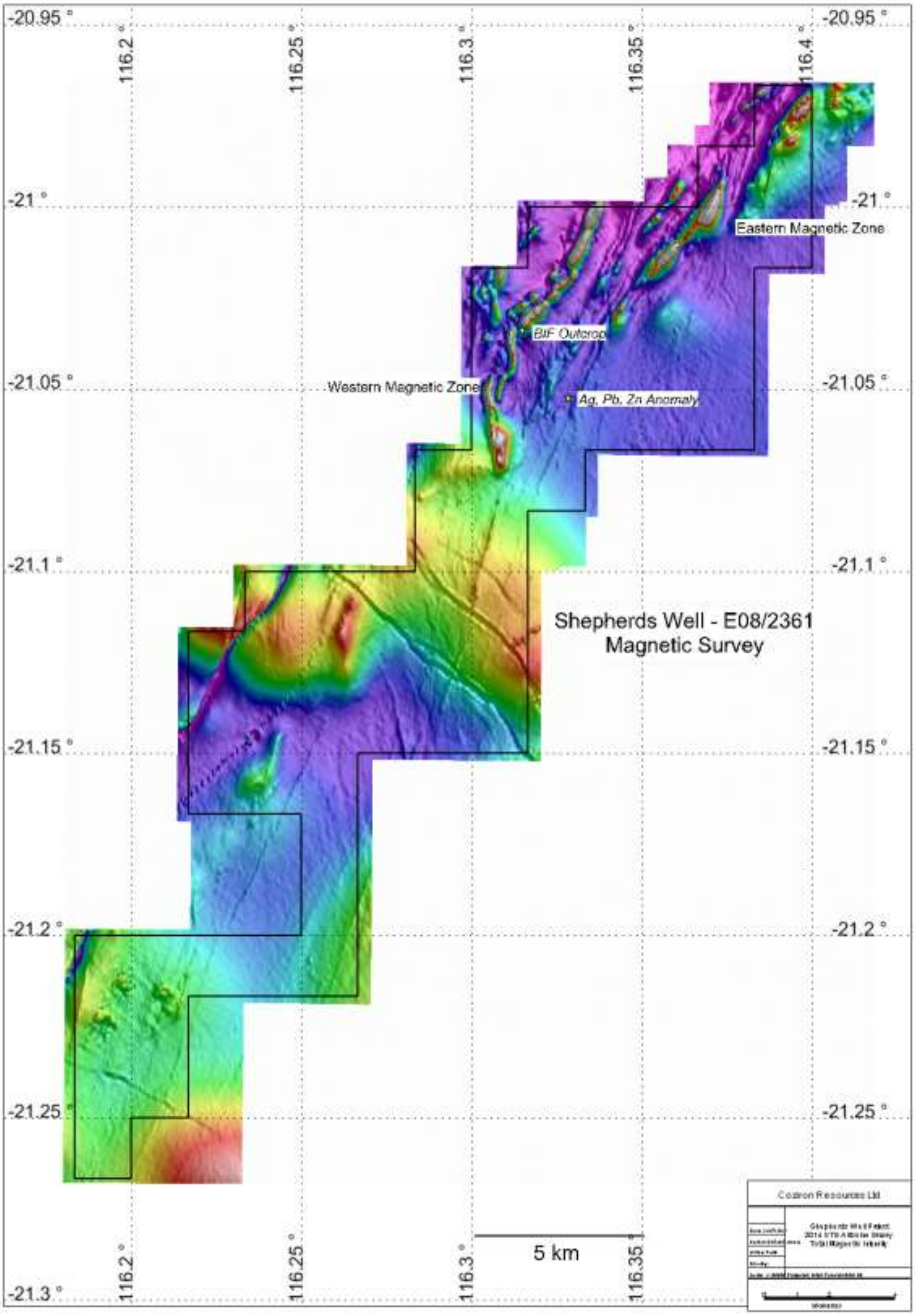

Fig 9. Map of total magnetic intensity over the Shepherds Well Project (E08/2361) showing the major prospects.

Yarrie

During the 2014 financial year, the Company entered into an option to acquire a 70% interest in three granted exploration licenses (E45/3725, E45/3728, E45/4065) and an exploration license under application (EA45/3727) that cover a total of 1062km^2 from Creasy Group. During the year the Company exercised its option and on 6 July 2015 executed a Tenement Sale and Joint Venture Agreement. Settlement of the acquisition is subject to shareholder approval at a meeting to be convened. The tenements are located approximately 150km to the east of Pt Hedland and enclose the BHP Billiton-owned Yarrie tenements on three boundaries (Fig 10).

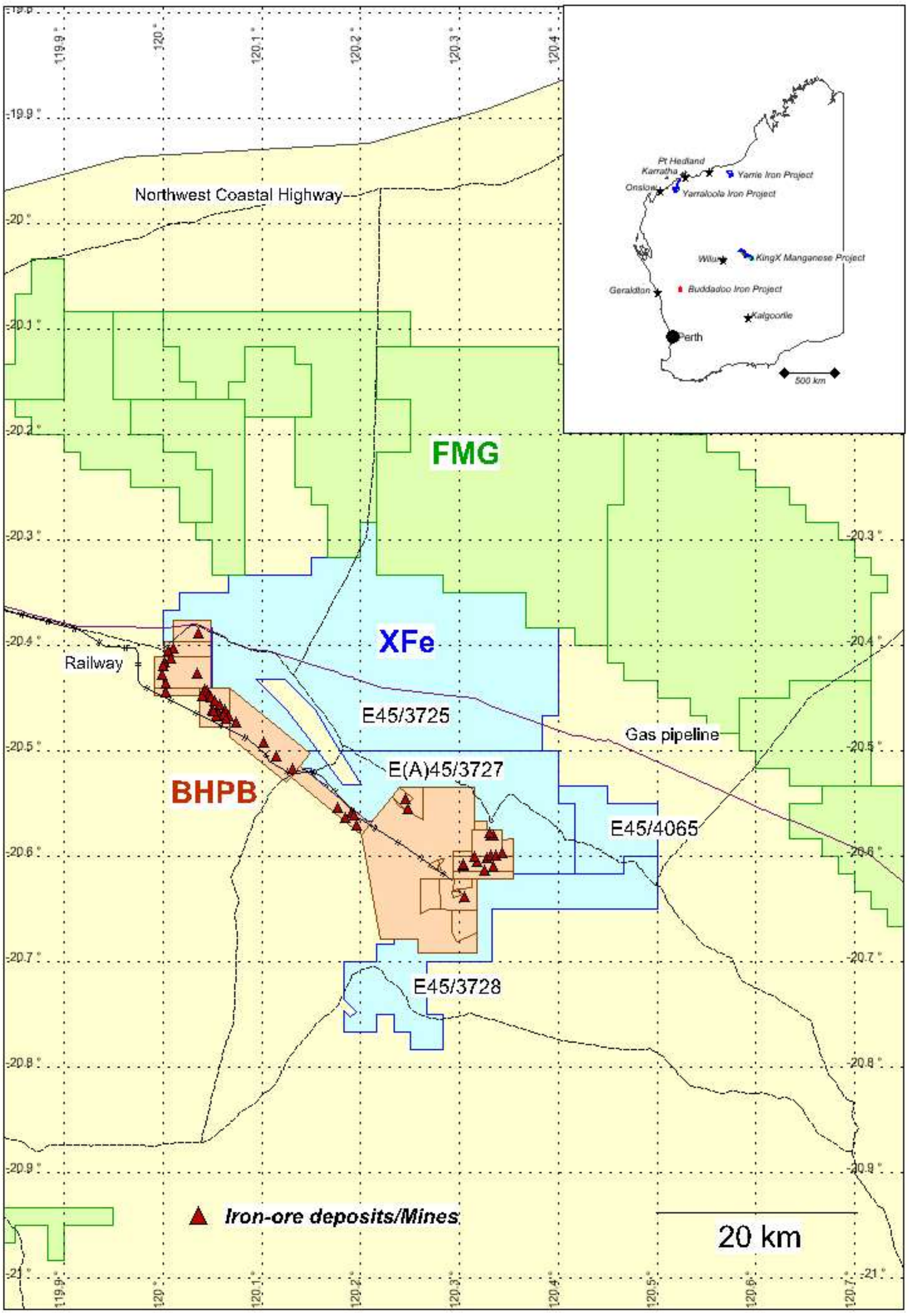

Fig 10 - Location map for the Yarrie Project in the North Pilbara showing the location of the BHPB tenements. The brown triangles are the BHPB iron-ore deposit locations.

The prospectivity of Yarrie is highlighted by the results from low-level, high-resolution magnetic surveys which map extensions of the Archaean-age Nimingarra Iron Formation that host the BHPB-mined ore-systems beneath a cover of younger overburden. In addition, historical work on outcropping parts of the Nimingarra by Creasy Group report drill-intercepts of up to 19m at 63% Fe (ASX report 6-Aug-2014) and show mineralised parts of the Nimingarra extend beyond the BHP Billiton tenement holdings.

Work Programmes

Prior to commencing fieldwork, an extensive review of historical work was completed. This was followed by a ground-based gravity programme over three prospects with area of approximately 150 km^2 that show anomalous magnetic response associated with the interpreted traces of the Nimingarra Iron Formation ((Fig 11). As much of the area is covered with surficial debris, selected seismic profiles have been utilised as a technique to estimate the depth of cover above the basement sequence which hosts the iron formation.

Results

A review of the historical information provided by XFe Pty Ltd shows a total of nine drill-holes with ore-grade intercepts (Fe>50%; as reported on 6 August 2014). Three drill-holes are located in the Kennedy Gap Prospect (06DHRC-01, -17, -18) and six holes 06DHRC-11, -12, 07DHRC-18, -19, -20, 26) in the Block Prospect (Fig 11) on EA45/3727 with the most significant intersection of 19m @ 63% Fe being reported from the Block Prospect. These results are significant because they demonstrate that mineralisation extends beyond the boundaries of the BHPB-controlled Yarrie-Goldsworthy-Nimingarra-Shay Mining district.

In addition, an early view of the seismic data suggests the overburden thickness is thinning in the areas that appear to be underlain by iron formation. This is consistent with the limited amount of published field data for the Staging Tank area which reports some outcrop of the iron-formation. Detailed work is now required to highlight opportunities for drilling.

