FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

ASX Code: RNI

RNI NL AND ITS CONTROLLED ENTITIES
ABN 77 085 806 284

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The directors present their report together with the financial report of RNI NL (the Company or RNI), for the year ended 30 June 2015 and the auditor's report thereon.

1. Directors

The directors of the Company at any time during or since the end of the financial year are:

Name	Period of Directorship
Mr Miles A Kennedy – *Executive Chairman*	Director since 7 September 2006, Non-Executive with effect from 28 November 2014, Executive with effect from 2 July 2015
Mr Albert G Thamm – *Non-Executive Director*	Director since 1 December 2011; Non-Executive with effect from 28 November 2014
Ms Nanette Anderson – *Non-Executive Director*	Appointed 7 July 2015
Mr Royce McAuslane – *Managing Director*	Appointed 11 November 2014, Resigned 2 July 2015
Mr Thomas J Mann – *Non-Executive Director*	Resigned 15 May 2015
Mr John R Hutton – *Non-Executive Director*	Resigned 5 November 2014

The qualifications, experience, interest in shares and options, and other directorships of the directors in office at the date of this report are:

Miles A Kennedy	Executive Chairman
Experience and expertise	Mr Kennedy was a lawyer. He has held directorships of Australian listed resource companies for over 32 years. He was founding Chairman of Macraes Mining Company Ltd, Executive Chairman of Kimberley Diamond Company NL (1993 to 2007) and Executive Chairman of Sandfire Resources NL (Aug 2007 to Dec 2009).
Interest in Shares and Options	30,115,336 ordinary shares in RNI NL and options to acquire a further 7,000,000 ordinary shares.
Listed company directorships in last three years	Currently Non-Executive Chairman of Lucapa Diamond Company Limited (since Nov 2014). Formerly Executive Officer / Managing Director of Lucapa Diamond Company Limited (Sept 2008 to Nov 2014). Currently Chairman of Marine Produce Australia Limited (since Jun 2008). Formerly Chairman of MOD Resources Limited (Mar 2011 to May 2014).
Albert G Thamm	Non-Executive Director
Experience and expertise	Mr Thamm has over 25 years of experience in exploration and mining project development in Australia, Africa and South America. He holds Bachelors, Honours and Masters Degrees in Geology and is a fellow and chartered professional of the Australasian Institute of Mining and Metallurgy and a fellow of the Society of Economic Geologists (USA).
Interest in Shares and Options	400,000 ordinary shares in RNI NL and options to acquire a further 2,000,000 ordinary shares.
Listed company directorships in last three years	Currently a Non-Executive Director of Lucapa Diamond Company Limited (since May 2014).
Nanette Anderson	Non-Executive Director
Experience and expertise	Ms Anderson has worked in the resource sector for 18 years, with a background in geology, exploring and developing projects throughout Australia and South East Asia. Her experience extends from equity raisings through to project sales, acquisitions and joint ventures. She was previously Managing Director of Southern Gold Ltd, where she was instrumental in securing finance for the Cannon Gold Project, WA through a Mine Finance and Profit Share Agreement with Metals X Ltd. She hold Bachelor and Honours Degrees in Geology and is a member of the Australian Institute of Company Directors and the Australian Institute of Mining and Metallurgy.
Interest in Shares and Options	None
Listed company directorships in last three years	Ms Anderson was previously Managing Director of Southern Gold Ltd until Feb 2015 and a director of Jaguar Minerals Ltd.

2. Company Secretary

Mr Mark Clements holds the position of Company Secretary, being appointed on 2 July 2012. Mr Clements gained a Bachelor of Commerce degree from the University in Western Australia. He is a Fellow of the Institute of Chartered Accountants and a member of the Australian Institute of Company Directors and an affiliated member of the Institute of Chartered Secretaries in Australia. Mr Clements currently holds the position of Company Secretary for a number of publically listed companies and has experience in corporate finance, accounting and administration, capital raisings and ASX compliance and regulatory requirements.

3. Directors' Meetings

Formal meetings of the directors of the Company during the financial year are tabled as follows:

Director	Meetings eligible to attend	Meetings attended
Miles Kennedy	9	9
Albert Thamm	9	9
Nanette Anderson	-	-
Royce McAuslane	6	6
John Hutton	3	3
Thomas Mann	9	7

4. Principal Activities and Review of Operations

Introduction

RNI NL (ASX: RNI) continued to advance its copper-gold exploration activities across the Company's extensive and highly-prospective Bryah Basin tenement package during the year under review (Figure 1).

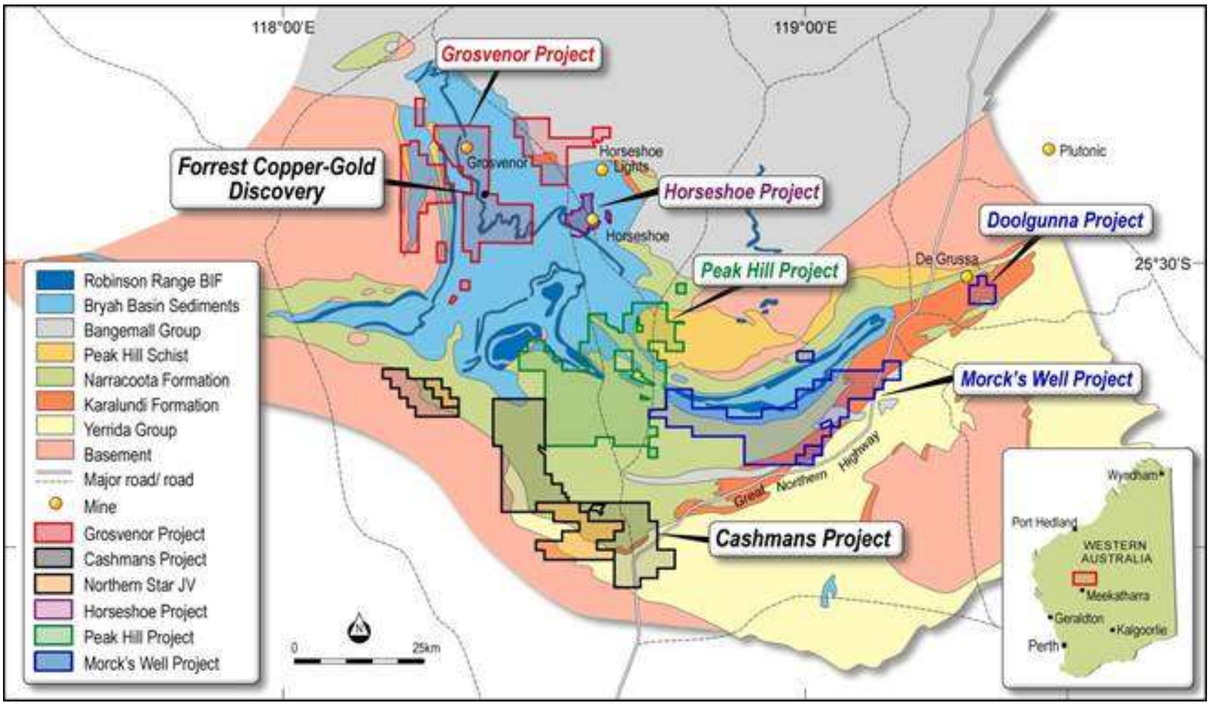

Figure 1: RNI's extensive Bryah Basin copper-gold exploration portfolio, including the gold assets to be sold to Metals X

Discussions also progressed with various parties to provide the development funding required for the Grosvenor Gold Project and to address the repayment of the financing facility provided by Taurus Resources No 2 Fund (Taurus).

As referred to in the Events Subsequent to Reporting Date section of this report, RNI announced on 31 July 2015 the Company had entered into a binding Heads of Agreement to sell the Grosvenor Gold Project and its other gold assets to Metals X Limited (ASX: MLX) subject to the finalisation of legal agreements, approval from RNI shareholders and other regulatory approvals. In consideration for the gold assets, Metals X will issue the Company with 18 million new fully paid ordinary Metals X Shares.

As announced to the ASX on 26 August 2015, RNI reached agreement to fix the amount of the debt owed to Taurus at $23 million and extend the debt repayment deadline to 30 November 2015.

RNI intends to repay the Taurus debt via a combination of a non-renounceable entitlements issue to raise up to $5.48 million, the issue of RNI shares to Taurus for up to $2.5 million and the orderly sale of the Metals X shares. As announced on 22 September 2015, GMP Securities Australia has underwritten $5 million of the entitlements issue.

The sale of the gold assets to Metals X will enable RNI to refocus on its 1,300km^2 exploration portfolio in the Bryah Basin, which is considered highly prospective for significant copper-gold discoveries.

The retained portfolio will include the Cashmans, Morck's Well/Beatty Park and Doolgunna Projects and the 12km volcanic hosted massive sulphide (VHMS) corridor which includes the Forrest copper-gold discovery and the Wodger and Big Billy targets.

In conjunction with the sale, RNI will purchase from Metals X the Chunderloo Copper-Gold Project at Meekatharra for a consideration of 25 million new RNI shares, providing additional scale to the Company's copper-gold exploration strategy.

Exploration

<u>Doolgunna Copper-Gold Project (RNI option to acquire 100%)</u>

The potential for the Doolgunna Project to host copper-gold discoveries was significantly re-rated following the high-grade copper-gold discovery at the Monty Prospect, which has included diamond drilling results of 16.5m @ 18.9% Cu and 2.1g/t Au, and 13.1m @ 8.4% Cu and 2.1g/t.

RNI's Doolgunna Project is located within 5km along strike from the Monty discovery and approximately 2.5km from the DeGrussa copper-gold mine (Figure 2).

The Monty discovery prompted RNI to conduct a thorough re-evaluation of all previous exploration data from Doolgunna. This review successfully identified a series of advanced copper-gold targets – all located within three geological corridors considered highly prospective for the development of copper-gold VHMS mineralising systems (Figure 2).

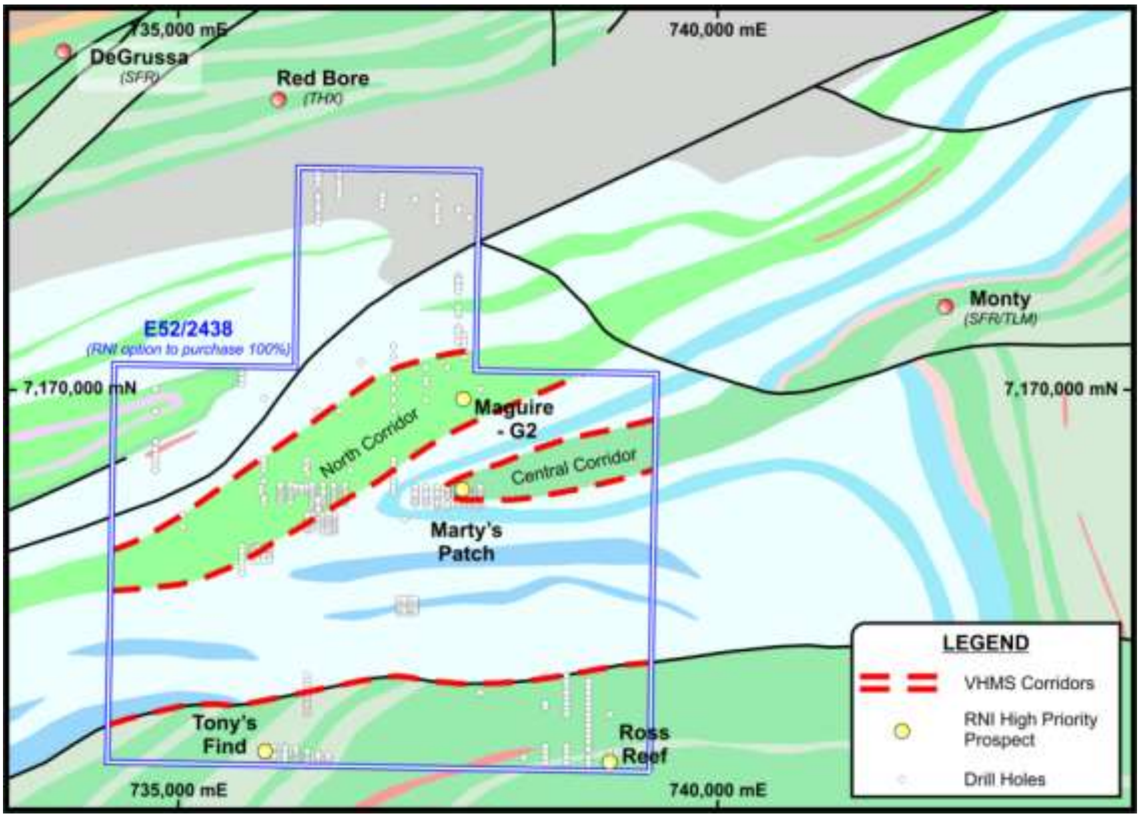

Figure 2: High priority copper-gold targets identified within three VHMS corridors at RNI's Doolgunna Project showing proximity to both the Monty massive sulphide discovery and the DeGrussa copper-gold mine. Targets defined by anomalous soil geochemistry, first pass drill intersections and gravity anomalism

These three VHMS corridors represent a combined ~13 strike km of prospective stratigraphy. Previous exploration by RNI across these corridors was primarily limited to shallow testing, with most drilling less than 100 metres. In addition, previous surface electromagnetic (EM) survey work was hindered by highly-resistive surface conditions which limited penetration. RNI is evaluating drilling and exploration programs to test the priority targets along the three VHMS corridors.