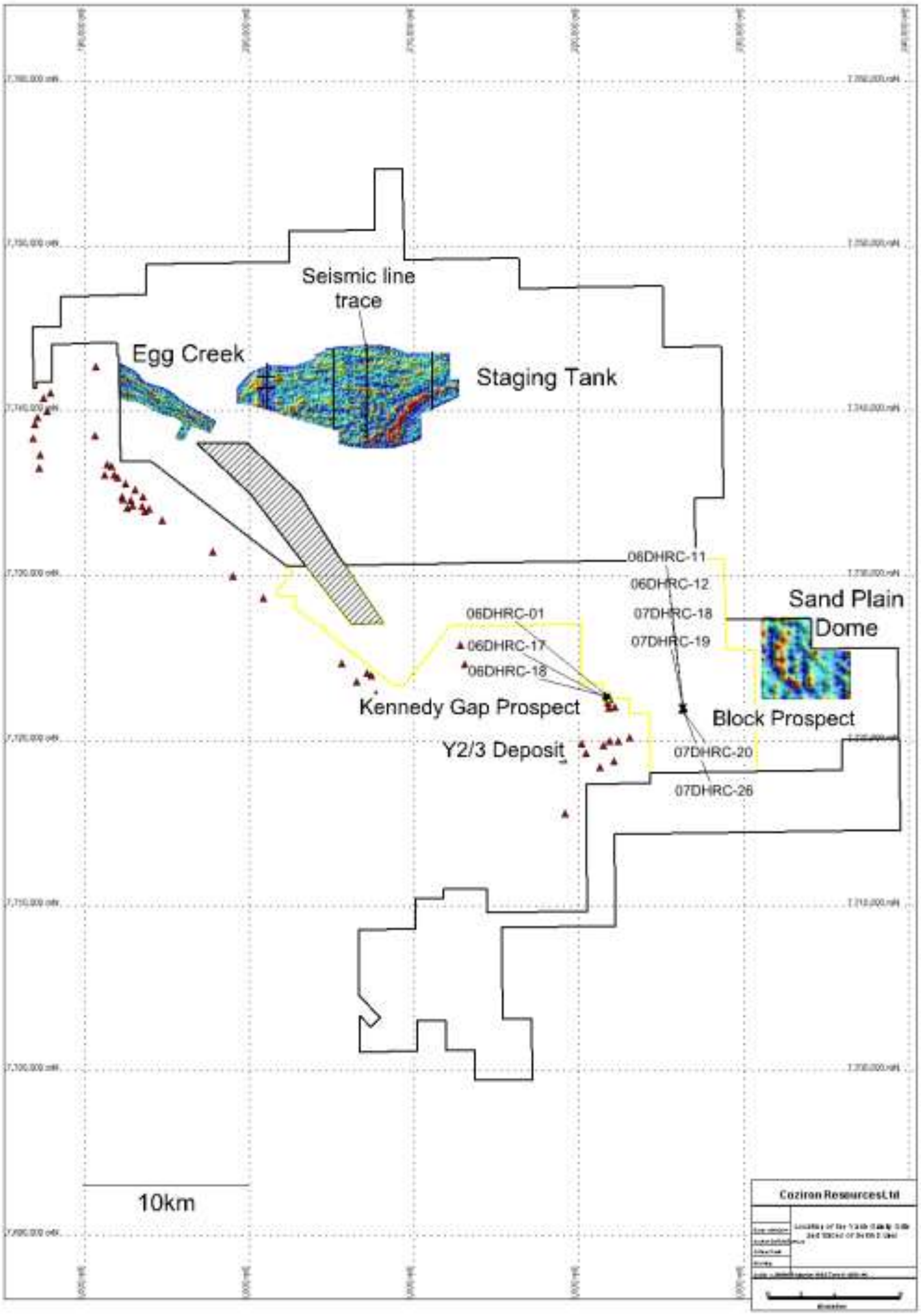

Fig 11. The Yarrie XFe iron-ore tenements (granted in black, yellow in application) showing the distribution of BHBP iron-ore deposits (red triangles) with inset images of the gravity survey results and traces of the seismic traverses.

BUDDADOO

The Buddadoo Project is located about 200km east of the port of Geraldton and covers an area of 125.3km^2. The project is mostly underlain by units of the Gullewa Greenstone belt and hosts vanadiferous titanomagnetite, copper and gold mineralisation in different geological settings. Coarse-grained, vanadiferous titanomagnetite outcrops as bands up to 10m thick in a 250m wide zone within a 7km by 1.5km area of the Buddadoo Range (Fig 12).

Work Programmes

A programme of works has been lodged to allow RC drilling that will examine the distribution of titanomagnetite across the 250m wide, highly magnetic interval in the intrusive complex.

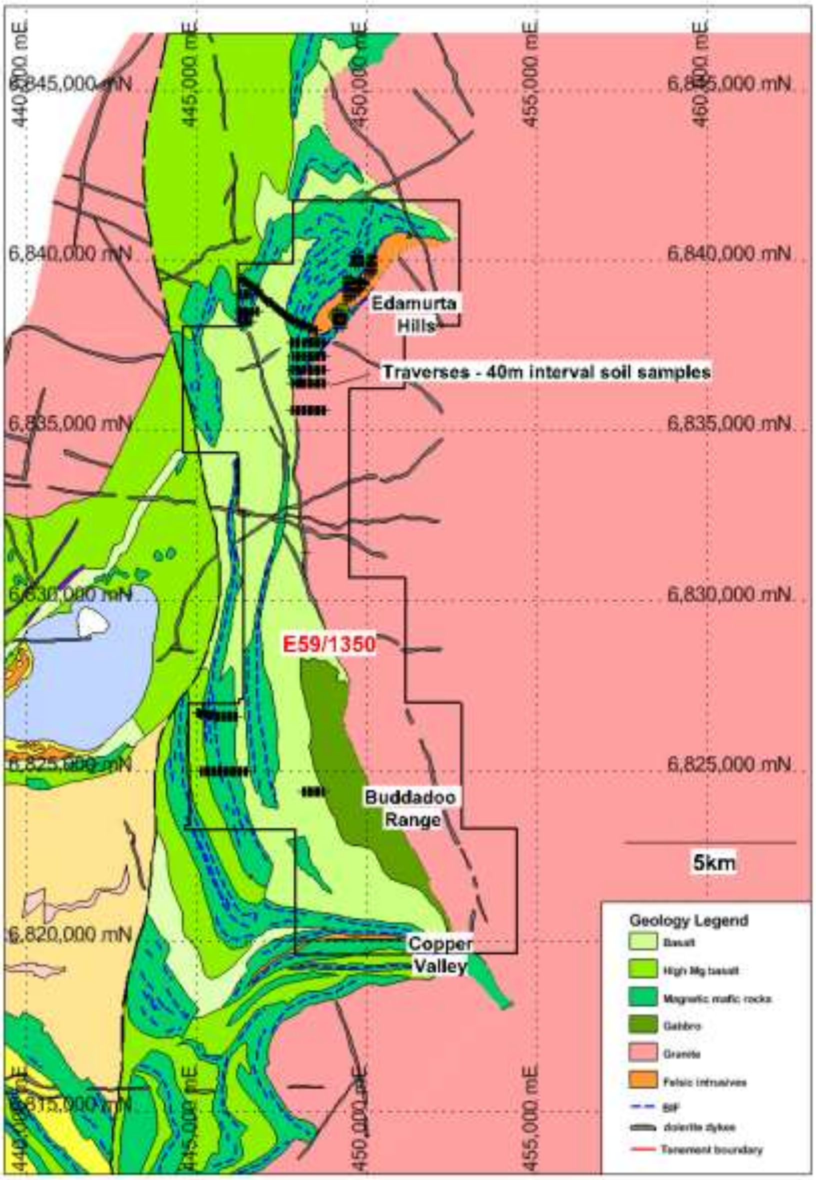

Fig 12. Geology map of the Buddadoo Project.

KING-X Manganese Project

The KingX Manganese project comprises eight tenement applications and four granted exploration licenses covering an area of 2,986km^2 in the Earaheedy basin (Fig 1). After a review, exploration licence E53/1433 and the eight tenement applications which were largely covering the Lorna Glen conservation reserve have been relinquished. The Board is reviewing its ongoing involvement in the KingX Project.

Competent Persons Statement

The information in this report that relates to mineral resources and exploration results is based on information compiled by Rob Ramsay BScHons, MSc PhD, Member of the Australian Institute of Geoscientists. Rob Ramsay is a full-time Consultant Geologist for Coziron and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rob Ramsay has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

EVENTS OCCURING AFTER THE REPORTING PERIOD

There has not been any matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

INFORMATION ON DIRECTORS

Adam Sierakowski	Non-Executive Chairman (appointed 21 October 2010)
Experience	Mr Sierakowski is a lawyer and partner of the legal firm Price Sierakowski. He has over 20 years of experience in legal practice, much of which he has spent as a corporate lawyer consulting and advising on a range of transactions to a variety of large private and listed public entities.
Interest in Shares	9,251,931 Fully paid ordinary shares
Interest in Options	2,500,000 options exercisable at $0.03 on or before 28 October 2017 2,500,000 options exercisable at $0.035 on or before 28 October 2018
Other Directorships	iWebGate Limited (since 23 July 2012) Kinetiko Energy Limited (since 8 December 2010) ResApp Health Limited (since 20 December 2013) Flexiroam Limited (since 18 March 2015)

Stephen Lowe	Non-Executive Director (appointed 21 October 2010)
Experience	Mr Lowe is currently the Business Manager for major shareholder and joint venture partner, Mark Creasy and is responsible for managing all aspects of Mr Creasy's business interests and investments. Mr Lowe is also former chairman of ASX Listed Sirius Resources NL. Mr Lowe is a taxation and business management specialist with over 16 years' experience in a variety of different roles. He is a former director of the Perth based specialist taxation firm MKT - Taxation Advisors. Mr Lowe has a Bachelor of Business from ECU, a Post Graduate Diploma in Advanced Taxation and a Masters of Taxation from the UNSW. Mr Lowe is a Certified Taxation Advisor and a Member of the Australian Institute of Company Directors.
Interest in Shares	8,346,766 Fully paid ordinary shares
Interest in Options	2,500,000 options exercisable at $0.03 on or before 28 October 2017 2,500,000 options exercisable at $0.035 on or before 28 October 2018
Other Directorships	Sirius Resources Limited (resigned 1 August 2013) Windward Resources Limited (appointed 18 May 2012)
Dr Robert Ramsay	Executive Director (Appointed 20 December 2012)
Experience	Dr Rob Ramsay is a Geologist with over 31 years of industry experience. He has worked across a range of commodities, which include; iron-ore, gold, base-metals, platinum group metals, fluorite, mineral sands and diamonds, in Australia and elsewhere in the World. He is a past Director of Striker Resources NL (now North Australian Diamonds) and has previously worked with, and consulted to, a range of companies that include CRA Exploration (now Rio Tinto Ltd), BHP-Billiton Ltd, Gravity Diamonds, Mineral Securities Ltd and Speewah Metals Ltd. Dr Ramsay is a Member of the Australian Institute of Geoscientists. He manages the target generation process and assists with field follow-up of exploration targets for Coziron Resources.
Interest in Shares	Nil Fully paid ordinary shares
Interest in Options	2,500,000 options exercisable at $0.03 on or before 28 October 2017 2,500,000 options exercisable at $0.035 on or before 28 October 2018
Other Directorships	Narhex Life Sciences Limited (since 20 December 2013, resigned 2 July 2015)

Company Secretary

Stephen Hewitt-Dutton

Stephen is a Chartered Accountant and is an Associate Director of Trident Capital Pty Ltd. He holds a Bachelor of Business from Curtin University and is an affiliate of the Institute of Chartered Accountants. He has over 20 years of experience in corporate finance, accounting and company secretarial matters.