Forrest Copper-Gold Discovery (RNI 80%, Fe Ltd 20%)

RNI made the Forrest copper-gold discovery (Figure 1) in the June 2014 quarter, with the first diamond hole, FGDD001, returning a major intersection of oxide-transitional copper-gold mineralisation of 9.1m @ 5.27% Cu, 2g/t Au and 8.35g/t Ag from 142.9m. This included 4.25m @ 8.86% Cu, 2.84g/t Au and 15.07g/t Ag from 145.6m.

RNI's follow-up drilling program at Forrest proved highly successful, with all holes intersecting significant copper mineralisation. The most recent holes drilled – FGDD006 and FGDD004b – both intersected zones of stringer copper sulphides (chalcopyrite and minor bornite), grading up to 4% Cu.

The results clearly demonstrate the extensive continuity of the copper mineralisation at Forrest, with the mineralisation (oxide, transitional and primary) so far defined over a strike length of 300m and 350m down dip plunge. The mineralisation at Forrest remains totally open down-plunge.

Significantly, the copper mineralisation at Forrest also contains the pathfinder elements (bismuth, tellurium, silver and barium) consistent with a close VHMS source, though it is now clear that the mineralisation is structurally modified and largely remobilised.

The interpretation is that the currently defined copper mineralisation represents a fault controlled remobilisation that is likely to be proximal to a primary VHMS source. Further exploration is planned at Forrest and the 12km VHMS corridor which extends north towards the Grosvenor gold plant.

Morck's Well Project (RNI 80%; Fe Ltd 20%)

Morck's Well is located in the eastern part of the Bryah Basin covering a large area of the prospective Narracoota Volcanic Formation (~40km strike length). The northern boundary of Morck's Well is contiguous with Sandfire Resources NL's DeGrussa-Doolgunna exploration property (Figures 1 and 3).

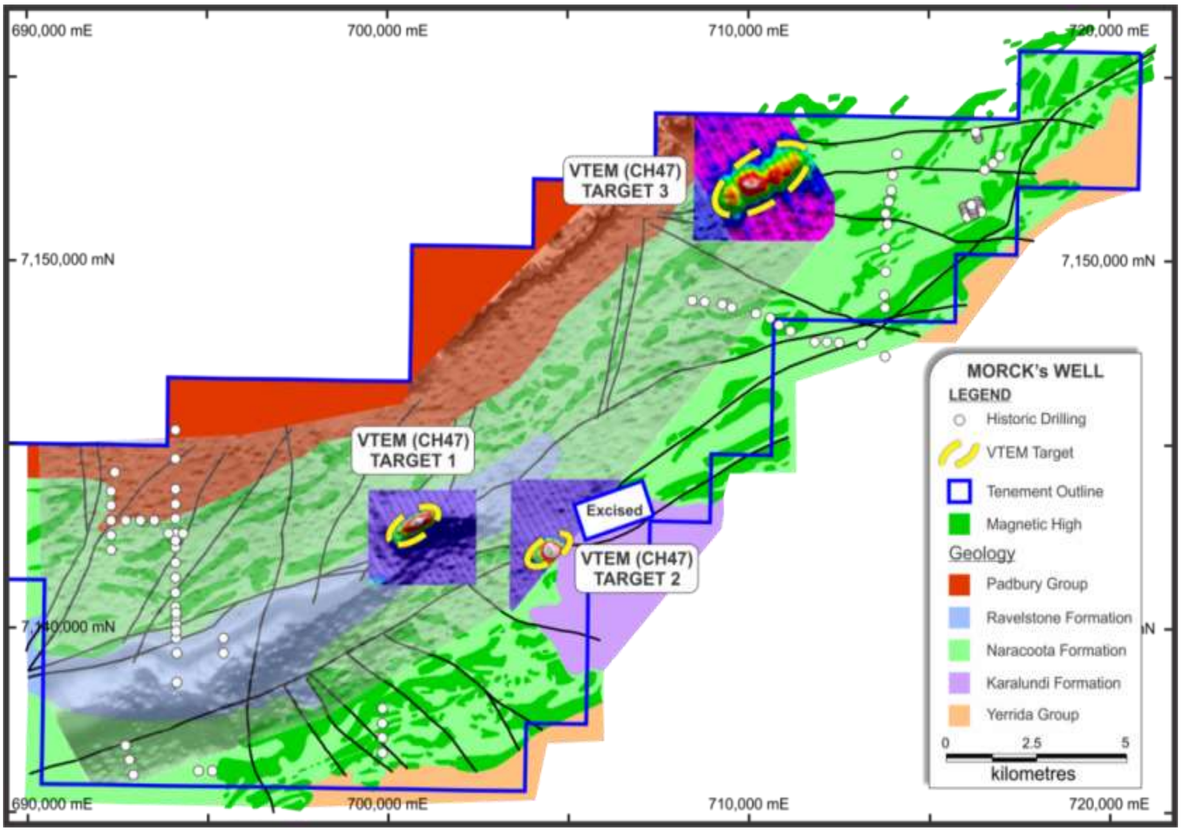

Figure 3: VTEM targets at the Morck's Well Project

Morck's Well has been the subject of a program of high quality, systematic regional data collection designed to explore for copper-gold and gold deposits.
As announced to the ASX on 30 January 2015, RNI completed ground-based fixed loop electromagnetic (FLEM) surveys over three late-time conductors previously identified at Morck's Well from VTEM survey data to confirm and better define the anomalies with the aim of generating drilling targets (Figure 3).

The results of the FLEM surveys produced two priority targets at Morck's Well:

Target 3 - Jacques Copper-Gold Prospect

The FLEM survey confirmed the original anomaly identified in the VTEM data. This has since been modelled as a flat lying feature at a depth of 200m (Figure 3). In addition, a separate conductive zone to the north-west of the original feature was identified. This zone is modelled at a relatively shallow depth (50-75m) as either a sub-vertical or flat lying body (Figure 3).

The target zone at Jacques is located to the immediate south of a series of significant previous high-grade gold intersections. Shallow previous RAB drilling (CRA Exploration) across the area also defined a large, strongly-anomalous copper zone supported by elevated gold values.

The Jacques prospect has developed into a significant exploration target for RNI. The nature of the highly-anomalous copper and gold drilling results, in broad association with the FLEM anomalies, clearly requires additional exploration.

Target 2 - Mt Leake Prospect

The FLEM survey at Mt Leake confirmed and better constrained the original anomaly identified in the VTEM data. This is now modelled as a moderately south dipping body at a depth of 200m. The modelling to date has identified a well-defined and relatively localised target that can be tested with a single 300m drill hole.

Grosvenor Gold Project

RNI continued to advance a low-cost and near-term development pathway for the 100% owned Grosvenor Gold Project during the year under review, which included alternative new mine designs and scheduling plans to address a range of factors including the lower gold price environment.

As mentioned earlier in this report, RNI subsequently entered into a binding heads of agreement to sell the Grosvenor Gold Project and the other gold assets to Metals X (See ASX announcements 31 July 2015 and 26 August 2015). (See Events Subsequent to Reporting Date section).

Review of Financial Condition

The Group recorded a loss of $20,162,654 for the year ended 30 June 2015 (2014: loss of $7,866,050). The loss includes an impairment adjustment for exploration and evaluation expenditure of $9,942,052 (2014: $57,947).

As at 30 June 2015, the Group had a net working capital deficit of $24,275,824 (2014: $16,750,090), represented significantly by a short term bridging loan of $19,002,899 repayable by November 2015. (2014: $19,500,000). The Group's net asset position was $5,362,415 (2014: $17,870,744).

5. Significant Changes in the State of Affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Group that occurred during the financial year, other than those described in this report under 'Principal activities and review of operations'.

6. Environmental Regulations

The Group's exploration activities are subject to various environmental regulations. The Board is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

The Group is committed to achieving a high standard of environmental performance and conducts its activities in a professional and environmentally conscious manner and in accordance with applicable laws and permit requirements. The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

The directors have considered the enacted National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Company for the current financial year. The directors will reassess this position as and when the need arises.

7. Dividends

The directors have not recommended the declaration of a dividend. No dividends were paid or declared during the current or prior period.

8. Events Subsequent to Reporting Date

Subsequent to the reporting date the Company released the following ASX announcements:

On 7 July 2015 RNI announced a Board restructure following the resignation of Managing Director, Royce McAuslane.

On 9 July 2015 RNI announced bonanza gold results at the Starlight Gold Complex.

On 17 July 2015 RNI announced results of the General Meeting whereby the issue of convertible notes was approved.

On 31 July 2015, RNI announced it had signed a binding heads of agreement to sell its gold assets to Metals X Limited (ASX: MLX), subject to the finalisation of legal agreements, approval from RNI shareholders and other regulatory approvals. The gold assets to be sold to Metals X include the Grosvenor Gold Project, the Horseshoe Project and part of the Peak Hill Project. RNI will retain the Forrest copper discovery, while Metals X will have a first right of refusal on any future sale by RNI of its copper or gold assets. In consideration for the gold assets, Metals X will issue RNI with 18 million new fully-paid Metals X shares. Metals X will also advance RNI $300,000 as an interest-free convertible loan to provide the Company with working capital during the sale process.

On 5 August 2015 RNI announced the new Copper-Gold exploration program at Doolgunna.

On 7 August 2015 RNI announced the intention to embark on capital raising to fund exploration.

On 10 August 2015 RNI made a debt repayment of $1,000,000 to Taurus Funds Management.

On 17 August 2015 RNI announced that it had received $300,000 from Metals X as an interest free to loan as working capital to complete the sale of its gold assets to Metals X. RNI intends to convert the loan to a convertible notes subject to shareholder approval. The conversion price for shares would be at a $.02 per share.

On 26 August 2015, RNI announced it had signed an agreement with Taurus Resources No 2 Fund (Taurus) paving the way for the orderly sale of the gold assets to Metals X, as detailed in the ASX announcement of 31 July 2015. The agreement included fixing the amount owing to Taurus by RNI at $23 million, remain interest free until 15 October 2015 and extending the repayment deadline to 30 November 2015. The loan amount can either be fully paid in cash, or at least $20.5 million in cash and the balance of up to $2.5 million by issuing RNI shares. Any interest accruing after 15 October 2015 may also be paid in RNI shares.

The agreement gives RNI the flexibility to repay the Taurus debt via a combination of proceeds from a planned non-renounceable entitlements issue to raise approximately $5 million, the issue of RNI shares to Taurus for up to $2.5 million and the orderly sale of the 18 million Metals X shares.