Before joining Trident Capital, Stephen was an Associate Director of Carmichael Corporate where he assisted clients by providing equity market, IPO and M&A advice and assistance. He has also held Financial Controller and Company Secretary positions for both public and private companies for in excess of 17 years.

MEETINGS OF DIRECTORS

The number of directors' meetings held during the financial year and the number of meetings attended by each director is:

Director	Number Eligible to Attend	Meetings Attended
Adam Sierakowski	9	9
Stephen Lowe	9	8
Robert Ramsay	9	9

The Company does not have a formally constituted audit committee as the board considers that the Group's size and type of operation do not warrant such a committee.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Group has three projects Yaraloola, Buddadoo and KingX, and controls the exploration on the three projects. In addition, the Group is in the process of finalising acquisition of the Shepherds Well and Yarrie projects. The Group will continue exploration of all projects and also to review other potential projects with the object of increasing shareholder value.

ENVIRONMENTAL REGULATION

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 any exploration work.

Greenhouse gas and energy data reporting requirements
The group has reviewed the reporting requirements of both the *Energy Efficiency Opportunities Act 2006* and the *National Greenhouse and Energy Reporting Act 2007*. Based on the Group's current operations, they are not required to register, nor are they required to report emissions data to the Greenhouse and Energy Data Officer.

REMUNERATION REPORT (Audited)

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

The information contained in this Remuneration Report, including the amount of remunerations paid and the principles of compensation employed relate to the period up until the appointment of the Administrators. Following the successful recapitalisation of the Company the Board will establish new principles commensurate with the small scale of the Group's enterprise and the associated economic restrictions this places on the Group.

Remuneration policy
The remuneration policy of Coziron Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The board of Coziron Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to run and manage the economic entity.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity 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 executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board policy is to review executive packages annually by reference to the economic entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

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

Executives are also entitled to participate in the employee share and option arrangements. The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits. All remuneration paid to directors and executives is valued at the cost to the company and expensed. Options are valued using the Black-Scholes method.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is to be sought when required, however has not been sought during this reporting period. The maximum aggregate amount of fees that can be paid to non-executive directors is $250,000 approved by shareholders at the Annual General Meeting on 30 November 2011. Fees for non-executive directors are not linked to the performance of the economic entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

The objective of the Company's executive reward framework is set to attract and retain the most qualified and experienced directors and senior executives. The board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness
- Acceptability to shareholders
- Performance linkage
- Capital management

No remuneration consultants were engaged during the year.

Directors' fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Bonuses

No bonuses were given to key management personnel during the 2015 and 2014 years.

Performance based remuneration

The Group currently has no performance-based remuneration component built into director and executive remuneration packages given that the company is currently still in exploration phase. Therefore, all remuneration is fixed and no amount is considered at risk.

Group performance, shareholder wealth and director's and executive's remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives. During the year the Company issued options to Directors as approved at the general meeting held on 28 October 2014. The options were issued to the Directors to align the long term goals of the Directors with that of Shareholders and to establish an incentive for the Directors to provide ongoing dedicated services to the Company. The options were intended to provide remuneration to the Directors (and/or their nominees) that is linked to the performance of the Company. The benefit will only be received from the Options upon the Share price exceeding the exercise price of the Options and thereby warranting their exercise. The options are not linked to the performance of the relevant Director.

Under the Group's circumstances at the time, the Directors considered that the incentive noted above, represented by the issue of options, was a cost effective and efficient reward and incentive to provide the Directors, as opposed to alternative forms of incentive such as the payment of cash compensation only. In addition, the Directors considered it prudent to remunerate the Directors by way of options so as to preserve the cash reserves of the Company.

The following table shows the gross revenue and losses and the share price of the Group at the end of the respective financial year:

	30 June 2015	30 June 2014	30 June 2013	30 June 2012	30 June 2011
Revenue	9,562	11,002	46,006	128,506	31,178
Net Loss	5,361,215	1,631,531	2,807,436	2,079,768	773,552
Share price	0.3c	2.4c	5.5c	8.5c	3.1c

Key management personnel
The following persons were key management personnel and specified executives of Coziron Resources Limited during the financial year:

Name	***Position Held***
(i) Directors	
Adam Sierakowski	Non-Executive Chairman (Appointed 21 October 2010)
Stephen Lowe	Non-Executive Director (Appointed 21 October 2010)
Robert Ramsay	Executive Director (Appointed 20 December 2012)

Remuneration of key management personnel

2015	***Adam Sierakowski*** [1] **$**	***Stephen Lowe*** **$**	***Robert Ramsay*** **$**	***Total*** **$**
Short-term benefits	-		-	-
Cash salary and fees	64,000	49,315	183,000	296,315
Post-Employment Benefits				
Pension & Superannuation	-	4,685	-	4,685
Share-based payments	45,474	45,474	45,474	136,422
Total	**109,474**	**99,474**	**228,474**	**437,422**
Percentage of Remuneration that consists of options	**42%**	**46%**	**20%**	**31%**

2014	***Adam Sierakowski*** [1] **$**	***Stephen Lowe*** **$**	***Robert Ramsay*** **$**	***Total*** **$**
Short-term benefits				
Cash salary and fees	64,000	49,541	183,000	296,541
Post-Employment Benefits				
Pension & Superannuation	-	4,459	-	4,459
Share-based payments	-	-	-	-
Total	**64,000**	**54,000**	**183,000**	**301,000**

Note 1: Adam Sierakowski was not in receipt of any remuneration or any other fees from Coziron Resources Limited during the 2014 and 2015 financial years. Mr. Sierakowski is a director of Trident Capital Pty Ltd, to which Coziron Resources Limited paid director's fees.

Employment contracts of key management personnel
The Group does not currently have key management personnel employed under an employment contract, rather the board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is $250,000 approved by shareholders at the Annual General Meeting on 30 November 2011. Fees for non-executive directors are not linked to the performance of the economic entity.

Compensation options granted and exercised during the year ended 30 June 2015

During the year 15,000,000 options were issued by the Company to the Directors (2014: Nil). The fair value of the options issued to Directors calculated using the Black-Scholes option valuation methodology and applying the following inputs:

	3c Options	3.5c Options	Total
Grant date	28 Oct 2015	28 Oct 2015	
5 Day VWAP at 28 October 2014	$0.0209	$0.0209	
Exercise Price	3c	3.5c	
Expiry Date	28 Oct 2017	28 Oct 2018	
Risk Free Rate	3%	3%	
Volatility	75%	75%	
Value per Option	$0.0087	$0.0095	
Total Value of Options	$64,934	$71,488	$136,422
Amount Expensed in Current Year	$64,934	$71,488	$136,422
Amount to be Expensed in Future Years	$-	$-	$-

Options and rights holdings

Details of options and rights held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Name	Balance at 1 July 2014	Options Issued and Vested	Options Exercised or Expired	Bought & (Sold)	Balance at 30 June 2015
Adam Sierakowski	-	5,000,000	-	-	5,000,000
Stephen Lowe	-	5,000,000	-	-	5,000,000
Robert Ramsay	-	5,000,000	-	-	5,000,000
Total	**-**	**15,000,000**	**-**	**-**	**15,000,000**

Name	Balance at 1 July 2013	Options Issued and Vested	Options Exercised or Expired	Bought & (Sold)	Balance at 30 June 2014
Adam Sierakowski	-	-	-	-	-
Stephen Lowe	-	-	-	-	-
Robert Ramsay	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Shareholdings

Details of equity instruments (other than options and rights) held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Name	Balance at 1 July 2014	Granted as compensation	Other changes	Balance at 30 June 2015	Balance held nominally
Adam Sierakowski	6,203,800	-	2,633,131	8,836,931	8,836,931
Stephen Lowe	5,893,000	-	2,253,766	8,146,766	8,146,766
Robert Ramsay	-	-	-	-	-
Total	**12,096,800**	**-**	**4,886,897**	**16,983,697**	**16,983,697**

Name	Balance at 1 July 2013	Granted as compensation	Other changes	Balance at 30 June 2014	Balance held nominally
Adam Sierakowski	3,440,000	-	2,763,800	6,203,800	6,203,800
Stephen Lowe	5,143,000	-	750,000	5,893,000	5,893,000
Robert Ramsay	-	-	-	-	-
Total	**8,583,000**	**-**	**3,513,800**	**12,096,800**	**12,096,800**

Loans from/to key management persons

No loans were made from or to key management personnel of the Group during the 2014 and 2015 financial years.

Other transactions and balances

Corporate Finance and Legal Services
Adam Sierakowski is a Director and shareholder of Trident Capital Pty Ltd and Price Sierakowski Pty Ltd, which provided corporate finance and legal services respectively to the Group during the financial year. Trident Capital Pty Ltd also provides the group with office accommodation and services. These services provided by both parties were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amounts paid were as follows:

	2015 $	2014 $
Consulting services provided by officers recognised as an expense during the year		
- Payments to Price Sierakowski Pty Ltd, an entity in which Adam Sierakowski is a Director and shareholder, for legal services provided.	14,872	45,285
- Payments to Trident Capital Pty Ltd, an entity in which Adam Sierakowski is a Director and shareholder, for:		
- corporate financial services;	180,000	180,000
- capital raising services; and	47,201	47,529
- provision of office services.	24,000	33,000
- Payments to Trident Management Services Pty Ltd, a director related entity of Adam Sierakowski, for the provision of accounting and company secretarial.	73,665	73,475
	339,738	379,289

Aggregate amounts of liabilities at reporting date relating to consulting services with directors of the group are as follows:

	2015 $	2014 $
Current liabilities		
Price Sierakowski Pty Ltd	-	-
Rob Ramsay	-	29,434
Trident Management Services Pty Ltd	6,000	6,380
Trident Capital Pty Ltd	20,333	16,500
	26,333	52,314

Performance income as a proportion of total income
No performance-based bonuses have been paid to key management personnel during the financial year (2014: Nil).