The sale of the gold assets to Metals X will enable RNI to refocus on its ~1,300km^2 exploration portfolio including the Cashmans, Morck's Well and Doolgunna projects and the Peak Hill copper interests.

In conjunction with the sale, it is proposed that RNI will purchase from Metals X the Chunderloo copper-gold project at Meekatharra for a consideration of 25 million new fully-paid RNI shares, providing additional scale to RNI's copper exploration strategy.

On 22 September 2015, RNI announced that GMP Securities Australia Pty Limited had underwritten $5 Million of the RNI Entitlements Issue being offered to shareholders on a 1 for 2 basis at $0.015 per share to raise approximately $5.4million before costs.

Net assets with the 30 June 2015 carrying amounts listed below have been identified to be sold as a result of the agreement with Metals X.

	$
Exploration and evaluation (Gold tenements)	18,165,907
Project development	4,207,855
Plant and equipment	7,796,883
Motor vehicles	65,887
Inventory	706,166
Environmental provision	(9,047,646)
	21,895,052

9. Likely Developments

Comments on expected results of certain operations of the Group are included in this financial report under section 4, Principal activities and review of operations.

10. Directors' Interests

The relevant interest of each director in the shares and options as notified by the directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Fully paid ordinary shares	Unlisted options @$0.12 21 Nov 2016	Unlisted options @$0.25 15 Sep 2017	Unlisted option @$0.03 expiring
Miles Kennedy	30,115,336	-	3,000,000	4,000,000
Albert Thamm	400,000	2,000,000	-	-
Nanette Anderson	-	-	-	-

Each option carries the right to subscribe for one fully paid ordinary share in RNI NL.

11. Share Options

Unissued shares under option

At the date of this report unissued ordinary shares of the Company under option are:

Expiry date	Exercise Price	Number of shares
20 October 2015	$0.15	42,500,000
19 February 2016	$0.15	9,170,294
11 November 2016	$0.20	2,100,000
21 November 2016	$0.12	7,000,000
31 January 2017	$0.35	2,100,000
31 January 2017	$0.095	3,000,000
31 January 2017	$0.03	150,000,000
13 March 2017	$0.35	4,000,000
15 September 2017	$0.25	3,000,000
9 November 2017	$0.60	1,500,000
3 October 2018	$0.12	7,400,000
8 October 2019	$0.26	12,500,000
		244,270,294

The options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

Share options issued

The following options over ordinary shares were issued by the Company during or since the end of the financial year.

Expiry date	Exercise Price	Number of shares
20 October 2015	$0.15	42,500,000
19 February 2016	$0.15	9,170,294
31 January 2017	$0.03	150,000,000
15 September 2017	$0.25	3,000,000
8 October 2019	$0.26	12,500,000

No shares have been issued as a result of the exercise of options.

Other shares issued since the end of the financial year

The following ordinary shares have been issued since the end of the financial year.

Issue date	Share Price	Number of shares	Nature
6 August 2015	$0.02	117,9000,000	Placement
6 August 2015	$0.01	36,000,000	Convertible notes
11 August 2015	$0.01	14,000,000	Convertible notes
13 August 2015	$0.01	7,500,000	Convertible notes
14 August 2015	$0.01	803,833	Accrued interest
19 August 2015	$0.01	22,414,243	Convertible notes / accrued interest
21 August 2015	$0.01	17,499,398	Convertible notes / accrued interest
28 August 2015	$0.01	7,162,273	Convertible notes / accrued interest
4 September 2015	$0.01	6,750,000	Convertible notes

Share options expired

The following options over ordinary shares expired during or since the end of the financial year.

Expiry date	Exercise Price	Number of shares
27 March 2015	$0.44	3,597,621

12. Convertible Notes

The following convertible notes have been issued since the end of the financial year

Face Value	Number of Notes	Total Value	Conversion rate
$30,000	1	$30,000	$0.01
$25,000	14	$350,000	$0.01
$20,000	56	$1,120,000	$0.01
	71	$1,500,000	

The following convertible notes have been converted since the end of the financial year

Face Value	Number of Notes	Total Value	Conversion rate
$30,000	1	$30,000	$0.01
$25,000	14	$350,000	$0.01
$20,000	36	$720,000	$0.01
	51	$1,100,000	

The convertible notes expire on 1 July 2018 and earn interest at a rate of 12% per annum.

13. Remuneration Report - Audited

13.1 Principles of compensation

Remuneration is referred to as compensation throughout this report.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the directors of the Group.

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

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

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

Fixed compensation

Fixed compensation consists of base compensation as well as employer contributions to superannuation funds. Compensation levels are reviewed annually by the Board through a process that considers individual and overall performance of the Group. In addition, from time to time external consultants provide analysis and advice to ensure the directors' and senior executives' compensation is competitive in the market place. The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2015.

Performance linked compensation (*Short-term incentive bonus*)

In considering the Group's strategic objectives the Board may integrate certain performance linked short-term incentives (STIs) into key management personnel compensation packages.

Performance linked compensation primarily include STIs and are considered by the Board as and when projects are delivered and are entirely at the Board's discretion. The measures chosen are designed to align the individual's reward to the achievement of the Group's strategies and goals and to reward key management personnel for meeting or exceeding their personal objectives.

No bonuses were paid during the current financial year.

Equity based compensation (*Long-term incentive bonus*)

The Board provides equity-based long-term incentives (LTIs) to promote continuity of employment and to provide additional incentive to key management personnel to increase shareholder wealth. LTIs are provided as options over ordinary shares of the Company and are provided to key management personnel based on their level of seniority and position within the Group. Options may only be issued to directors subject to approval by shareholders in general meeting.

Key Management Personnel Incentive Options

Short-term and long-term incentive structure and consequences of performance on shareholder wealth have been considered. However given the Group's principal activity during the course of the financial year consisted of exploration and evaluation, the Board has given more significance to service criteria instead of market related criteria in setting the Group's incentive schemes. Accordingly, at this stage the Board does not consider the Company's earnings or earning measures to be an appropriate key performance indicator. The issue of options as part of the remuneration package of directors is an established practice for listed exploration companies and has the benefit of conserving cash whilst appropriately rewarding the directors. In considering the relationship between the Group's remuneration policy and the consequences for the Company's shareholder wealth, changes in share price are analysed.

13. Remuneration Report – Audited (contd)

The following table outlines the Group's respective earnings and share price for the period 1 July 2010 to 30 June 2015.

	30 Jun 11	30 Jun 12	30 Jun 13	30 Jun 14	30 Jun 15
Net loss	($2,810,183)	($4,118,771)	($42,660,488)	(7,866,050)	(20,162,654)
Closing ASX share price	$1.29	$0.31	$0.055	$0.20	$0.017

In the opinion of the Board, these earnings, as listed above, are largely irrelevant for assessing the Group's respective performance during the exploration and evaluation phases.

Service contracts

i) Executive chairman

Director and consulting services are provided by Mr Kennedy via an associated company on normal commercial terms and conditions, but not under any contract. The rate was set at $120,000 per annum with effect from 28 November 2014, previously $235,176 per annum.

ii) Executive director

Services were provided by Mr Thamm during the period 1 July 2014 to 28 November 2014.

- Remuneration - $280,000 per annum, (including superannuation)
- Termination notice required - 3 months
- Termination benefit: $70,000

iii) Managing director

Services were provided by Mr McAuslane.

- Remuneration - $180,000 per annum, (excluding superannuation)
- Superannuation at 9.5% - $17,100
- Termination notice required - 3 months
- Termination benefit: $45,000

iv) Non-executive directors

Non-executive directors are paid at a rate of $60,000 per annum on a continuous service arrangement requiring at least one month's notice for termination. Total compensation for all non-executive directors are set based on advice, from time to time, from external advisors with reference to fees paid to other non-executive directors of comparable companies. The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2015. Non-executive directors' fees are presently limited to $250,000 per annum, excluding director services charged under management or consulting contracts.

Non-executive directors do not receive performance related compensation. Options issued to non-executive directors are provided as an incentive to promote continuity of service and are not performance based.

Directors' fees cover all main Board activities. The Board has no established retirement or redundancy schemes in relation to non-executive directors.

13.2 Key Management Personnel remuneration

Details of the nature and amount of each major element of remuneration are:

Key Management Personnel		Short term salary and fees	Superannuation benefits	Equity settled share based payments Options (i)	Total	Proportion of remuneration performance related	Value of options as proportion of remunera-tion
		$	$	$	$	%	%
Executive chairman							
Miles Kennedy	2015	167,990	-	398,856	566,846	-	70%
	2014	247,667	-	-	247,667	-	-
Executive director							
Royce McAuslane(ii)	2015	107,942	10,255	-	118,197	-	-
	2014	-	-	-	-	-	-
Non-executive directors							
Albert Thamm(v)	2015	207,370	13,373	-	220,743	-	-
	2014	313,788	25,000	95,523	434,311	-	22%
John Hutton(iii)	2015	18,722	1,778	-	20,500	-	-
	2014	54,920	5,080	63,682	123,682		51%
Thomas Mann(iv)	2015	31,850	20,650	-	52,500	-	-
	2014	32,685	23,900	63,682	120,267	-	53%
Total	2015	533,874	46,056	398,856	978,786	-	41%
Total	2014	649,060	53,980	222,887	925,927	-	24%

(i) The fair value of the options are calculated at the date of grant using the Black-Scholes option valuation model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options allocated to this reporting period. Further details of the issue are included below.
(ii) Royce McAuslane was appointed 11 November 2014 and resigned on 2 July 2015.
(iii) John Hutton resigned on 5 November 2014.
(iv) Thomas Mann resigned on 15 May 2015.
(v) An amount of $70,000 has been included in the 2015 fees in respect of ceasing to be an executive director with effect from 28 November 2014.

13. Remuneration Report – Audited (contd)

13.3 Equity instruments

Options over equity instruments

Options refer to options over ordinary shares of RNI NL and are exercisable on a one-for-one basis.

Details of options over ordinary shares in the Company that were granted and vested as compensation to each key management person are as follows.

	Balance at 1 Jul 14 or date of appointment	Granted as remuneration	Net other changes	Held at resignation	Balance at 30 Jun 15	Vested during the year	Vested and exercisable
Executive chairman							
Miles Kennedy (ii)	-	3,000,000	4,000,000	-	7,000,000	7,000,000	7,000,000
Executive director							
Royce McAuslane (i), (iv)	1,500,000	-	-	-	1,500,000	1,500,000	1,500,000
Non-executive directors							
Albert Thamm	2,000,000	-	-	-	2,000,000	-	2,000,000
John Hutton(iv)	2,000,000	-	-	2,000,000	N/A	-	N/A
Thomas Mann(iv)	2,000,000	-	-	2,000,000	N/A	-	N/A

	Balance at 1 Jul 13	Granted as remuneration	Net other changes	Options expired	Balance at 30 Jun 14	Vested during the year	Vested and exercisable
Executive directors							
Miles Kennedy	1,000,000	-	-	(1,000,000)	-	-	-
Albert Thamm (iii)	1,000,000	3,000,000	(1,000,000)	(1,000,000)	2,000,000	2,000,000	2,000,000
Non-executive directors							
John Hutton	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	2,000,000
Thomas Mann	1,000,000	2,000,000	-	(1,000,000)	2,000,000	2,000,000	2,000,000

(i) Options issued during the year ended 30 June 2015 vested on grant date, being 9 October 2014.
(ii) Options issued during the year ended 30 June 2015 vested on grant date, being 15 September 2014.
(iii) Albert Thamm elected to have 1,000,000 of the 3,000,000 issued to unrelated nominees.
(iv) Resigned during the year.
(v) No options were forfeited by key management persons during the reporting period.
(vi) No terms of equity-settled share-based payment transactions (including options and rights granted as compensation to a key management person) have been altered or modified by the issuing entity during the reporting period or the prior period.
(vii) During the reporting period, no shares were issued on exercise of options previously granted as compensation.