Voting and comments made at the Group's 2014 Annual General Meeting
The Group received more than 99% of votes, of those shareholders who exercised their right to vote, in favour of the remuneration report for the 2014 financial year. The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

END OF REMUNERATION REPORT (Audited).

OPTIONS

At the date of this report there are 17,500,000 unissued ordinary shares of the Company under option.

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

PROCEEDINGS ON BEHALF OF GROUP

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

NON-AUDIT SERVICES

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor or a related practice of the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

During the 2015 year, the Group's auditors assisted the Group through the provision of taxation services and the attendance of the AGM. During the 2014 year, the Group's auditors assisted the Group through the provision of taxation services and the preparation of an Independent Expert's Report. No other non – audit services have been provided by the Group's auditors. Remuneration paid to the Group's auditors is as below:

	2015 $	2014 $
Audit services		
Amounts paid/payable to BDO Audit (WA) Pty Ltd for:		
- audit or review of the financial report for the entity or any entity in the group	33,634	33,872
Amounts paid/payable to related entities of BDO Audit (WA) Pty Ltd		
- Taxation compliance services	16,450	25,889
- Other services	-	20,400
	50,084	80,161

The Directors are also satisfied that the provision of non-audit services by the auditor, as set out in Note 10 to the financial statements, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor, and
- None of the services undermine the general principles relating to auditor's independence as set out in APES110: Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 for the year ended 30 June 2015 is set out on page 29.

This report is signed in accordance with a resolution of the Board of Directors.

Adam Sierakowski
Director
Dated this 25th day of September 2015

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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF COZIRON RESOURCES LIMITED

As lead auditor of Coziron Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Coziron Resources Limited and the entities it controlled during the period.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 25 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
Revenue from continuing operations	6	9,562	11,002
Depreciation and amortisation expense	7	(6,961)	(5,416)
Interest expense		-	(2,421)
Compliance and professional fees		(373,762)	(468,504)
Occupancy expenses	7	(24,000)	(33,000)
Administration expenses		(57,710)	(58,764)
Directors' fees		(118,000)	(136,000)
Share based payments expense		(159,158)	-
Exploration costs	7	(1,066,384)	(978,422)
Stamp duty on acquisition of subsidiaries		-	39,994
Stamp duty on acquisition of tenements		(217,420)	-
Impairment of exploration assets	15	(3,347,382)	
(Loss) before income tax		**(5,361,215)**	**(1,631,531)**
Income tax expense	8		-
(Loss) after income tax for the year		**(5,361,215)**	**(1,631,531)**
Other comprehensive loss for the year		-	-
Total comprehensive loss for the year		**(5,361,215)**	**(1,631,531)**
Loss and total comprehensive loss is attributable to:			
Owners of Coziron Resources Limited		(5,361,215)	(1,631,531)
		Cents	**Cents**
(Loss) per share attributable to the ordinary equity holders of the company			
Basic and diluted loss per share	9	(0.45)	(0.16)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	2015 $	2014 $
ASSETS			
Current Assets			
Cash and cash equivalents	11	1,632,883	1,079,641
Trade and other receivables	12	103,129	161,284
Total Current Assets		**1,736,012**	**1,240,925**
Non-Current Assets			
Property, plant and equipment	14	38,605	45,566
Exploration assets and exploration expenditure	15	10,397,422	12,744,804
Total Non-Current Assets		**10,436,027**	**12,790,370**
TOTAL ASSETS		**12,172,039**	**14,031,295**
LIABILITIES			
Current Liabilities			
Trade and other payables	16	89,578	2,353,836
Total Current Liabilities		**89,578**	**2,353,836**
TOTAL LIABILITIES		**89,578**	**2,353,836**
NET ASSETS		**12,082,461**	**11,677,459**
EQUITY			
Contributed equity	17	24,268,792	18,661,733
Reserves		159,158	-
Accumulated losses	19	(12,345,489)	(6,984,274)
TOTAL EQUITY		**12,082,461**	**11,677,459**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Cash paid to suppliers and employees		(617,902)	(762,841)
Interest received		9,562	13,442
Payment of stamp duty on acquisition		(217,420)	(584,084)
Payments for exploration expenditure		(1,221,935)	(915,269)
Net cash (outflow) from operating activities	21	**(2,047,695)**	**(2,248,752)**
Cash flows from investing activities			
Payments for property, plant and equipment		(6,122)	(769)
Net cash (outflow) from investing activities		**(6,122)**	**(769)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares	17	2,663,435	2,552,000
Payments for share issue costs		(56,376)	(142,467)
Net cash inflow from financing activities		**2,607,059**	**2,409,533**
Net increase in cash and cash equivalents		553,242	160,012
Cash and cash equivalents at beginning of year		1,079,641	919,629
Cash and cash equivalents at end of year	11	**1,632,883**	**1,079,641**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
At 1 July 2014	**18,661,733**	**-**	**(6,984,274)**	**11,677,459**
Total comprehensive loss for the year	-		(5,361,215)	(5,361,215)
Transactions with owners in their capacity as owners				
Shares issued – Placement	767,500		-	767,500
Shares issued – Entitlement issue	1,895,935			1,895,935
Shares issued – Acquisition	878,517		-	878,517
Shares issued – Debt repayment	2,121,483			2,121,483
Options issued	-	159,158	-	159,158
Share issue costs	(56,376)		-	(56,376)
At 30 June 2015	**24,268,792**	**159,158**	**(12,345,489)**	**12,082,461**
At 1 July 2013	**16,252,200**		**(5,352,743)**	**10,899,457**
Total comprehensive loss for the year	-		(1,631,531)	(1,631,531)
Transactions with owners in their capacity as owners				
Shares issued – Placement	2,552,000		-	2,552,000
Shares issued – Acquisition	-		-	-
Share issue costs	(142,467)		-	(142,467)
At 30 June 2014	**18,661,733**		**(6,984,274)**	**11,677,459**

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

1. CORPORATE INFORMATION

The consolidated financial report of Coziron Resources Limited for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 25 September 2015 and covers Coziron Resources Limited as an individual entity as well as the Consolidated Entity consisting of Coziron Resources Limited and its subsidiaries as required by the *Corporations Act 2001*.

The consolidated financial report is presented in the Australian currency.

Coziron Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. Coziron is a for profit entity.

2. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Coziron Resources Limited as an individual entity and the consolidated entity consisting of Coziron Resources Limited and its subsidiaries.

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Interpretations and the *Corporations Act 2001.* Coziron Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Compliance with IFRS
Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report complies with International Financial Reporting Standards (IFRS)

Historical cost convention
These financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group has incurred a net loss after tax for the year ended 30 June 2015 of $5,361,215 (2014: $1,631,531) and experienced net cash outflows from operating activities of $2,047,695 (2014: $2,248,752). At 30 June 2015, the Group had current assets of $1,736,012 (2014: $1,240,925).

The Directors believe there are sufficient funds to meet the Group's working capital requirements and as at the date of this report the Group believes it can meet all liabilities as and when they fall due. However the Directors recognise that additional funding either through the issue of further shares, convertible notes or a combination of both will be required for the Group to continue to actively explore its mineral properties.

The Directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing additional funds through debt or equity issues or partial sale of its mineral properties as and when the need to raise working capital arises.

Should the Directors not achieve the matters set out above, there is material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and liabilities in the normal course of business.

The financial report does not include any adjustments that may be necessary if the Group is unable to continue as a going concern.

(b) Basis of Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of Coziron Resources Limited and its subsidiaries at 30 June each year ("the Group"). Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless costs cannot be recovered.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

Subsidiaries are accounted for in the parent entity's financial statements at cost.

Associates

Associates are entities over which the Group has significant influence but not control. Associates are accounted for in the parent entity's financial statements at cost and the consolidated financial statements using the equity method of accounting. Under the equity method of accounting, the consolidated income statement reflects the Group's share of associates' post-acquisition profits or losses and the consolidated statement of financial position reflects the Group's share of post-acquisition movements in reserves or equity. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the parent entity's statement of profit or loss and other comprehensive income but rather reduce the carrying amount of the investment in the consolidated financial statements.

When the Group's share of post-acquisition losses in an associate exceeds its interest in the associate (including any unsecured receivables), the Group does not recognise further losses unless it has obligations to, or has made payments, on behalf of the associate.

The financial statements of the associates are used to apply the equity method. The reporting dates of the associates and the parent are identical and both use consistent accounting policies.

(c) Foreign Currency Translation

The functional and presentation currency of Coziron Resources Limited and its subsidiaries is Australian dollars (AUD).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in the statement of profit or loss and other comprehensive income, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(d) Segment Reporting

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

(e) Revenue Recognition

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest
Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(f) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

(g) Impairment of Assets

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the statement of profit or loss and other comprehensive income where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

(h) Cash and Cash Equivalents

For consolidated statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated statement of financial position.

(i) Trade Receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will not be able to collect all amounts due according to the original terms.

(j) Impairment of Financial Assets

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

(k) Fair Values

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures.

Fair values for financial instruments traded in active markets are based on quoted market prices at reporting date. The quoted market price for financial assets is the current bid price and the quoted market price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at reporting date. The fair value of long-term debt instruments is determined using quoted market prices for similar instruments. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments. The fair value of forward exchange contracts is determined using forward exchange market rates at reporting date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

(l) Exploration, Evaluation and Development Expenditure

Exploration and evaluation costs including costs of studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities along with those for general and administrative costs are expensed in the period they are incurred. Acquisition costs of acquiring are capitalised until the viability of the area of interest is determined. Those acquisition costs are carried forward when the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

   a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

   b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(m) Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Vehicles	3 – 5 years
- Furniture, fittings and equipment	3 – 8 years
- Plant and equipment	10 – 15 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(g)).

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of profit or loss and other comprehensive income in the year that the item is derecognised.

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

(o) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(p) Employee Benefit Provisions

Short term obligations
Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in respect of employees' services rendered up to reporting date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and

measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual sick leave are included as part of Employee Benefit Provisions.

Other Long term employee benefit obligations
Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the reporting date using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at reporting date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(q) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

(r) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing the net loss attributable to equity holders of the Group, 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.

Diluted earnings per share
Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(s) Goods and Services Tax (GST)

Revenues, expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(t) New and amended standards adopted by the Group

The group has applied the following standards and amendments for first time for their annual reporting period commencing 1 July 2014:

- AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, AASB 128 Investments in Associates and Joint Ventures, AASB 127

Separate Financial Statements and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards.

- AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and other Amendments which provides an exemption from the requirement to disclose the impact of the change in accounting policy on the current period.
- AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13.
- AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011).
- AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle, and
- AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities.

None of these standards have altered any amounts in the current or prior periods and are not likely to impact future periods.

(u) New Accounting Standards not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods. The Group's assessment of the impact of these applicable new standards and interpretations is set out below:

Reference	Title	Nature of Change	Application date of standard	Impact on Group financial statements	Application date for Group
AASB 9 (issued December 2009 and amended December 2010)	Financial Instruments	Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 have been eliminated. Under AASB 9, there are three categories of financial assets: • Amortised cost • Fair value through profit or loss • Fair value through other comprehensive income. AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.	1 January 2017	Adoption of AASB 9 is only mandatory for the year ending 30 June 2018. The entity has not yet made an assessment of the impact of these amendments.	1 July 2017
IFRS 15 (issued June 2014)	Revenue from contracts with customers	An entity will recognise revenue to depict the transfer of promised good or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.	Annual reporting periods beginning on or after 1 January 2017	Due to the recent release of this standard, the entity has not yet made a detailed assessment of the impact of this standard.	I July 2017
AASB 2012-6 (issued September 2012)	Amendments to Australian Accounting Standards - Mandatory Effective Date of	Defers the effective date of AASB 9 to 1 January 2015. Entities are no longer required to restate comparatives on first time adoption. Instead, additional disclosures on the effects of transition are required.	1 January 2015	As comparatives are no longer required to be restated, there will be no impact on amounts recognised in the financial statements. However,	1 July 2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Reference	Title	Nature of Change	Application date of standard	Impact on Group financial statements	Application date for Group
	AASB 9 and Transition Disclosures			additional disclosures will be required on transition, including the quantitative effects of reclassifying financial assets on transition.	
AASB 2014-1	Amendments to Australian Accounting Standards [Operative dates: Parts A-C – 1 Jul 2014; Part D – 1 Jan 2016; Part E – 1 Jan 2015]	Non-urgent but necessary changes to standards arising from Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle	1 July 2014, 1 January 2016,	There will be no impact on the financial statements when these amendments are first adopted because this is a disclosure standard only. However, as the group currently engages the services of a management entity, additional disclosures will be required when this amendment is adopted for the first time for the year ended 30 June 2015.	1 July 2014, 1 July 2015, 1 July 2016

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. There are no estimates, assumptions or judgments that are expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, except for the following:

Exploration and Evaluation Assets

Acquisition, exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. As there has been no active and significant operations in or relating to the KingX project the value of the exploration asset and expenditure in relation to that project has been impaired at the reporting date.

Share Based Payments

The Group measures the cost of equity-settled transactions with other parties by reference to the fair value of the goods or services received. Where the fair value of the goods or services cannot be reliably determined, or where the goods or services cannot be identified, the Group measures the cost of the transaction by reference to the fair value of the equity instruments granted.

The Group measures the cost of equity-settled transactions with directors and the company secretary by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, using assumptions detailed in Note 21.

4. SEGMENT REPORTING

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

Coziron Resources Limited operates in the mineral exploration industry in Australia.

Given the nature of the Group, its size and current operations, management does not treat any part of the Group as a separate operating segment. Internal financial information used by the Group's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

The Group's management operate the business as a whole without any special responsibilities for any separately identifiable segments of the business.

Accordingly the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

5. PARENT INFORMATION

STATEMENT OF FINANCIAL POSITION

	2015 $	2014 $
Assets		
Current assets	1,703,463	1,208,327
Non-current assets	10,468,576	11,107,566
Total assets	**12,172,039**	**12,315,893**
Liabilities		
Current liabilities	89,578	416,545
Non-current liabilities	-	-
Total liabilities	**89,578**	**416,545**
Equity		
Contributed equity	24,268,792	18,661,733
Reserves	159,158	-
Accumulated losses	(12,345,489)	(6,762,385)
Total equity	**12,082,461**	**11,899,348**
Total loss for the year	(5,093,783)	(1,631,674)
Total comprehensive income	(5,093,783)	(1,631,674)

Guarantees
Coziron Resources Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debt of its subsidiaries

Contractual Commitments
At 30 June 2015, Coziron Resources Limited has not entered into any contractual commitments for the acquisition of property, plant and equipment (2014: Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

6. REVENUE

	2015 $	2014 $
From continuing operations		
Interest Income	9,562	11,002
	9,562	11,002

7. EXPENSES

	2015 $	2014 $
Profit/(Loss) before income tax includes the following specific expenses:		
Depreciation expense	6,961	5,416
Employee benefits expense	159,158	-
Occupancy expenses	24,000	33,000
Other		
Exploration costs	1,066,384	978,422

8. INCOME TAX EXPENSE

	2015 $	2014 $
Income tax expense		
Current tax expense	-	-
Deferred tax expense	-	-
Total income tax expense	-	-
Reconciliation of the effective tax rate		
Loss before income tax expense	(5,361,215)-	(1,631,531)
Prima facie income tax benefit 30% (2014: 30%)	(1,608,364)	(489,459)
Non-deductible expenses:		
- Fines and penalties	-	1,170
- Other	69,511-	(19,775)
- Impairment of exploration assets	1,004,215	-
Add/(Deduct) adjustments due to:		
- Revenue losses not recognised as own asset	498,024	3,580,189
- Unrecognised temporary differences current year	25,339	(85,558)
- Unrecognised temporary differences prior year	-	(2,963,538)
- Adjustments for current tax of prior periods	-	(38,957)
- Unrecognised deductible temporary differences	-	
o Capital raising costs recognised in equity	11,275	15,928
	-	-
Income tax expense	-	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

8. INCOME TAX EXPENSE (Continued)

	2015 $	2014 $
Unrecognised deferred tax assets		
Unused tax losses for which no deferred tax asset has been recognised:		
- Carry forward revenue losses prior year	18,927,057	16,948,317
- Carry forward revenue losses current year	1,660,080	1,978,740
- Carry forward capital losses prior year	7,232,563	7,232,563
- Carry forward foreign losses		-
	27,819,700	26,159,620
Tax on losses at 30% (2014: 30%)	8,345,910	7,847,886
Deferred tax assets have not been recognised in the statement of financial position for the following items:		
Deductible temporary differences		
- Amounts deductible under Sec 40-880	91,254	110,132
- Accrued expenditure	38,333	14,000
- Difference between accounting and tax written down value	3,727	3,727
	133,314	127,859
Tax on timing differences at 30% (2014: 30%)	39,994	38,358
Unrecognised deferred tax assets in equity		
Sec 40-880 Capital raising costs	179,781	187,773
Tax on losses at 30% (2014: 30%)	53,934	56,332
Unrecognised deferred tax liabilities		
- Prepayments	20,254	42,118
- Accrued interest	-	541
- Deferred exploration expenditure	7,980,000	11,060,000
	8,000,254	11,102,659
Tax on timing differences at 30% (2014: 30%)	2,400,076	3,330,798

The tax benefits of the above deferred tax assets will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the Group in utilising the benefits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

9. LOSS PER SHARE

Reconciliation of earnings used in calculating loss per share

	2015 $	2014 $
Basic loss per share		
Loss from operations attributable to ordinary equity holders of Coziron Resources Limited used to calculate basic loss per share	5,361,215	(1,631,531)

	2015 Number	2014 Number
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	1,186,907,837	1,010,201,325

The Company’s potential ordinary shares, being options granted, are not considered dilutive as conversion of these shares would result in a decrease in the net loss per share.

10. AUDITOR'S REMUNERATION

	2015 $	2014 $
Audit services		
Amounts paid/payable to BDO Audit (WA) Pty Ltd for:		
- audit or review of the financial report for the entity or any entity in the group	33,634	33,872
Amounts paid/payable to related entities of BDO Audit (WA) Pty Ltd		
- Taxation compliance services	16,450	25,889
- Other services	-	20,400
	50,084	80,161
Amounts paid/payable to other audit firms for:		
- audit or review of the financial report for the entity or any entity in the group	-	-
- Other services	-	-
	50,084	80,161

11. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	31,534	4,427
Cash management account	1,601,349	575,214
Term deposit	-	500,000
	1,632,883	1,079,641

Cash at bank and in hand, are interest bearing (2014: interest bearing) and at call. Funds held in term deposit are interest bearing and held, on average, at a term of less than 90 days.

Reconciliation of Cash

The above figures are reconciled to the cash at the end of the financial year as shown in the statement of cash flows as follows:

	2015 $	2014 $
Balances as above	1,632,883	1,079,641
Balances per statement of cash flows	1,632,883	1,079,641

The Groups exposure to interest rate risk is discussed in Note 20. The maximum exposure to interest rate risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

12. TRADE AND OTHER RECEIVABLES

Deposits and interest receivable	6,000	4,541
Prepaid insurance	20,254	24,261
Prepaid tenement rent	50,114	39,206
GST receivable	25,180	91,695
Other receivables	1,581	1,581
	103,129	161,284

As of 30 June 2015, there were no trade or other receivables which were past due but not impaired.
Please refer to Note 20 for assessment of Financial Risk Management.

13. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2(b).

	Country of incorporation	Class of shares	Equity holding	
			2015 $	2014 $
Zanthus Resources Pty Ltd	Australia	Ordinary	100%	100%
Buddadoo Metals Pty Ltd	Australia	Ordinary	100%	100%
KingX Pty Ltd	Australia	Ordinary	100%	100%

* the proportion of ownership interest is equal to the proportion of voting power held.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

14. PROPERTY, PLANT AND EQUIPMENT

	2015 $	2014 $
Motor vehicles		
At cost	40,595	40,595
Accumulated depreciation	(9,368)	(5,945)
	31,227	34,650
Software		
At cost	13,282	13,282
Accumulated depreciation	(6,430)	(3,109)
	6,852	10,173
Plant and equipment		
At cost	769	769
Accumulated depreciation	(243)	(26)
	526	743

Reconciliation

	2015 $	2014 $
Motor vehicles		
Opening balance	34,650	38,250
Additions	-	-
Depreciation charge for the year	(3,423)	(3,600)
Closing balance, net of accumulated depreciation and impairment	31,227	34,650
Software		
Opening balance	10,173	5,841
Additions	-	6,122
Depreciation charge for the year	(3,321)	(1,790)
Closing balance, net of accumulated depreciation and impairment	6,852	10,173
Plant and equipment		
Opening balance		-
Additions	743	769
Depreciation charge for the year	(217)	(26)
Closing balance, net of accumulated depreciation and impairment	526	743
	38,605	45,566

15. EXPLORATION ASSETS

	2015 $	2014 $
Exploration and evaluation phases		
At cost	13,744,804	12,744,804
Accumulated amortisation (and impairment)	(3,347,382)	-
	10,397,422	12,744,804

Reconciliations

	2015 $	2014 $
Exploration and evaluation phases		
Balance at beginning of year	12,744,804	12,744,804
Add: Acquisition of Shepherds Well tenement	1,000,000	-
Exploration expenditure capitalised during the year	-	-
Exploration expenditure impaired	(3,347,382)	-
Balance at end of period	10,397,422	12,744,804
Exploration expenditure expensed during the year	1,066,384	978,422

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale 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.