The movement during the reporting period, by value, of options over ordinary shares in the Company held by key management persons is detailed below.

Director	**Granted in year**	**Value of options exercised in year**
	$	**$**
Royce McAuslane(i)	145,815	-
Miles Kennedy	398,856	-

(i) These options were issued to Royce McAuslane prior to his appointment as a director

13. Remuneration Report – Audited (contd)

The following table sets out the assumptions made in determining the fair value of the options granted during the period which were estimated at the date of grant using the Black-Scholes model.

Expiry date	14 September 2017	8 October 2019
Grant date	15 September 2014	9 October 2014
Dividend yield	0.00%	0.00%
Expected volatility	132.00%	132.00%
Risk-free interest rate	2.78%	2.65%
Option exercise price	$0.25	$0.26
Expected life (years)	3.00	5.00
Share price on date of issue	$0.185	$0.12

Movement in shares

The movement during the reporting period in the number of ordinary shares in RNI NL held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Balance at 1 Jul 14	Purchased	Exercise of options	Net change other	Balance held at resignation	Balance at 30 Jun 15
Executive chairman						
Miles Kennedy	18,403,554	100,000	-	-	-	18,503,554
Executive director						
Royce McAuslane	-	500,000	-	-	-	500,000
Non-executive						
Albert Thamm	237,279	162,721	-	-	-	400,000
John Hutton	9,428,076	-	-	-	9,428,076	N/A
Thomas Mann	1,000,000	-	-	-	1,000,000	N/A

	Balance at 1 Jul 13	Purchased	Exercise of options	Net change other	Balance held at resignation	Balance at 30 Jun 14
Executive directors						
Miles Kennedy	18,112,857	290,697	-	-	-	18,403,554
Albert Thamm	10,000	227,279	-	-	-	237,279
Non-executive directors						
John Hutton	9,428,076	-	-	-	-	9,428,076
Thomas Mann	1,000,000	-	-	-	-	1,000,000

No shares were granted to key management personnel during the reporting period as compensation in 2014 or 2015.

END OF AUDITED SECTION

14. Diversity

The Board is committed to having an appropriate blend of diversity on the Board and in all areas of the Group's business. The Board has established a policy ('Diversity Policy' or 'policy') regarding gender, age, ethnic and cultural diversity. Details of the policy are available on the Company's website.

Diversity Policy
The Company and all its related bodies corporate are committed to workplace diversity.

The Company recognises the benefits arising from employee and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.
To the extent practicable, the Company will address the recommendations and guidance provided in the ASX Corporate Governance Council's Principles and Recommendations.

The Diversity Policy does not form part of an employee's contract of employment with the Company, nor gives rise to contractual obligations. However, to the extent that the Diversity Policy requires an employee to do or refrain from doing something and at all times subject to legal obligations, the Diversity Policy forms a direction of the Company with which an employee is expected to comply.

The key objectives of the Diversity Policy are to achieve:

(a) a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
(b) a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
(c) improved employment and career development opportunities for women;
(d) a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and
(e) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity,

The Diversity Policy does not impose on the Company, its directors, officers, agents or employee any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any anti-discrimination or equal employment opportunity legislation or laws in any State or Territory of Australia or of any foreign jurisdiction.

Diversity Reporting
The Group's gender diversity as at the end of the reporting period is as follows:

	30 June 2015				**30 June 2014**			
Gender representation	**Female**		**Male**		**Female**		**Male**	
	No	**%**	**No**	**%**	**No**	**%**	**No**	**%**
Board representation	-	-	3	100	-	-	4	100
Group representation	4	29	10	71	9	45	11	55

The senior position of Chief Financial Officer is currently held by a female employee.

The Company's proposed diversity objectives for the 2016 financial year are as follows:

(a) Continue to assess and proactively monitor gender diversity at all levels of RNI's business and the implementation and effectiveness of the Company's diversity initiatives and programs,
(b) Update recruitment policies and procedures to reflect RNI's position on diversity; and
(c) Undertake an annual review of maternity and paternity leave and flexible working arrangements to ensure roles are appropriate to maintain career development.

15. Indemnification and Insurance of Officers and Auditors

Indemnification

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

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

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

The directors of the Company are not aware of any proceedings or claim brought against RNI NL or its controlled entities as at the date of this report.

Insurance

The Group holds cover in respect of directors' and officers' liability and legal expenses' insurance, for current and former directors and officers of the Group. The premium paid during the year was $11,156.

16. Non-audit Services

During the year Somes Cooke, the Company's auditor, did not perform any services other than their audit services.

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

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

Details of the amounts paid to the auditor of the Company and their related practices for audit services provided during the year are set out below.

	2015 $	2014 $
Audit services:		
Audit and review of financial reports (Somes Cooke)	31,000	47,800
	31,000	47,800

17. Competent Person's Statement

Information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation prepared and compiled by Peter Langworthy BSc (Hons.) MSc, who is a Member the Australasian Institute of Mining and Metallurgy. The information in this announcement that relates to exploration results has been previously disclosed under JORC Code 2012. Mr Langworthy is a consultant to RNI NL and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Langworthy consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to previously released resource data on the Grosvenor Gold resource was disclosed to the ASX under the JORC Code 2012. These documents and information are based on and fairly represents information and supporting documentation prepared and supervised by Albert Thamm BSc (Hons.) MSc, F.AusIMM (CP) who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Albert Thamm is a Director and shareholder of RNI NL. Mr Thamm 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 Exploration Results, Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears. These results had been announced to the ASX on 29 July, 2014.

The information in this announcement that relates to previously released resource data on the Peak Hill Metals resource was disclosed to the ASX under the JORC Code 2004. These documents and information have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported and is based on and fairly represents information and supporting documentation prepared and compiled by Albert Thamm BSc (Hons.) MSc, F.AusIMM (CP) who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Albert Thamm is a Director of Peak Hill Metals Pty Ltd and a Director and shareholder of RNI NL. Mr Thamm 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 2004 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears. These results had been announced to the ASX on 29 July, 2014.

18. Lead auditor's Independence Declaration

The Lead auditor's independence declaration is set out on page 17 and forms part of the directors' report for the financial year ended 30 June 2015.

This report is made with a resolution of the directors.

MILES KENNEDY
EXECUTIVE CHAIRMAN

Dated at Subiaco this 29th day of September 2015

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Business Consultants
Financial Advisors

Auditor's Independence Declaration

To those charged with governance of RNI NL

As auditor for the audit of RNI NL for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

Somes Cooke

SOMES COOKE

Nicholas Hollens

Nicholas Hollens
Partner

Perth

29 September 2015

	Note	2015 $	2014 $
Continuing operations			
Finance income		26,706	76,311
Other income	3	32,829	-
Administrative expenses	3	(2,849,971)	(3,137,211)
Finance costs		(6,014,869)	(5,090,703)
Impairment / write off of exploration, evaluation and development assets	11	(9,942,052)	(57,947)
Impairment of inventory	9	(370,136)	35,567
Share based payments expense	3	(1,598,916)	(711,579)
Loss before income tax		(20,716,409)	(8,885,562)
Income tax benefit	4	553,755	1,019,512
Loss from continuing operations		**(20,162,654)**	**(7,866,050)**
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period attributable to members of the parent		**(20,162,654)**	**(7,866,050)**
Loss per share			
Basic and diluted loss per share (cents)	5	(4.31)	(2.48)

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

	Note	2015 $	2014 $
Assets			
Cash and cash equivalents	12	650,085	4,508,176
Trade and other receivables	7	56,711	186,663
Total current assets		**706,796**	**4,694,839**
Financial assets	8	10,488	10,488
Inventory	9	739,552	1,120,094
Property, plant and equipment	10	8,353,601	8,596,208
Exploration, evaluation and development expenditure	11	29,829,564	38,010,107
Total non-current assets		**38,933,205**	**47,736,897**
Total assets		**39,640,001**	**52,431,736**
Liabilities			
Trade and other payables	13	4,461,908	1,640,321
Share application monies received in advance	14	246,065	-
Borrowings	15	20,127,899	19,500,000
Current provisions	16	146,748	304,608
Total current liabilities		**24,982,620**	**21,444,929**
Provisions	16	9,294,966	13,116,063
Total non-current liabilities		**9,294,966**	**13,116,063**
Total liabilities		**34,277,586**	**34,560,992**
Net assets		**5,362,415**	**17,870,744**
Equity			
Issued capital	17	102,755,521	96,872,788
Reserves	17	2,856,096	1,584,573
Accumulated losses		(100,249,202)	(80,586,617)
Total equity		**5,362,415**	**17,870,744**

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

	Note	Issued capital $	Accumulated losses $	Share based payments reserve $	Total equity $
Opening balance at 1 July 2013		**86,964,996**	**(75,016,327)**	**2,864,684**	**14,813,353**
Total comprehensive income for the period					
Loss for the period		-	(7,866,050)	-	(7,866,050)
Total comprehensive income for the period		-	(7,866,050)	-	(7,866,050)
Transactions with owners, recorded directly in equity					
Shares issued for cash & exploration licences	17	9,353,179	-	-	9,353,179
Shares issued on acquisition of Peak Hill Metals Pty Ltd	17	772,800	-	-	772,800
Share issue costs		(218,187)	-	-	(218,187)
Share based payments		-	-	1,015,649	1,015,649
Expiry of options		-	2,295,760	(2,295,760)	-
Balance as at 30 June 2014		**96,872,788**	**(80,586,617)**	**1,584,573**	**17,870,744**
Opening balance as at 1 July 2014		**96,872,788**	**(80,586,617)**	**1,584,573**	**17,870,744**
Total comprehensive income for the period					
Loss for the period		-	(20,162,654)	-	(20,162,654)
Total comprehensive income for the period		-	(20,162,654)	-	(20,162,654)
Transactions with owners, recorded directly in equity					
Shares issued	17	6,458,410	-	-	6,458,410
Share issue costs		(575,677)	-	-	(575,677)
Share based payments		-	-	1,771,592	1,771,592
Expiry of options		-	500,069	(500,069)	-
Balance as at 30 June 2015		**102,755,521**	**(100,249,202)**	**2,856,096**	**5,362,415**

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

	Note	2015 $	2014 $
Cash flows from operating activities			
Cash receipts from customers		32,829	-
Cash paid to suppliers and employees		(2,654,411)	(3,740,334)
Research and development tax benefit		553,755	1,019,512
Interest received		26,724	118,431
Interest paid and other finance costs		(1,032,835)	(3,891,002)
Net cash outflow from operating activities	12a	**(3,073,938)**	**(6,493,393)**
Cash flows from investing activities			
Payments for exploration and evaluation		(5,213,973)	(7,213,237)
Payments for project development		(281,033)	(1,178,610)
Bond refunds		32,000	1,786,703
Proceeds on disposal of property, plant and equipment		64,268	-
Payments for property, plant and equipment		(22,930)	(69,010)
Receipts / (payments) for inventory		10,405	(12,280)
Payment for subsidiary, net of cash acquired	12b	-	(2,800,000)
Net cash outflow from investing activities		**(5,411,263)**	**(9,486,434)**
Cash flows from financing activities			
Proceeds from the issue of shares	17	6,447,160	8,790,679
Share issue costs		(391,115)	(218,187)
Repayment of borrowings		(2,800,000)	-
Proceeds from borrowings	15	1,371,065	9,500,000
Net cash inflow from financing activities		**4,627,110**	**18,072,492**
Net increase / (decrease) in cash and cash equivalents		(3,858,091)	2,092,665
Cash and cash equivalents at the beginning of the period		4,508,176	2,415,511
Cash and cash equivalents at the end of the period	12	**650,085**	**4,508,176**

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

1. Reporting entity

RNI NL (the Company or RNI) is a company domiciled in Australia. The address of the Company's registered office and principal place of business is 34 Bagot Road, Subiaco WA 6008. The Company is primarily involved in the exploration, evaluation and development of mineral tenements in Western Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2015 comprised the Company and its wholly owned subsidiaries (together referred to as the "Group").

Statement of compliance

a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian interpretations) adopted by the Australian Accounting Standard Board (AASB) and the *Corporations Act 2001*. The financial report of the Group complies with the International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were authorised for issue by the Board of Directors on 29th September 2015.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following.

- Available-for-sale financial assets are measured at fair value; and
- Share-based payments are measured at fair value.

The methods used to determine fair values are discussed further in the following notes.

- Available-for-sale financial assets note 2(c); and
- Share-based payments note 2(o).

Going Concern

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

The directors recognise that the ability of the Group to continue as a going concern and to pay its debts as and when they fall due is dependent on the ability of the Group to secure additional funding through either the issue of further shares and / or options.

The directors have reviewed the business outlook and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will achieve the matters set out above. As such, the directors believe that they will continue to be successful in securing additional funds as and when the need to raise working capital arises.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts difference from those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Group's functional currency.

d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group.

Certain comparative amounts have been reclassified to conform to the current year's presentation where required.

a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company.

In the Company's financial statements, investments in subsidiaries are carried at cost.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and other comprehensive income and statement of financial position respectively.

Transactions eliminated on consolidation

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

Acquisition of subsidiary not deemed a business combination

The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities transferred and the equity interests issued by the group. The consideration transferred also include the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in an asset acquisition, are with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquirer's net identifiable asset.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as deferred exploration expenditure. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financial or under comparable terms and conditions.

Business combination

Business combinations occur when an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control.

The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

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

All transaction costs incurred in relation to business combinations are expensed to the statement of profit and loss and other comprehensive income.

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

2. Significant accounting policies (contd)

b) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on retranslation are recognised in the income statement.

c) Financial instruments

Non-derivative financial assets

The Group initially recognises receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through the statement of profit and loss and other comprehensive income) are recognised initially on the trade date at which the Group becomes party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: cash and cash equivalents, trade and other receivables and available-for-sale financial assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Group does not recognise funds held in trust, in relation to equity issues, as a component of cash and cash equivalents.

Accounting for finance income and finance cost is discussed in note 2(k).

Receivables

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Available-for-sale financial assets

The Group's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value, where a measure of fair value exists, and changes therein, other than impairment losses (see accounting policy note 2(h)), and foreign currency differences on available-for-sale monetary items (see accounting policy note 2(b)), are recognised directly in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in equity is transferred to the income statement. Where an available for sale financial asset formerly had a fair value but presently a fair value measurement cannot be obtained, it is carried at its last known fair value and it is carried at cost which is the last known fair value.

The fair value of listed equity securities classified as available-for-sale is their quoted bid price at the balance sheet date.

Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Significant accounting policies (contd)

The Group has the following non-derivative financial liabilities: trade and other payables, borrowings and provisions.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition trade and other payables are measured at cost, which approximates fair value, borrowings are measured at amortised cost using the effective interest rate method, and provisions are measured as outlined in Note 2(j).

d) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

e) Inventory

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

f) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

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

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within 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 costs are recognised in the income statement as an expense incurred.

Depreciation

Depreciation is recognised in the income statement on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives in the current and comparative periods are as follows:

Office equipment	20%
Plant and equipment	40%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

g) Exploration, evaluation and development expenditure

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Exploration and evaluation expenditure is measured at cost.

2. Significant accounting policies (contd)

Exploration and evaluation expenditure related to each identifiable area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred and carried forward to the extent that the following conditions are satisfied:

(i) rights to tenure of the identifiable area of interest are current; and
(ii) at least one of the following conditions is also met:
   a. the expenditure is expected to be recouped through the successful development of the identifiable are of interest, or alternatively, by its sale; or
   b. where activities in the identifiable area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and activities in, or in relation to, the area of interest.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written off in full in the statement of profit and loss and other comprehensive income in the year in which the decision to abandon the area is made.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and tested for impairment where such indicators exist. If the test indicates that the carrying value might not be recoverable the asset is written down to its recoverable amount. Any such impairment arising is recognised in the statement of profit and loss and other comprehensive income for the year.

Where an impairment loss subsequently reversed, 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.

Once the technical feasibility and commercial viability of the extraction mineral resource in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to development expenditure.

Once a mining project has been established as commercially viable and technically feasible, expenditure other than that on land, buildings, plant and equipment is capitalised as development expenditure. Development expenditure includes previously capitalised exploration and evaluation costs, pre-production development costs, development studies and other subsurface expenditure pertaining to that area of interest. Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant and equipment.

h) Impairment

Financial assets (including receivables)

A financial asset not carried at fair value through the statement of profit and loss and other comprehensive income is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, and the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence if impairment.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed in groups that show similar credit risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original interest rate. Losses are recognised in the statement of profit and loss and other comprehensive income and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of profit and loss and other comprehensive income.

2. Significant accounting policies (contd)

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to the income statement. The cumulative loss that is removed from other comprehensive income and recognised in the income statement is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in the statement of profit and loss and other comprehensive income.

Any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss and other comprehensive income. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of other assets in the unit (group of units) on a pro rata basis.

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

i) Employee benefits

Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss and other comprehensive income in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term benefits

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

j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

2. Significant accounting policies (contd)

Exploration, evaluation and development activities give rise to obligations for site closure and rehabilitation. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology discounted to their present values.

k) Revenue

Goods sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration.

Services

Revenue from services rendered is recognised in the statement of profit and loss and other comprehensive income in proportion to the stage of completion of the transaction at the reporting date.

Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in the statement of profit and loss and other comprehensive income, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and impairment losses recognised on financial assets.

Foreign currency

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

l) Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in the statement of profit and loss and other comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

m) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

2. Significant accounting policies (contd)

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

n) Loss per share

The Company presents basic and diluted loss per share for its ordinary shares. Basic loss per share is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is only determined if the Company is in a profit position. Refer to note 5 for details.

o) Accounting estimates and judgements

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

Taxation

Balances disclosed in the financial statements and the notes related to taxation, are based on the best estimates of directors and take into account the financial performance and position of the Group as they pertain to current income tax legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current tax position represents the best estimate, pending assessment by the Australian Tax Office.

Exploration and evaluation assets

The accounting policy for exploration and evaluation expenditure results in expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

This policy requires management to make certain estimates as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that the recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit and loss.

Development expenditure

Development activities commence after commercial viability and technical feasibility of the project is established. Judgement is applied by management in determine when a project is commercially viable and technically feasible. In exercising this judgement, management is required to make certain estimates and assumptions as to the future events. If, after having commenced the development activity, a judgement is made that a development asset is impaired, the appropriate amount will be written off to profit and loss.

Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions set out within note 20.

Estimated useful lives of assets

Estimated useful lives of assets have been based on historical experience. The condition of the assets is assessed at least once per year and considered against the remaining life. Adjustments to useful lives are made when considered necessary.

Provision for rehabilitation

Included in liabilities at the end of each reporting period is an amount that represents an estimate of the cost to rehabilitate the land upon which the Group has carried out its exploration, evaluation and development for mineral resources. Provisions are measured at the present value of management's best estimate of the costs required to settle the obligation at the end of the reporting period. Actual costs incurred in future periods to settle these obligations could differ materially from these estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates, and discount rates could affect the carrying amount of this provision.

2. Significant accounting policies (contd)

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions or events specific to the Group that may be indicative of impairment indicators. The decision as to the existence of impairment indicators requires judgement.

p) New standards and interpretations not yet adopted

There are a number of new Accounting standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group. They are available for early adoption at 30 June 2015, but have not been applied in preparing this financial report because the adoption would not materially impact this financial report.

3. Revenue and expenses includes:	Note	**2015 $**	**2014 $**
Other Income			
Insurance refund		2,829	-
Disposal of tenement		30,000	-
		32,829	**-**
Minimum Lease Payments			
Office lease payments (included in administrative expenses)		102,378	120,241
		102,378	**120,241**
Depreciation			
Plant and equipment (included in administrative expenses)		184,761	256,632
		184,761	**256,632**
Personnel Expenses			
Employee benefits expense (included in administrative expenses)		1,359,004	1,503,256
Equity settled share-based payments expense	20	1,598,916	711,579
		2,957,920	**2,214,835**

4. Income tax expense

a) Numerical reconciliation between tax expense (benefit) and pre-tax net loss	**2015 $**	**2014 $**
Loss before tax	(20,716,409)	(8,885,562)
Income tax benefit using the domestic corporation tax rate of 30% (2014: 30%)	(6,214,923)	(2,665,668)
Increase (decrease) in income tax due to:		
Non-deductible expenses		
- Entertainment	1,289	2,540
- Share based payments	479,675	246,954
- Other	74,504	54,231
Effect of tax losses and deductible temporary differences not recognised	5,780,356	2,550,419
Tax deductible equity raising costs	(120,901)	(188,476)
Research and development tax concession refunds	(553,755)	(1,019,512)
Income tax benefit	(553,755)	(1,019,512)

b) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	79,912,448	65,719,500
Potential tax benefit @ 30%	23,973,734	19,715,850

These benefits will only be obtained if:

i) The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;

ii) The Group continues to comply with conditions for deductibility imposed by law; and

iii) No changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss and exploration expenditure.

The Group formed a Tax Consolidated Group on 8 March 2012 and Peak Hill Metals Pty Ltd joined the Tax Consolidated Group on 31 January 2014.

4. Income tax expense (contd)

c) Deferred tax (liabilities) / assets not recognised

	2015 $	2014 $
Exploration, evaluation and development expenditure	(2,136,082)	(4,699,305)
Plant and equipment	16,171	10,622
Investments	144,386	144,386
Environmental liability	2,788,490	3,934,819
Provisions and sundry items	225,879	385,186
Capital raising costs	299,843	390,393
Capital losses	150,970	150,970
Tax losses	23,973,734	19,715,850
Deferred tax asset not recognised	(25,463,392)	(20,032,921)
Net deferred tax liability	-	-

5. Loss per share

	2015 Cents	2014 Cents
Basic loss per share		
Basic loss per share (cents)	**4.31**	2.48

The calculation of basic loss per share at 30 June 2015 is based on the loss attributable to ordinary shareholders of $20,162,654 (2014: loss of $7,866,050) and a weighted average number of ordinary shares outstanding of 468,307,784 (2014: 317,002,129).

As at 30 June 2015, the options detailed within Note 20 are considered to be potential ordinary shares. However, as the Group is in a loss position, the potential ordinary shares are considered to be anti-dilutive in nature, as their exercise will not result in a diluted loss per share that shows an inferior view of earnings performance of the Group than is shown by basic loss per share. For this reason, the options have not been included in the determination of diluted loss per share and the diluted loss per share is disclosed to be the same as basic loss per share.

6. Auditors Remuneration

Audit services:	2015 $	2014 $
Audit and review of financial reports (Somes Cooke)	31,000	47,800
	31,000	**47,800**

7. Trade and other receivables

	2015 $	2014 $
Receivable from Australian Taxation Office	18,351	85,396
Environmental bonds	-	34,000
Other	38,360	67,267
	56,711	**186,663**

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in Note 22.

8. Financial Assets

	2015 $	2014 $
Available-for-sale financial assets	10,488	10,488
	10,488	**10,488**

The Group holds equity investments in listed and unlisted entities. For listed investments, they are carried at fair value, represented by their quoted bid price at balance sheet date. For unlisted investments, they are carried at cost. The Group has not recognised impairment losses with respect to its available-for-sale financial assets during the current or prior financial years.

9. Inventory

	2015 $	2014 $
Run of mine stockpiles	706,166	1,076,302
Fuel supplies	33,386	43,792
	739,552	**1,120,094**

The run of mine stockpiles were acquired upon the acquisition of Grosvenor Gold Pty Ltd. The Group has recognised $370,136 as impairments losses (2014: $35,567 in reversal of impairment losses) with respect to its run of mine stockpiles during the financial year.

10. Property, plant and equipment

A reconciliation of the carrying amounts for each class of property, plant and equipment is set out below.