The Directors have resolved that they will not be conducting further exploration of the KingX Manganese project. Accordingly the carrying value of the project has been fully impaired at 30 June 2015.

16. TRADE AND OTHER PAYABLES

	2015 $	2014 $
Trade payables	43,889	334,503
Accruals	38,333	19,333
Employee entitlements	7,356	-
Other payables	-	2,000,000
	89,578	2,353,836

Other payables at 30 June 2014 represent amounts payable to the Creasy Group under the terms of the acquisition of Zanthus Resources Pty Ltd, Buddadoo Metals Pty Ltd and KingX Pty Ltd. The amount represents prior exploration expenditure by the Creasy Group on the projects acquired by the Group. Under the terms of the Agreement the amount was be repaid through the issue of shares. The Company issued a Notice of General Meeting and at a meeting of Shareholders on 28 October 2014 the Shareholders approved the issue of shares to the Creasy Group in satisfaction of the full amount payable.

17. CONTRIBUTED EQUITY

	2015		2014	
	Number	**$**	**Number**	**$**
Share capital				
Ordinary shares				
- Fully paid	1,318,656,235	24,682,885	1,102,743,654	19,019,450
- Capital raising costs	-	(414,093)	-	(357,717)
	1,318,656,235	24,268,792	1,102,743,654	18,661,733
Total contributed equity		24,268,792		18,661,733

Movements in ordinary shares

Date	Details	Number	Issue price	$
1 July -13	**Opening Balance**	975,143,654		16,252,200
19-Mar-14	Issue of shares – placement	96,050,000	$0.02	1,921,000
26-Mar-14	Issue of shares – placement	28,300,000	$0.02	566,000
12-Jun-14	Issue of shares – placement	3,250,000	$0.02	65,000
	Less: Transaction costs arising on shares issued	-		(142,467)
30-Jun-14	**Closing Balance**	1,102,743,654		18,661,733
4-Nov-14	Issue of shares – Acquisition of Shepherds Well	10,000,000	$0.087	878,517
4-Nov-14	Issue of shares – Extinguish Creasy liability	66,666,666	$0.03	2,000,000
20-Nov-14	Issue of shares – placement	38,375,000	$0.02	767,500
6-Mar-15	Issue of shares – payment of Shepherds Well cash consideration	6,074,150	$0.02	121,483
29-May-15	Issue of shares – Entitlement Offer	94,796,765	$0.02	1,895,935
	Less: Transaction costs arising on shares issued	-		(56,376)
30-Jun-15	**Closing Balance**	1,318,656,235		24,268,792

Ordinary shares

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

Options

	2015 No.	2015 Weighted average exercise price	2014 No.	2014 Weighted average exercise price
Outstanding at beginning of year	-	-	-	-
Issued during the year	17,500,000	0.0325	-	-
Outstanding at the end of the year	17,500,000	0.0325	-	-
Exercisable at the end of the year	17,500,000	0.0325	-	-

Capital risk management

The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

18. RESERVES

	2015 $	2014 $
Share based payments reserve	159,158	-

The share-based payments reserve arises on the grant of share options to directors and the company secretary (no grants were made in the prior financial year). Amounts are transferred out of the reserve and into issued capital when options are exercised. See note 22 for details of the calculation of the fair value of options issued.

19. ACCUMULATED LOSSES

Movements in accumulated losses

	2015 $	2014 $
Balance at start of year	(6,984,274)	(5,352,743)
Net (loss) for the year	(5,361,215)	(1,631,531)
Balance at end of year	(12,345,489)	(6,984,274)

20. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The Group's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as other debtors and creditors which arise directly from its operations. For the current financial year, it has been the Group's policy not to trade in financial instruments

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and credit risk. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

All loans to subsidiary companies are eliminated on consolidation and therefore do not expose the group to currency risk.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The Groups' risk management policies and objectives are designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

(b) Market Risk

Market risk arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk).

Interest rate risk

The Group is exposed to movements in market interest rates on short term deposits. The Directors monitor the Group's cash position relative to the expected cash requirements. Where appropriate, surplus funds are placed on deposit earning higher interest. The Group does not have short or long term debt, and therefore this risk is minimal. The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

2015

		Fixed interest maturing in				
	Floating rates $	**< 1 year $**	**1 - 5 years $**	**> 5 years $**	**Non-interest bearing $**	**Total $**
Financial assets						
Cash and cash equivalents	1,632,883	-	-	-	-	1,632,883
Trade and other receivables	-	-	-	-	103,129	103,129
	1,632,883	-	-	-	103,129	1,736,012
Weighted average interest rate	1.47%	-	-	-	-	1.47%
Financial liabilities						
Trade and other payables	-	-	-	-	89,578	89,578
	-	-	-	-	89,578	89,578
Weighted average interest rate	-	-	-	-	-	-

2014

		Fixed interest maturing in				
	Floating rates $	**< 1 year $**	**1 - 5 years $**	**> 5 years $**	**Non-interest bearing $**	**Total $**
Financial assets						
Cash and cash equivalents	579,641	500,000	-	-	-	1,079,641
Trade and other receivables	-	-	-	-	161,284	161,284
	579,641	500,000	-	-	161,284	1,240,925
Weighted average interest rate	2.22%	3.29%	-	-	-	2.72 %
Financial liabilities						
Trade and other payables	-	-	-	-	2,353,836	2,353,836
	-	-	-	-	2,353,836	2,353,836
Weighted average interest rate	-	-	-	-	-	-

20. FINANCIAL RISK MANAGEMENT (Continued)

Group sensitivity
At 30 June 2015, if interest had changed by -/+ 100 basis points from the year end rates with all other variables held constant, pre-tax profit for the year would have increased/decreased by $16,329 (2014 – change of 100 basis points; $10,796 lower/higher). The group's interest income from the comparative financial years comes solely from the parent entity.

(c) Credit Risk

Credit risk is managed on a group basis. Credit risk arises mainly from cash and cash equivalents, and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk. As at 30 June 2015, the group held cash at bank with financial institutions with an S&P rating of AA.

(d) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments, e.g. borrowing repayments. The Group actively manages its operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements. The Group does not have any overdraft, loans or borrowings facilities from financial institutions as at reporting date.

Maturity analysis for financial liabilities
Financial liabilities of the Group include trade and other payables and employee entitlements. As at 30 June 2015 and 30 June 2014 trade payables and employee entitlements are contractually due within 60 days.

Other payables at 30 June 2014 represent amounts payable to the Creasy Group under the terms of the acquisition of Zanthus Resources Pty Ltd, Buddadoo Metals Pty Ltd and KingX Pty Ltd. The amount represents prior exploration expenditure by the Creasy Group on the projects acquired by the Group. Under the terms of the Agreement the amount was be repaid through the issue of shares. The Company issued a Notice of General Meeting and at a meeting of Shareholders on 28 October 2014 the Shareholders approved the issue of shares to the Creasy Group in satisfaction of the full amount payable.

(e) Fair Values

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The same applies to the carrying value of cash and cash equivalents.

(f) Foreign exchange risk

The Consolidated Entity transacts in Australian dollars and therefore does not participate in the use of derivative financial instruments. Minor exposure to foreign exchange transactions may occur if the Consolidated Entity's transacts in other jurisdictions arising from variations in the Australian exchange rate. The impact of these foreign exchange rate differences are not material, therefore the Consolidated Entity considers there is no material foreign exchange risk present.

21. CASH FLOW INFORMATION

	2015 $	2014 $
Reconciliation of (loss) after income tax to net cash flow from operating activities		
(Loss) for the year	(5,361,215)	(1,631,531)
Depreciation and amortisation	6,961	5,416
Impairment of exploration assets	3,347,382	-
Share based payments	159,158	-
Change in operating assets		
- (increase)/decrease in trade and other receivables	65,056	(45,061)
- (increase)/decrease in prepayments	(6,901)	(41,397)
- increase/(decrease) in trade and other payables	(258,136)	(536,179)
Net cash flow from operating activities	(2,047,695)	(2,248,752)

Non-cash financing activities

During the financial year the Company issued:

- 66,666,666 ordinary shares in settlement of the cash consideration payable in relation to the acquisition of Zanthus Resources Pty Ltd, Buddadoo Metals Pty Ltd and KingX Pty Ltd.
- 10,000,000 ordinary shares as consideration for the acquisition of the Shepherds Well tenement.
- 6,074,150 ordinary shares in settlement of the cash consideration payable in relation to the acquisition of the Shepherds Well tenement.

22. SHARE BASED PAYMENTS

Ordinary Shares

	2015 $	2014 $
Shares provided in respect of acquisition of Shepherds Well tenement	1,000,000	-
Shares provided in respect of the repayment of the Creasy Group liability (Notes 16,17)	2,000,000	-
Total share based payments	3,000,000	-

The acquisition of the Shepherds Well tenement is accounted as a share based payment under AASB 2. A share based payment transaction arises whereby Coziron Resources Limited has issued 10 million shares in exchange for a 70% interest in the tenement, and a further 6,074,150 shares in settlement of the cash consideration. The amount recognised as issued equity instruments in the consolidated financial statements has been determined by adding the share based payment to the issued capital of Coziron Resources Limited on the date of the acquisition. The value of the share based payment is based on the fair value of the acquisitions as determined by an external valuation that was performed during the acquisition process.

The repayment of the Creasy Group Liability is accounted as a share based payment under AASB 2. A share based payment transaction arises whereby Coziron Resources Limited has issued 66,666,666 shares in satisfaction of the $2,000,000 owed to Creasy Group in relation to the acquisition of Zanthus Resources Pty Ltd, Buddadoo Metals Pty Ltd and KingX Pty Ltd. The amount recognised as issued equity instruments in the consolidated financial statements has been determined by adding the share based payment to the issued capital of Coziron Resources Limited on the date the shares were issued. The value of the share based payment is based on the fair value of the liability extinguished.