	Plant & equipment $	Office equipment $	Motor vehicles $	Total $
Carrying amount				
At cost	8,107,502	224,666	926,397	9,258,565
Accumulated Depreciation	(167,482)	(61,813)	(433,062)	(662,357)
Balance as at 30 June 2014	**7,940,020**	**162,853**	**493,335**	**8,596,208**
At cost	8,014,238	234,493	841,456	9,090,187
Accumulated Depreciation	(154,159)	(94,336)	(488,091)	(736,586)
Balance as at 30 June 2015	**7,860,079**	**140,157**	**353,365**	**8,353,601**
Movement in carrying amount				
Balance at 1 July 2013	7,910,157	235,684	598,324	8,744,165
Additions	-	36,160	28,182	64,342
Transfer from development assets (i)	57,600	-	-	57,600
Transfers between classes	63,016	(63,016)	-	-
Plant refurbishment costs	4,671	-	-	4,671
Disposals	-	(7,043)	(10,895)	(17,938)
Depreciation	(95,424)	(38,932)	(122,276)	(256,632)
Balance as at 30 June 2014	**7,940,020**	**162,853**	**493,335**	**8,596,208**
Balance at 1 July 2014	7,940,020	162,853	493,335	8,596,208
Additions	-	22,930	-	22,930
Disposals	(25,586)	(9,482)	(45,708)	(80,776)
Depreciation	(54,355)	(36,144)	(94,262)	(184,761)
Balance as at 30 June 2015	**7,860,079**	**140,157**	**353,365**	**8,353,601**

(i) Transferred from capitalised development (Note 11).

11. Exploration, evaluation and development expenditure

	Note	Exploration $	Evaluation $	Project Development $	Total $
Balance at 1 July 2013		1,689,951	18,561,456	2,805,812	23,057,219
Transfer to plant and equipment	(i)	-	-	(57,600)	(57,600)
Expenditure during the period	(ii)	4,282,074	2,690,182	1,178,610	8,150,866
Acquisition of Peak Hill Metals Pty Ltd	(iii)	4,276,250	-	-	4,276,250
Adjustment to environmental liability	(iv)	1,904,731	736,588	-	2,641,319
Write off of carrying value of exploration, assets	(v)	(57,947)	-	-	(57,947)
Balance as at 30 June 2014		**12,095,059**	**21,988,226**	**3,926,822**	**38,010,107**
Balance at 1 July 2014		12,095,059	21,988,226	3,926,822	38,010,107
Expenditure during the period		4,222,060	1,079,513	281,033	5,582,606
Adjustment to environmental liability	(iv)	(815,321)	(3,005,776)	-	(3,821,097)
Impairment of carrying value of exploration or evaluation assets	(v)	(8,045,996)	(1,896,056)	-	(9,942,052)
Balance as at 30 June 2015		**7,455,802**	**18,165,907**	**4,207,855**	**29,829,564**

(i) Transfer of costs to plant and equipment (Note 10).

(ii) Expenditure included $270,000 in respect of the shares issued to Ascidian Prospecting Pty Ltd for the extension of the option agreement on the Doolgunna Project (Note 12 (c) (iii)) and $83,319 in respect of options issued to Montezuma Mining Company Limited to extend the option to acquire Peak Hill Metals Pty Ltd (Note 12 (c) (iv)).

(iii) The acquisition of Peak Hill Metals Pty Ltd comprised of exploration project interest, see Note 12 (b).

(iv) The estimated environmental liability is based on an annual assessment under the criteria adopted by the new Mining Rehabilitation Fund as implemented by the Department of Mines and Petroleum with effect from the year ended 30 June 2013.

(v) The carrying value of exploration, evaluation and project development costs have been written down based on reviews of mining and exploration tenements undertaken by an external consultant to determine the recoverability of the current carrying value. The determination was based on examining the tenements held within each entity within the group on a project-by-project basis by assessing whether:

- The expenditure and the associated activities have resulted in high priority exploration targets that will be the focus of funded exploration over the next 2 years; and
- An area of interest is considered likely to recoverable by future exploitation or sale.

The directors supported the recommendations and approved the associated amounts written off and impaired.

12. Cash and cash equivalents

	2015 $	2014 $
Bank balances	650,085	4,508,176
Cash and cash equivalents in the statement of cash flows	**650,085**	**4,508,176**

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets are discussed in Note 22.

12. Cash and cash equivalents (contd)

a) Reconciliation of cash flows from operating activities

	Note	2015 $	2014 $
Loss for the period after income tax		(20,162,654)	(7,866,050)
Adjusted for:			
Depreciation expense		184,761	256,632
Impairment (gain) / losses		370,136	(35,567)
Non cash finance costs		2,667,048	404,101
Exploration, evaluation and development impaired / written off		9,942,052	57,947
Accrued deferred rollover fee		2,314,986	795,600
Employee share-based payments	(c)	1,598,916	711,579
Provision for stamp duty		-	214,142
(Gain) / loss on disposal of assets		16,508	(2,465)
Operating loss before changes in working capital and provisions		(3,068,247)	(5,464,081)
Decrease in trade and other receivables		97,952	43,828
Decrease / (increase) in trade and other payables		54,217	(128,230)
(Increase) in provisions		(157,860)	(944,910)
Net cash outflow from operating activities		**(3,073,938)**	**(6,493,393)**

b) Acquisition of Peak Hill Metals Pty Ltd
(Refer to Note 18)

	Note	2015	2014
Purchase consideration:			
Cash		-	2,800,000
Options in ordinary shares		-	109,150
Ordinary shares	17	-	772,800
Total consideration		**-**	**3,681,950**
Fair value of net assets acquired on date of acquisition:			
Exploration project interests		-	4,276,250
Environmental provisions		-	(594,300)
		-	**3,681,950**

	Note	2015	2014
c) Non cash financing and investing activities			
Employee share based payments	(i)	1,598,916	711,579
Part settlement of acquisition of subsidiary - shares	(ii)	-	772,800
Part settlement of acquisition of subsidiary - options	(ii)	-	109,150
Issue of shares	(iii)	11,250	562,500
Issue of options	(iv)	172,674	194,920
		1,782,840	**2,350,949**

(i) Issue of Incentive Options

As approved by shareholders in general meeting held on 21 November 2013, the Company may issue unlisted options to employees to subscribe for ordinary fully paid shares in the Company at any time within five years of issue and at an exercise price approved by the directors. There are no voting or dividend rights attached to the options and options issued under the plan were issued for no consideration. Voting rights will be attached to the ordinary issued shares when the options have been exercised. Each option is convertible to one fully paid ordinary share. The following issues took place:

- On 15 September 2015, the Company issued 3,000,000 director options to Miles Kennedy at an exercise price of $0.25 each and expiring on 14 September 2017. $398,856 was recognised as a share based payment in the income statement.
- On 9 October 2014, the Company issued 12,000,000 employee incentive options to employees at an exercise price of $0.26 each and expiring on 8 October 2019. $1,166,518 was recognised as a share based payment in the income statement.
- On 5 December 2014, the Company issued 500,000 employee incentive options to employees at an exercise price of $0.26 each and expiring on 8 October 2019. $33,542 was recognised as a share based payment in the income statement.

12. Cash and cash equivalents (contd)

- On 3 October 2013, the Company issued 7,400,000 employee incentive options to employees at an exercise price of $0.12 each and expiring on 3 October 2018. $454,896 was recognised as a share based payment in the income statement.
- On 21 November 2013, the Company issued 7,000,000 incentive options to directors at an exercise price of $0.12 each and expiring on 21 November 2016. $222,887 was recognised as a share based payment in the income statement.

(ii) Shares and options issued on acquisition of subsidiary

On 31 January 2014 the following instruments were issued to Montezuma Mining Company Limited as part consideration for the acquisition of 100% equity in Peak Hill Metals Pty Ltd and the balance of the purchase price of $2,800,000 was settled in cash. (Note 17 and 18)

- 8,400,000 shares were at a fair value of $0.092 each. $772,800 was recognised as the value of this share based payment.
- 2,100,000 options were issued at an exercise price of $0.35 expiring on 31 January 2017. $109,150 was recognised as the value of this share based payment.

(iii) Issue of Shares

- On 30 December 2014, 150,000 fully paid ordinary shares were issued at a deemed price of $0.075 cents per share in lieu of a cash payment for services rendered to defer the quarterly interest on the Debt Facility as announced on 30 December 2014. $11,250 was recognised as a debt extension fee in the income statement.
- On 30 July 2013, 3,000,000 fully paid ordinary shares were issued to Ascidian Prospecting Pty Ltd at a deemed price of $0.08 cents per share as consideration for extension of the option agreement on the Doolgunna Project. $270,000 was recognised within exploration assets as a result of the issue of these shares.
- On 11 June 2014, 1,950,000 fully paid ordinary shares were issued at a deemed price of $0.15 cents per share in lieu of a cash payment for services rendered to secure the $19.5 million debt facility as announced on 31 January 2014. $292,500 was recognised as a debt success fee in the income statement.

(iv) Issue of Options

- On 5 December 2014 5,000,000 options in the capital of RNI exercisable to ordinary fully paid shares were issued to CPS Capital Group Pty Ltd pursuant to the placement announced on 14 October 2014 with an exercise price of $0.15 per share, exercisable any time on or before 20 October 2015. $141,644 was recognised as a share issue cost as a result of the issue of these options.
- On 5 December 2014 1,500,000 options in the capital of RNI exercisable to ordinary fully paid shares were issued to CPS Capital Group Pty Ltd pursuant to the placement announced on 22 December 2014 with an exercise price of $0.15 per share, exercisable any time on or before 20 October 2015. $31,030 was recognised as a share issue cost as a result of the issue of these options.
- On 11 November 2013 2,100,000 options in the capital of RNI exercisable to ordinary fully paid shares were issued to Montezuma Mining Company Limited in consideration for the extension of the option to acquire their Peak Hill Project with an exercise price of $0.20 per share, exercisable any time on or before 11 November 2016. $83,319 was recognised as within exploration assets as a result of the issue of these options.
- On 11 June 2014 3,000,000 options in the capital of RNI exercisable to ordinary fully paid shares were issued to an unrelated party as consideration for services rendered to secure the $19.5 million interim debt facility as announced on 31 January 2014 with an exercise price of $0.095 per share, exercisable any time on or before 13 March 2017. $111,601 was recognised as a debt success fee in the income statement.

13. Trade and other payables	2015 $	2014 $
Trade and other accruals	1,011,242	844,721
Hedging fees related to rollover of facility	731,207	-
Accrued deferred rollover establishment fee	2,719,459	795,600
	4,461,908	**1,640,321**

A deferred rollover establishment fee is due on the extension and increase of the debt facility proportional to the term of the loan and payable on repayment of the loan. The amount owing up to 30 June 2015 has been accrued and has been included in finance costs in the income statement. Refer to note 15.

14. Share application monies received in advance	2015 $	2014 $
Share application funds held in trust	246,065	-
	246,065	**-**

The balance above relates to funds received for the issue of shares that were unissued at the reporting date. The funds were subsequently returned to the applicants on 7 August 2015 as the minimum subscription was not reached.

15. Borrowings	2015 $	2014 $
Taurus Fund Management Pty Ltd interim debt facility	19,002,899	19,500,000
Short term loans	1,125,000	-
	20,127,899	**19,500,000**

Interim debt facility

Grosvenor Gold Pty Ltd initially entered in a facility agreement to obtain access to funding secured by a mortgage over all its assets and guaranteed by RNI NL. On 29 January 2014 the facility was extended and increased to $19,500,000. On 23 October 2014 a repayment of $2,800,000 was made. There have since been a number of further extensions to the facility and the conditions applicable to the facility as at 30 June 2015 are summarised as follows:

- Capitalisation of interest and fees with effect from 31 December 2014
- Application of interest at a rate of 15% per annum
- Full repayment required on or before 7 August 2015

Subsequent to year end the following changes were made:

- A repayment of $1,000,000 was made on 7 August 2015
- Agreement for settlement was reached at the sum of $23,000,000 requiring full repayment on or before 30 November 2015 (Note 25)
- Interest would accrue on outstanding balances post 15 October 2015 at a rate of 15% per annum

Short term loans

Short term loans represents funds loaned to RNI which are to be converted to Convertible Notes subject to shareholder approval, subsequently obtained on 17 July 2015. The loans bear interest at 12% per annum.

16. Provisions

	2015 $	2014 $
Current provisions		
Employee leave benefits	146,748	90,466
Provision for stamp duty	-	214,142
	146,748	**304,608**

Provision had been made for stamp duty on the acquisition of the assets of Peak Hill Metals Pty Ltd in 2014.

	2015 $	2014 $
Non-current provisions		
Environmental provision	9,294,966	13,116,063
	9,294,966	**13,116,063**

A provision has been made in respect of environmental rehabilitation on tenements based on the disturbance criteria as determined by Department of Mines and Petroleum.

17. Issued capital and reserves

	2015 $	2014 $
Issued and fully paid ordinary shares	**102,755,521**	**96,872,788**

Movement in ordinary shares	**Note**	**2015 Number**	**2015 $**	**2014 Number**	**2014 $**
On issue at 1 July		426,055,957	96,872,788	295,496,890	86,964,996
Issue of shares for cash		74,340,588	6,447,160	117,209,064	8,790,677
Issue of shares as part consideration for acquisition of Peak Hill Metals Pty Ltd	18	-	-	8,400,000	772,800
Issue of shares to acquire / extend options on exploration licences	12(c)	-	-	3,000,000	270,000
Issue of shares in lieu of cash payment for expenses	12(c)	150,000	11,250	1,950,000	292,500
Issue of shares on exercise of options		-	-	3	2
Share issue costs		-	(575,677)	-	(218,187)
On issue at 30 June		**500,546,545**	**102,755,521**	**426,055,957**	96,872,788

Terms and conditions

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Nature and purpose of share-based payments reserve

The share-based payments reserve represents the fair value of equity instruments issued to employees as compensation and issued to external parties for the receipt of goods and services. This reserve will be reversed against issued capital when the underlying shares are converted and reversed against retained earnings when they are allowed to lapse.

Movement in share-based payment reserve

	2015 $	2014 $
Balance at 1 July	1,584,573	2,864,684
Share based payments	1,771,590	1,015,649
Expiry of options	(500,069)	(2,295,760)
Balance at 30 June	**2,856,094**	**1,584,573**

17. Issued capital and reserves (cont)

Movement in options

Options expiring on or before	Exercise Price	On issue at 1 Jul 14	Issued	Exercised	Expired	On issue at 30 Jun 15
27 Mar 2015	$0.44	3,597,621	-	-	(3,597,621)	-
11 Nov 2016	$0.20	2,100,000	-	-	-	2,100,000
21 Nov 2016	$0.12	7,000,000	-	-	-	7,000,000
9 Nov 2017	$0.60	1,500,000	-	-	-	1,500,000
31 Jan 2017	$0.35	2,100,000	-	-	-	2,100,000
31 Jan 2017	$0.095	3,000,000	-	-	-	3,000,000
13 Mar 2017	$0.35	4,000,000	-	-	-	4,000,000
3 Oct 2018	$0.12	7,400,000	-	-	-	7,400,000
19 Feb 2016	$0.15	-	9,170,294	-	-	9,170,294
15 Sep 2017(i)	$0.25	-	3,000,000	-	-	3,000,000
8 Oct 2019(ii)	$0.26	-	12,500,000	-	-	12,500,000
20 Oct 2019	$0.15	-	42,500,000	-	-	42,500,000
		30,697,621	67,170,294	-	(3,597,621)	94,270,294

(i) The options were issued to the chairman as approved by shareholders in general meeting (Note 21).

(ii) The options were issued as incentive options to employees in terms of an employee share option scheme as approved by shareholders in general meeting (Note 21).

18. Controlled Entities

	2015 %	2014 %
Grosvenor Gold Pty Ltd, incorporated in Australia(i)	100	100
Peak Hill Metals Pty Ltd, incorporated in Australia(ii)	100	100

(i) The parent entity acquired a 100% interest in Grosvenor Gold Pty Ltd on 8 March 2012.
(ii) Grosvenor Gold Pty Ltd acquired a 100% interest in Peak Hill Metals Pty Ltd on 31 January 2014. The acquisition was assessed by the Board in the prior period and it was determined that the acquisition was an asset acquisition, rather than a business combination as the substance and intent of the transactions was for the Group to acquire the exploration assets of Peak Hill Metals Pty Ltd for the purpose of expanding the Group's overall resource base.

	2015 Fair Value $	2014 Fair Value $
Cash	-	2,800,000
Options in ordinary shares	-	109,150
Ordinary shares(i)	-	772,800
	-	3,681,950
Fair value of net assets acquired on date of acquisition:		
Exploration project interests	-	4,276,250
Provisions	-	(594,300)
	-	3,681,950

(i) The consideration paid to acquire Peak Hill Metals Pty Ltd included the issue of 8,400,000 shares at a fair value of $772,800 (Note 17). The fair value of the shares was determined based on the share price as at the date of acquisition, 31 January 2014.

19. Segment Reporting

The Group operations are entirely associated with exploration and related development activities in Western Australia.

20. Parent Information

Statement of Financial Position	2015 $	2014 $
Assets		
Total current assets	469,325	3,956,283
Total non-current assets	25,460,621	16,566,451
Total assets	25,929,946	20,522,734
Liabilities		
Total current liabilities	1,742,976	167,740
Total non-current liabilities	175,620	183,040
Total liabilities	1,918,596	350,780
Equity		
Issued capital	102,755,521	96,872,788
Reserves	2,856,095	1,584,573
Accumulated losses	(81,600,266)	(78,285,407)
Total equity	24,011,350	20,171,954

Statement of Profit and Loss and Other Comprehensive Income

Total loss	3,814,927	4,840,008
Total comprehensive loss	3,814,927	4,840,008

21. Share Based Payments

Recognised share-based payments

Details of share based payments recognised during the year are shown in the table below.

	2015 $	2014 $
Employee share based payments	1,200,060	711,579
Director share based payments	398,856	-
Issue of shares as part consideration for the acquisition of Peak Hill Metals Pty Ltd	-	772,800
Issue of options as part consideration for the acquisition of Peak Hill Metals Pty Ltd	-	109,150
Issue of shares (Note 12(c) (iii))	11,250	562,500
Issue of options (Note 12(c) (iv))	172,674	194,920
	1,782,840	**2,350,949**

Equity based compensation plans (*Long-term incentive bonus*)

The Board has provides equity-based long-term incentives (LTIs) to promote continuity of employment and to provide additional incentive to key management personnel to increase shareholder wealth. LTIs are provided as options over ordinary shares of the Company and are provided to key management personnel based on their level of seniority and position within the Group. Options may only be issued to directors subject to approval by shareholders in general meeting.

There are no voting or dividend rights attached to the options and options issued under the plans were issued for no consideration. Voting rights will be attached to the ordinary issued shares when the options have been exercised. Each option is convertible to one fully paid ordinary share.

Issue of Incentive Options

As approved by shareholders in general meeting the Company may issue unlisted options to employees to subscribe for ordinary fully paid shares in the Company with an expiry date not later than five years from the date of issue and with an exercise price at the discretion of the directors.

21. Share Based Payments (contd)

The following options were issued to employees and directors included in equity settled share-based payments expenses under Administrative expenses in the statement of profit and loss and other comprehensive income.

	2015	2014
	$	$
Equity settled share-based payment expense	1,598,916	711,579
	1,598,916	**711,579**

2015

- 3,000,000 options were issued to Miles Kennedy on 15 September 2014 at an exercise price of $0.25 and expiring on 14 September 2017 as approved at a general meeting held on 15 September 2014.
- 12,000,000 incentive options were issued to employees on 9 October 2014 at an exercise price of $0.26 and expiring on 8 October 2019.
- 500,000 incentive options were issued to employees on 5 December 2014 at an exercise price of $0.26 and expiring on 8 October 2019.
- 42,500,000 free attaching options were issued in conjunction with a capital raise on 20 October 2014 at an exercise price of $0.15 expiring on 20 October 2015.
- 9,170,294 free attaching options were issued conjunction with a capital raise on 19 February 2015 at an exercise price of $0.15 expiring on 19 February 2016.

2014

- 7,400,000 incentive options issued to employees on 3 October 2013 at an exercise price of $0.12 and expiring on 3 October 2018.
- 2,100,000 options were issued for the Variation of Sale and Purchase Agreement for the Peak Hill Gold Project on 11 November 2013 at an exercise price of $0.20 and expiring on 11 November 2016.
- 7,000,000 incentive options issued to Directors on 21 November 2014 at an exercise price of $0.012 and expiring on 21 November 2016.
- 2,100,000 options issued as part consideration for exercise of an option under and Sale and Purchase Agreement on 31 January 2014 at an exercise price of $0.35 and expiring on 31 January 2017.
- 3,000,000 free attaching options were issued conjunction with a capital raise on 11 June 2014 at an exercise price of $0.095 and expiring on 31 January 2017.

Summaries of options granted as share based payments

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options issued during the year:

	2015 No.	2015 WAEP	2014 No.	2014 WAEP
Outstanding at 1 July	30,697,621	$0.41	18,397,621	$0.72
Granted during the year	67,170,294	$0.17	21,600,000	$0.15
Expired during the year	(3,597,621)	$0.44	(9,300,000)	$1.00
Outstanding at 30 June	94,270,294	$0.18	**30,697,621**	$0.41

The outstanding balance at 30 June 2015 is represented by:

Expiry date	Exercise Price	Number of shares
20 October 2015	$0.15	42,500,000
19 February 2016	$0.15	9,170,294
11 November 2016	$0.20	2,100,000
21 November 2016	$0.12	7,000,000
31 January 2017	$0.35	2,100,000
31 January 2017	$0.095	3,000,000
13 March 2017	$0.35	4,000,000
15 September 2017	$0.25	3,000,000
9 November 2017	$0.60	1,500,000
3 October 2018	$0.12	7,400,000
8 October 2019	$0.26	12,500,000
		94,270,294

21. Share Based Payments (contd)

Weighted average remaining contractual life

The weighted average remaining contractual life for share options outstanding as at 30 June 2015 is 3.23 years (2014: 2.77 years).

Range of exercise price

The range of exercise prices for options outstanding at the end of the year was $0.095 - $0.60 (2014: $0.095 - $0.60). As the range of exercise prices is wide, refer to the above table for further information in assessing the number and timing of additional shares that may be issued and the cash that may be received upon exercise of those options.

Weighted average fair value

The weighted average fair value of options granted during the year was $0.081 (2014: $0.047).

Fair value basis

The following table sets out the assumptions made in determining the fair value of the options granted during the period which were estimated at the date of grant using the Black-Scholes model.

Expiry date	14 September 2017	8 October 2019	20 October 2015	20 October 2015
Grant date	15 September 2014	9 October 2014	5 December 2014	30 December 2014
Dividend yield	0.00%	0.00%	0.00%	0.00%
Expected volatility	132.00%	132.00%	132.00%	132.00%
Risk-free interest rate	2.78%	2.65%	2.65%	2.65%
Option exercise price	$0.25	$0.26	$0.15	$0.15
Expected life (years)	3.00	5.00	0.87	0.85
Share price on date of issue	$0.185	$0.12	$0.087	$0.076

22.Financial Instruments

Financial risk management

This note presents information about the Group's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Group's principal financial instruments comprise receivables, payables, borrowings, available-for-sale equity investments, cash and short-term deposits.

All financial assets measured at fair value are considered to be Level 1 financial assets. That is, they have quoted prices in active markets for identical assets.

Risk exposures and responses

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

The main risks arising from the Group's financial instruments are interest rate risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates via assessments of market forecasts for interest rates and monitoring liquidity risk through the development of future rolling cash flow forecasts.