Options
During the half year, $159,158 (2014: $Nil) was recognised as a share based payment made to the Directors and Company Secretary of the Company. The issue of options to the Directors was as approved at the General Meeting held on 28 October 2014. The fair value of the options as determined using the Black-Scholes option valuation methodology and applying the following inputs:

Summary of options granted during the year:

2015

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
28 Oct 2014	28 Oct 2017	$0.03	-	8,750,000	-	-	8,750,000
28 Oct 2014	28 Oct 2018	$0.035	-	8,750,000	-	-	8,750,000
			-	17,500,000	-	-	17,500,000

There were no options granted or on issue during the year ended 30 June 2014.

	3c Options	**3.5c Options**	**Total**
5 Day VWAP at 28 October 2014	$0.0209	$0.0209	
Exercise Price	3c	3.5c	
Expiry Date	28 Oct 2017	28 Oct 2018	
Risk Free Rate	3%	3%	
Volatility	75%	75%	
Value per Option	$0.0087	$0.0095	
Total Value of Options	$75,755	$83,403	$159,158
Amount Expensed in Current Year	$75,755	$83,403	$159,158
Amount to be Expensed in Future Years	$-	$-	$-

No other share based payment transactions were entered into during the period and at the time of this report the Group does not have a formal employee option plan in place.

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.83 years (2014: Nil).

23. RELATED PARTY TRANSACTIONS

Parent entity
Coziron Resources Limited is the ultimate parent entity of the Group.

Subsidiaries
Interests in subsidiaries are disclosed in Note 13.

Transactions with related parties
Transactions with related parties are disclosed in Note 0.

Outstanding balances
Outstanding balances in relation to transactions with related parties are disclosed in Note 0.

24. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

	2015 $	2014 $
Short-term benefits	296,315	296,541
Post-employment benefits	4,685	4,459
Share based payment	136,422	-
	437,422	301,000

Further details of compensation of the key management personnel of Coziron Resources Limited are set out in the Remuneration Report on page 22.

Corporate Finance and Legal Services

Adam Sierakowski is a Director and shareholder of Trident Capital Pty Ltd and Price Sierakowski Pty Ltd, which provided corporate finance and legal services respectively to the Group during the financial year. Trident Capital Pty Ltd also provides the group with office accommodation and services. These services provided by both parties were based upon normal commercial terms and conditions no more favourable than those available to other parties. The amounts paid were as follows:

	2015 $	2014 $
Consulting services provided by officers recognised as an expense during the year		
- Payments to Price Sierakowski Pty Ltd, an entity in which Adam Sierakowski is a Director and shareholder, for legal services provided.	14,872	45,285
- Payments to Trident Capital Pty Ltd, an entity in which Adam Sierakowski is a Director and shareholder, for:		
- corporate financial services;	180,000	180,000
- capital raising services; and	47,201	47,529
- provision of office services.	24,000	33,000
- Payments to Trident Management Services Pty Ltd, a director related entity of Adam Sierakowski, for the provision of accounting and company secretarial.	73,665	73,475
	339,738	379,289

Company secretarial and accounting services

Stephen Hewitt-Dutton is an employee of Trident Management Services Pty Ltd, a director related entity of Adam Sierakowski. Trident Management Services Pty Ltd provided accounting and company secretarial services during the financial year. The services were provided on normal commercial terms and conditions no more favourable than those available to other parties. The amounts paid were as follows:

	2015 $	2014 $
Consulting services provided by officers recognised as an expense during the year		
- Stephen Hewitt-Dutton	73,665	73,475
	73,665	**73,475**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Aggregate amounts of liabilities at reporting date relating to consulting services with directors of the group are as follows:

	2015 $	2014 $
Current liabilities		
Price Sierakowski Pty Ltd	-	-
Rob Ramsay	-	29,434
Trident Management Services Pty Ltd	6,000	6,380
Trident Capital Pty Ltd	20,333	16,500
	26,333	52,314

25. CONTINGENCIES

As at the date of the report, the Directors are not aware of any material contingent liabilities that would require disclosure.

26. COMMITMENTS

Exploration commitments	**2015** **$**	**2014** **$**
Payable:		
Within one year	1,418,793	1,387,817
Later than one year but not later than 5 years	2,869,865	4,170,742
Later than 5 years	-	10,586
	4,288,659	**5,569,145**

27. EVENTS OCURRING AFTER THE REPORTING PERIOD

There has not been any matter or circumstance that has arisen after reporting date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2015

The directors of Coziron Resources Limited declare that:

1. The financial statements and notes of the consolidated entity, as set out on pages 30 to 56 are in accordance with the *Corporations Act 2001* and:

    (a) comply with Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements; and
    (b) give a true and fair view of the financial position as at 30 June 2015 and of its performance for the year ended on that date ;

2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Company Secretary has declared that:

1) the financial records of the Group for the financial year have been properly maintained in accordance with s286 of the Corporations Act 2001;

2) the financial statement and notes for the financial year comply with Accounting Standards; and

3) the financial statement and notes for the year give a true and fair view;

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:

Adam Sierakowski
Chairman

Dated 25 September 2015

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INDEPENDENT AUDITOR'S REPORT

To the members of Coziron Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Coziron Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the 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 2(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

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

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

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

Independence

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

Opinion

In our opinion:

(a) the financial report of Coziron Resources 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 2015 and of its performance for the year ended on that date; and

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

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

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2(a) in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon securing additional funds through debt or equity issues or partial sale of its mineral properties as and when the need to raise working capital arises. This condition, along with other matters as set out in Note 2(a), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. 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 Coziron Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 25 September 2015

The Board is responsible for establishing the Company's corporate governance framework. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

The Corporate Governance Statement discloses the extent to which the Company follows the recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at www.coziron.com under the section marked "Corporate Governance":

a) Board Charter;

b) Board Performance Evaluation Policy;

c) Code of Conduct;

d) Audit Committee Charter;

e) Remuneration and Nomination Committee Charter;

f) Security Trading Policy;

g) Continuous Disclosure Policy;

h) Shareholder Communication and Investor Relations Policy;

i) Risk Management Policy; and

j) Diversity Policy.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management, and has documented this in its Board Charter.

The responsibilities of the Board include but are not limited to:

a) setting and reviewing strategic direction and planning;

b) reviewing financial and operational performance;

c) identifying principal risks and reviewing risk management strategies; and

d) considering and reviewing significant capital investments and material transactions.

In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, co-ventures, the government and the community.

The Board has delegated responsibility for the business operations of the Company to the Chief Executive Officer (currently the Executive Director) and the management team. The management team, led by the Chief Executive Officer is accountable to the Board.

Recommendation 1.2

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect a director.

The checks which are undertaken, and the information provided to shareholders, are set out in the Company's Remuneration and Nomination Committee Charter.

Recommendation 1.3

The Company has a written agreement with each of the Directors. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors will be disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

Recommendation 1.4

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

a) ensuring a good flow of information between the Board, its committees, and Directors;

b) monitoring policies and procedures of the Board;

c) advising the Board through the Chairman of corporate governance policies; and

d) conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes.

Recommendation 1.5

The Company has a Diversity Policy, the purpose of which is:

a) to outline the Company's commitment to creating a corporate culture that embraces diversity and, in particular, focuses on the composition of its Board and senior management; and

b) to provide a process for the Board to determine measurable objectives and procedures which the Company will implement and report against to achieve its diversity goals.

The Board intends to set measurable objectives for achieving diversity, specifically including gender diversity and will review and report on the effectiveness and relevance of these measurable objectives. However, due to the current size of the Board and management, these measurable objectives have not yet been set.

Recommendation 1.6

The Chief Executive Officer will be responsible for evaluating the performance of the Company's senior executives in accordance with the process disclosed in the Company's Process for Performance Evaluations, which is currently being developed by the Board.

The Chair will be responsible for evaluating the performance of the Company's Chief Executive Officer in accordance with the process disclosed in the Company's Process for Performance Evaluations, which is currently being developed by the Board.

During the reporting period, an evaluation of the Chief Executive Officer has taken place with the Board pleased with performance.

Recommendation 1.7

The Chair will be responsible for evaluating the performance of the Board, Board committees and individual directors in accordance with the process disclosed in the Company's Board performance evaluation policy.

This policy is to ensure:

a) individual Directors and the Board as a whole work efficiently and effectively in achieving their functions;

b) the executive Directors and key executives execute the Company's strategy through the efficient and effective implementation of the business objectives; and

c) committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in the board charter.

This policy will be reviewed annually.

During the reporting period, an evaluation of the Board, its committees and individual directors has taken place in accordance with the Company's policy.

Principle 2: Structure the board to add value

Recommendation 2.1

Due to the size of the Board, the Company does not have a separate nomination committee. The roles and responsibilities of a nomination committee are currently undertaken by the Board.

The duties of the full Board in its capacity as a nomination committee are set out in the Company's Remuneration and Nomination Committee Charter which is available on the Company's website.

When the Board meets as a remuneration and nomination committee is carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration and Nomination Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a Nomination Committee and is disclosed on the Company's website.

Recommendation 2.2

The mix of skills and diversity which the Board is looking to achieve in its composition is:

a) a broad range of business experience; and

b) technical expertise and skills required to discharge duties.

Recommendation 2.3

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles and Recommendations.

Currently the Board is structured as follows:

a) Adam Sierakowski (Non-Executive Chairman);

b) Dr Robert Ramsay (Executive Director); and

c) Stephen Lowe (Non-Executive Director).

Dr Ramsay, who is a non-independent executive director, appointed to the Board on 20 December 2012. The Chairman, Mr Adam Sierakowski has been a director of the Company since 21 October 2010. He is a director and shareholder of Trident, a provider of material professional services, and accordingly, is not independent. Mr Stephen Lowe has been a director of the Company since 21 October 2010. He is an employee of Creasy Group, the Company's major shareholder, and accordingly, is also not independent.

Recommendation 2.4

Currently, the Board considers that membership weighted towards technical expertise is appropriate at this stage of the Company's operations. Accordingly, the Board does not have any independent directors.

Recommendation 2.5

As noted above, Mr Sierakowski is not an independent Chairman. Mr Sierakowski is considered to be the most appropriate person to Chair the Board because of his public company experience.

Recommendation 2.6

It is a policy of the Company, that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

Principle 3: Act ethically and responsibly

Recommendation 3.1

The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (**Code**), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board, and is disclosed on the Company's website.

The Code applies to all Directors, employees, contractors and officers of the Company.

The Code will be formally reviewed by the Board each year.

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1

Due to the size of the Board, the Company does not have a separate Audit Committee. The roles and responsibilities of an audit committee are undertaken by the Board.

The full Board in its capacity as the audit committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. The duties of the full Board in its capacity as the audit committee are set out in the Company's Audit Committee Charter which is available on the Company's website.

When the Board meets as an audit committee is carries out those functions which are delegated to it in the Company's Audit Committee Charter. Items that are usually required to be discussed by an Audit Committee are marked as separate agenda items at Board meetings when required.

The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

The Board has adopted an Audit Committee Charter which describes the role, composition, functions and responsibilities of the Audit Committee and is disclosed on the Company's website.

Recommendation 4.2

Before the Board approves the Company financial statements for each financial period it will receive from the Chief Executive Officer and the Chief Financial Officer or equivalent a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated 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.

Recommendation 4.3

Under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered, and does not arrange to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company will write to the Company's auditor to inform them of the date of the Company's annual general meeting. In accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chair will allow a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chair will also allow a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1

The Company is committed to:

a) ensuring that shareholders and the market are provided with full and timely information about its activities;

b) complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act; and

c) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a Disclosure Policy, which is disclosed on the Company's website. The Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.

The Company Secretary manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments. This policy will be reviewed by the Board annually.

Principle 6: Respect the rights of security holders

Recommendation 6.1

The Company provides information about itself and its governance to investors via its website at www.iwebgate.com. The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company's shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by ASX, the following will be posted to the Company website:

a) relevant announcements made to the market via ASX;

b) media releases;

c) investment updates;

d) Company presentations and media briefings;

e) copies of press releases and announcements for the preceding three years; and

f) copies of annual and half yearly reports including financial statements for the preceding three years.

Recommendation 6.2

The Company has a Shareholder Communication and Investor Relations Policy which aims to ensure that Shareholders are informed of all major developments of the Company. The policy is disclosed on the Company's website.

Information is communicated to Shareholders via:

a) reports to Shareholders;

b) ASX announcements;

c) annual general meetings; and

d) the Company website.

This Shareholder Communication and Investor Relations policy will be formally reviewed by the Board each year. While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact details (via the website) for Shareholders to make their enquiries.

Recommendation 6.3

The Board encourages full participation of Shareholders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals.

However, due to the size and nature of the Company, the Board does not consider a policy outlining the policies and processes that it has in place to facilitate and encourage participating at meetings of shareholders to be appropriate at this stage.

Recommendation 6.4

Shareholders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the website) for shareholders to make their enquiries.

Principle 7: Recognise and manage risk

Recommendation 7.1

Due to the size of the Board, the Company does not have a separate Risk Committee. The Board is responsible for the oversight of the Company's risk management and control framework.

When the Board meets as a risk committee is carries out those functions which are delegated to it in the Company's Risk Committee Charter. Items that are usually required to be discussed by a Risk Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Risk Committee Charter which describes the role, composition, functions and responsibilities of the Risk Committee and is disclosed on the Company's website.

The Board has adopted a Risk Management Policy, which is disclosed on the Company's website. Under the policy, responsibility and control of risk management is delegated to the appropriate level of management within the Company with the Chief Executive Officer having ultimate responsibility to the Board for the risk management and control framework.

The risk management system covers:

a) operational risk;

b) financial reporting;

c) compliance / regulations; and

d) system / IT process risk.

A risk management model is also being developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

Recommendation 7.2

The Board will review the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board.

Arrangements put in place by the Board to monitor risk management include, but are not limited to:

a) monthly reporting to the Board in respect of operations and the financial position of the Company; and

b) quarterly rolling forecasts prepared;

Recommendation 7.3

The Company does not have, and does not intend to establish, an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy.

Recommendation 7.4

Given the speculative nature of the Company's business, it is subject to general risks and certain specific risks as outlined in the Company's Prospectus. .

The Company has identified those economic, environmental and/or social sustainability risks to which it has a material exposure, and disclosed how it intends to manage those risks..

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1

Due to the size of the Board, the Company does not have a separate remuneration committee. The roles and responsibilities of a remuneration committee are currently undertaken by the Board.

The duties of the full board in its capacity as a remuneration committee are set out in the Company's Remuneration and Nomination Committee Charter which is available on the Company's website

When the Board meets as a remuneration committee is carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration Committee and is disclosed on the Company's website.

Recommendation 8.2

Details of the Company's policies on remuneration will be set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure will include a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.

Recommendation 8.3

The Company's Security Trading Policy includes a statement on the Company's policy on prohibiting participants in the Company's Employee Incentive Plan entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Employee Incentive Plan.

Security Trading Policy

In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

a) closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;

b) trading in the Company's securities which is not subject to the Company's trading policy; and

c) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is available on the Company's website.

ADDITIONAL SHAREHOLDER INFORMATION

SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed in the Company register as at 9 September 2015 are as follows:

Shareholder	Shares	%
Mark Gareth Creasy	846,577,303	64.20

DISTRIBUTION OF SHAREHOLDERS

The distribution of members and their holdings of equity securities in the Company as at 9 September 2014 was as follows:

Range of holding	Shareholders	Number Of Ordinary Shares	%
1 – 1,000	26	14,159	0.00
1,001 – 5,000	145	643,804	0.05
5,001 – 10,000	73	584,391	0.04
10,001 – 100,000	229	9,199,974	0.70
100,001 and over	266	1,308,213,907	99.21
Totals	**739**	**1,318,656,235**	**100.00**

The number of shareholders with less than a marketable parcel of fully paid shares based on a closing price of $0.015 is 370 holding in total 3,656,920 shares.

UNQUOTED SECURITIES

Securities	Number of Options	Number of Holders	Holders with more than 20%
Options exercisable at $0.03, expiry 28 Oct 2017	8,750,000	4	3*
Options exercisable at $0.035, expiry 28 Oct 2018	8,750,000	4	3*

Each of the directors, being Adam Sierakowski, Stephen Lowe and Robert Ramsay hold 2,500,000 options of each series, being greater than 20% of the total on issue for that class.

RESTRICTED SECURITIES

The Company has no restricted securities:

VOTING RIGHTS (ORDINARY SHARES)

In accordance with the Company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

ADDITIONAL SHAREHOLDER INFORMATION (Continued)

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders of the fully paid ordinary shares of the Company as at 9 September 2015 are as follows:

Name	Number Of Ordinary Fully Paid Shares	% Held Of Issued Ordinary Capital
Yandal Investments Pty Ltd	495,537,994	37.58%
Motwil Pty Ltd	310,844,653	23.57%
Mark Gareth Creasy	40,194,656	3.05
Citicorp Nominees Pty Ltd	22,971,539	1.74%
Nefco Nomimees Pty Ltd	21,000,000	1.59%
Milwal Pty Ltd <Chester A/C>	20,000,000	1.52%
Lecard Pty Ltd	19,550,000	1.48%
Botsis Holdings Pty Ltd	17,450,000	1.32%
Ojai Energy Pty Ltd	16,550,000	1.26%
Leowm Thang Fong	15,500,000	1.18%
Tee Keong Ming	14,300,000	1.08%
Wah Nyok Choo	11,600,000	0.88%
Tan Yee Chin	11,481,906	0.87%
Prosperity Asset Ventures Pty Ltd	10,000,000	0.76%
HSBC Custody Nominees Australia Ltd	9,387,642	0.71%
Lowe Stephen John + Suzanne Lee Lowe <Lantana S/F A/C>	8,346,766	0.63%
IML Holdings Pty Ltd	7,333,332	0.56%
Fenwick Enterprises Pty ltd <Podmore S/F A/C>	7,000,000	0.53%
Construction Technique Australia Pty Ltd	6,991,250	0.63%
Lam Yuen Suen Sherman	6,850,000	0.52%
Totals	**1,072,889,738**	**81.36%**

SCHEDULE OF MINERAL TENEMENTS

Project	Location	Tenement Number	Economic Entity's Interest
Yarraloola	West Pilbara, WA	E08/1060	85%
Yarraloola	West Pilbara, WA	E08/1684	85%
Yarraloola	West Pilbara, WA	E08/1685	85%
Yarraloola	West Pilbara, WA	E08/1686	85%
Yarraloola	West Pilbara, WA	E08/1824	85%
Yarraloola	West Pilbara, WA	E08/1825	85%
Yarraloola	West Pilbara, WA	E08/1826	85%
Yarraloola	West Pilbara, WA	E08/2408	100%
Yarraloola	West Pilbara, WA	P08/529	85%
Yarraloola	West Pilbara, WA	P08/666	100%
Yarraloola	West Pilbara, WA	P08/669	100%
Shepherds Well	West Pilbara, WA	E08/2361	70%
Kingsland	Earaheedy Basin WA	E38/2212	85%
Kingsland	Earaheedy Basin WA	E38/2213	85%
Kingsland	Earaheedy Basin WA	E53/1437	85%
Buddadoo	Mid-west, WA	E59/1350	85%

SCHEDULE OF MINERAL TENEMENTS

DETAILS OF MINERAL RESOURCES AND ORE RESERVES

Results of Annual Review of Mineral Resource and Ore Reserve

The Yaraloola mineral resource was first estimated during the 2015 financial year and no review has subsequently been conducted.

The Company does not have any ore reserves.

Governance Arrangements for Mineral Resource and Ore Reserves Estimates

Mineral Resources are estimated by independent external consultants in accordance with the JORC 2012 Code, using industry standard techniques and internal guidelines for the estimation and reporting of and Mineral Resources. All statements have been accompanied by the appropriate sections of Table 1 from the JORC (2102) guidelines. Mineral Resource Statements included in the Annual Report are reviewed by suitably qualified Competent Persons from the Company prior to its inclusion.

Yaraloola Mineral Resource

Table 1. Robe Mesa – Mineral Resource Estimate at January 2015 reported above a **Fe cut-off grade of 50%**.

Category	Mt	Fe%	SiO2 %	Al2O3%	TiO2 %	LOI %	P%	S%	Fe_{ca} %
Inferred	73	53.9	8.0	3.4	0.13	10.8	0.04	0.02	60.4

Table 2. Robe Mesa – Mineral Resource Estimate at January 2015 reported above a **Fe cut-off grade of 55%**.

Category	Mt	Fe%	SiO_2 %	Al_2O_3%	TiO2 %	LOI %	P%	S%	Fe_{ca} %
Inferred	20	55.7	6.2	2.9	0.11	10.6	0.04	0.02	62.3

Reported according to the 2012 JORC Code on 3 February 2015. Full details of the Robe Mesa resource calculations as per JORC Code (2012) are contained in the Company's announcement dated 3 February 2015.