The Group does not use any form of derivatives as the Group's operations and related financial instruments are not at a level of complexity to require the use of derivatives to hedge its exposures. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

22. Financial instruments (contd)

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's potential concentration of credit risk consists mainly of cash deposits with banks and other receivables. The Group's short term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the balance sheet date. The Group considers the credit standing of counterparties when making deposits to manage the credit risk.

Considering the nature of the Group's ultimate customers and the relevant terms and conditions entered into with such customers, the Group believes that the credit risk is immaterial.

Liquidity risk

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

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate cash reserves either from funds raised in the market or via short term loans and by continuously monitoring forecast and actual cash flows.

The following are the contractual and expected maturities of the Group's non-derivative, non-cash financial assets and the Group's expected maturities of financial liabilities:

	Within 6 months $	6 to 12 months $	>12 months $	Total $
Year ended 30 June 2015				
Financial assets				
Trade and other receivables	56,711	-	-	56,711
Available for sale financial assets	-	-	10,488	10,488
	56,711	-	10,488	67,199
Financial liabilities				
Trade and other payables	4,461,908	-	-	4,461,908
Provisions	146,748	-	-	146,748
Borrowings	20,127,899	-	-	20,127,899
	24,736,555	-	-	24,736,555
Net (outflow) / inflow	(24,679,844)	-	10,488	(24,669,356)
Year ended 30 June 2014				
Financial assets				
Trade and other receivables	161,663	-	25,000	186,663
Available for sale financial assets	-	-	10,488	10,488
	161,663	-	35,488	197,151
Financial liabilities				
Trade and other payables	844,721	795,600	-	1,640,321
Provisions	214,142	90,466	-	304,608
Borrowings	2,800,000	16,700,000	-	19,500,000
	3,858,863	17,586,066	-	21,444,929
Net (outflow) / inflow	(3,697,200)	(17,586,066)	35,488	(21,247,778)

22. Financial instruments (contd)

Equity price risk

Equity price risk is the risk that the value of the Group's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

Investments are managed on an individual basis and material buy and sell decisions are approved by the Board of Directors. The primary goal of the Group's investment strategy is to maximise investment returns.

The Group's investments are solely in equity instruments. These instruments are classified as available-for-sale and carried at fair value, where a measure of fair value exists, with fair value changes recognised directly in equity, except for impairment losses. Where these investments are derecognised or impaired, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration, evaluation and development of its mineral projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. Due to the Group being principally involved in mineral exploration, the primary source of funding is equity raisings which has more recently been supplemented by an interim debt facility.

The Company also encourages employees and directors to be shareholders through its various equity-based long-term incentives as detailed in Note 21.

As at 30 June 2015, the Group had a net working capital deficit of $24,275,824 (2014: $16,750,090), represented significantly by a short term bridging loan of $19,002,899 repayable by November 2015. (2013: $19,500,000). The Group's net asset position was $5,362,415 (2014: $17,870,744).

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

The Group is not subject to externally imposed capital requirements.

Fair value

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

The financial assets and liabilities included in the assets and liabilities of the Group approximate net fair value, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

Market risk

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

Currency risk

Foreign exchange risk for the Group as at 30 June 2015 arises from equity investments the Group holds in Canadian Dollars (CAD), classified as available-for-sale financial assets.

The Group's exposure to foreign currency risk is not considered to be material.

Cash flow interest rate risk

The Group is exposed to interest rate risk, primarily on its cash and cash equivalents. Cash flow interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group does not use derivatives to mitigate these exposures. The interest rate on the short term loan is fixed.

22. Financial instruments (contd)

The interest rate profile of the Group's interest-bearing financial instruments was:

	Average Interest Rate %	Variable Interest Rate A$	Fixed Interest Rate Maturity: Less than 1 Year A$	1 to 5 Years A$	More than 5 Years A$	Total A$
At 30 June 2015						
Financial assets						
Cash and cash equivalents	2.0%	650,085	-	-	-	650,085
Financial liabilities						
Borrowings	14.83%	-	20,127,899	-	-	20,127,899
At 30 June 2014						
Financial assets						
Cash and cash equivalents	2.25%	4,508,176	-	-	-	4,508,176
Financial liabilities						
Borrowings	12.50%	-	19,500,000	-	-	19,500,000

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have no material impact on the income statement. There would be no effect on the equity reserves other than those directly related to income statement.

23.Related parties

Key management personnel compensation

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2015.

The totals of remuneration paid to KMP of the Group during the year comprised:

	2015 $	2014 $
Short-term employee benefits	533,874	649,060
Post-employment benefits	46,056	53,980
Share-based payments	398,856	222,887
	978,786	925,927

Other than the directors, no other person is concerned in, or takes part in, the management of the Group or has the authority and responsibility for planning, directing and controlling the activities of the Group.

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive directors as well as all fees, salary, paid leave, fringe benefits awarded to executive directors.

Post-employment benefits

These represent the cost of superannuation contributions made during the year.

Share-based payments

These amounts represent expense related to the participation of directors in equity-settled benefit schemes as measured by the fair value of options granted on the grant date.

Further information in relations to key management personnel remuneration can be found in the directors' report.

23. Related parties (contd)

Individual directors and executives compensation disclosures

Information regarding individual directors' compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' Report.

Apart from the details disclosed in this note, no director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving directors' interests at year-end.

Key management personnel and director transactions

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. A number of these entities transacted with the Company or its subsidiaries in the reporting period. The terms and conditions of the transactions with management persons and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and their related entities over which they have control or significant influence were as follows:

Key management personnel and their related parties		Transactions value year ended 30 June		Balance outstanding as at 30 June	
Directors	**Transaction**	**2015**	**2014**	**2015**	**2014**
		$	**$**	**$**	**$**
Mr Miles Kennedy and Mr John Hutton – The Bagot Road Property Partnership	Office rental expenses	90,679	88,038	-	-
Mr Miles Kennedy – The Bagot Road Group	Payroll management fees	24,147	44,319	-	-
Mr Royce McAuslane – Karo Consulting Pty Ltd	Consulting fees payable prior to appointment as a director	410,163	-	150,000(i)	-
Mr Thomas Mann	Share issue costs	2,500	15,000	-	-
		527,489	147,357	150,000	-

(i) Subsequent to year end Karo Consulting issued a credit note to reduce the balance of outstanding consultancy fees by $30,000.

An amount of $90,679 (2014: $88,038) was paid to The Bagot Road Property Partnership, associated with director Miles Kennedy, relating to office rent and associated costs during the period. An amount of $24,147(2014:$44,319) was paid to the Bagot Road Group Pty Ltd, a company 50% owned by director Miles Kennedy until 31 May 2014 and thereafter wholly owned, being disbursements made by Bagot Road Group Pty Ltd relating to the provision of contract staff including a director Albert Thamm, payroll and BAS services. This contract arrangement with Bagot Road Group Pty Ltd was terminated on 1 December 2014 when all staff were transferred to the RNI NL payroll.

24. Commitments

Exploration expenditure commitments in respect of tenement holdings

	2015	**2014**
	$	**$**
Payable not later than 12 months	3,109,600	3,336,860
Payable between 12 months and 5 years	5,901,920	11,827,680
	9,011,520	15,164,540

25. Events subsequent to reporting date

Subsequent to the reporting date the Company released the following ASX announcements:

On 7 July 2015 RNI announced a Board restructure following the resignation of Managing Director, Royce McAuslane.

On 9 July 2015 RNI announced bonanza gold results at the Starlight Gold Complex.

On 17 July 2015 RNI announced results of the General Meeting whereby the issue of convertible notes was approved.

On 31 July 2015, RNI announced it had signed a binding heads of agreement to sell its gold assets to Metals X Limited (ASX: MLX), subject to the finalisation of legal agreements, approval from RNI shareholders and other regulatory approvals. The gold assets to be sold to Metals X include the Grosvenor Gold Project, the Horseshoe Project and part of the Peak Hill Project. RNI will retain the Forrest copper discovery, while Metals X will have a first right of refusal on any future sale by RNI of its copper or gold assets. In consideration for the gold assets, Metals X will issue RNI with 18 million new fully-paid Metals X shares. Metals X will also advance RNI $300,000 as an interest-free convertible loan to provide the Company with working capital during the sale process.

On 5 August 2015 RNI announced the new Copper-Gold exploration program at Doolgunna.

On 7 August 2015 RNI announced the intention to embark on capital raising to fund exploration.

On 10 August 2015 RNI made a debt repayment of $1,000,000 to Taurus Funds Management.

On 17 August 2015 RNI announced that it had received $300,000 from Metals X as an interest free to loan as working capital to complete the sale of its gold assets to Metals X. RNI intends to convert the loan to a convertible notes subject to shareholder approval. The conversion price for shares would be at a $.02 per share.

On 26 August 2015, RNI announced it had signed an agreement with Taurus Resources No 2 Fund (Taurus) paving the way for the orderly sale of the gold assets to Metals X, as detailed in the ASX announcement of 31 July 2015. The agreement included fixing the amount owing to Taurus by RNI at $23 million, remain interest free until 15 October 2015 and extending the repayment deadline to 30 November 2015. The loan amount can either be fully paid in cash, or at least $20.5 million in cash and the balance of up to $2.5 million by issuing RNI shares. Any interest accruing after 15 October 2015 may also be paid in RNI shares.

The agreement gives RNI the flexibility to repay the Taurus debt via a combination of proceeds from a planned non-renounceable entitlements issue to raise approximately $5 million, the issue of RNI shares to Taurus for up to $2.5 million and the orderly sale of the 18 million Metals X shares.

The sale of the gold assets to Metals X will enable RNI to refocus on its ~1,300km^2 exploration portfolio including the Cashmans, Morck's Well and Doolgunna projects and the Peak Hill copper interests.

In conjunction with the sale, it is proposed that RNI will purchase from Metals X the Chunderloo copper-gold project at Meekatharra for a consideration of 25 million new fully-paid RNI shares, providing additional scale to RNI's copper exploration strategy.

On 22 September 2015, RNI announced that GMP Securities Australia Pty Limited had underwritten $5 Million of the RNI Entitlements Issue being offered to shareholders on a 1 for 2 basis at $0.015 per share to raise approximately $5.4million before costs.

Net assets with the 30 June 2015 carrying amounts listed below have been identified to be sold as a result of the agreement with Metals X.

	$
Exploration and evaluation (Gold tenements)	18,165,907
Project development	4,207,855
Plant and equipment	7,796,883
Motor vehicles	65,887
Inventory	706,166
Environmental provision	(9,047,646)
	21,895,052

Except for the events noted above, no other material events have occurred subsequent to the reporting date.

1. In the opinion of the directors of RNI NL

   (a) the consolidated financial statements and notes, set out on pages 18 to 46, and the Remuneration report in the Directors' report, are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and

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

   (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1(a);

   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2015.

Signed in accordance with a resolution of the directors.

MILES KENNEDY
EXECUTIVE CHAIRMAN

Dated at Subiaco this 29th day of September 2015

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Chartered Accountants (Aus)
Business Consultants
Financial Advisors

Independent Auditor's Report

To the members of RNI NL

Report on the Financial Report

We have audited the accompanying financial report of RNI NL, which comprises the consolidated statement of financial position as at 30 June 2015, 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 RNI NL comprising the entity and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

In Note 1, the directors also state, in accordance with Accounting 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.

Independence

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

Opinion

In our opinion:

(a) the financial report of RNI NL is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2015 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter – Inherent uncertainty regarding continuation as a going concern

Without modifying our opinion, we draw attention to Note 1 to the financial statements which outlines that the ability of the Group to continue as a going concern is dependent on the ability of the Group to secure additional funding through either the issue of further shares and/or options.

As a result there is a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Our opinion is not qualified in respect of this matter.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 13 of 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 in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of RNI NL for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

Somes Cooke

SOMES COOKE

Nicholas Hollens

NICHOLAS HOLLENS

Partner

29 September 2015

Perth