Financial Report 2015

ABN 38 116 834 336

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Corporate Directory

DIRECTORS	Mr Evan Cranston Dr Marat Abzalov Mr Peter Williams Mr Thomas Gladwin-Grove	Non-Executive Chairman Executive Director - Geology Technical Director Non-Executive Director
COMPANY SECRETARY	Ms Oonagh Malone	
PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE	Suite 23, 513 Hay Street Subiaco WA 6008 Ph: +61 8 6143 6730 Fax: +61 8 9388 8824 PO Box 1311 Subiaco WA 6904 Website: www.bossresources.com.au Email: admin@bossresources.com.au	
SOLICITORS TO THE COMPANY	Bellanhouse Legal Ground Floor, 11 Ventnor Avenue West Perth WA 6005	
AUDITORS	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000	
STOCK EXCHANGE	Australian Securities Exchange Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000 ASX Code: BOE	
SHARE REGISTRY	Security Transfer Registrars 770 Canning Highway Applecross WA 6153 Ph: +61 8 9315 2333	

Directors' Report

Your Directors present their report on the Group for the Year Ended 30 June 2015.

Directors

The names of the Directors in office at any time during or since the end of the year are set out below. Directors were in office for the entire period unless otherwise stated.

Mr Evan Cranston	Non-Executive Chairman
Dr Marat Abzalov	Executive Director – Geology
Mr Peter Williams	Technical Director
Mr Thomas Gladwin-Grove	Non-Executive Director

Information on Current Directors

Mr Evan Cranston Non-Executive Chairman
Appointed 2 May 2012

Mr Cranston is a corporate lawyer specialising in corporate and mining law. He holds a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia and was admitted as a barrister and solicitor of the Supreme Court of Western Australia.

Mr Cranston has broad experience in the areas of capital raisings, initial public offerings, tenement acquisition agreements, mineral rights agreements, joint ventures, mergers and acquisitions, corporate governance, the ASX listing rules and the Corporations Act.

Mr Cranston is currently non-executive director of ASX listed companies Attila Resources Limited, Carbine Resources Limited, Clancy Resources Limited and Cradle Resources Limited.

Mr Cranston holds a relevant interest in nil shares of the Company.

Dr Marat Abzalov Executive Director - Geology
Appointed 2 April 2014

Dr Abzalov has managed and consulted on a wide range of mining projects including government run projects, technical reviews and detailed studies from scoping to bankable feasibility. He has a solid expertise in all aspects of ore body knowledge with an emphasis on geostatistical resource estimation, samples quality assurance / control and geological / mathematical 3D modelling. His exploration experience includes management and technical support to exploration activities in both brownfields and greenfields projects. In brownfields exploration, using advance 3D visualisation of geological data and applying new 3D modelling and visualisation methodologies, Dr Abzalov built a predictive exploration model of the Olympic Dam deposit which led to the discovery of significant new resources in 2003. He also built a predictive exploration model of Cliff's Ni-S brownfields project in Western Australia which led to the discovery of a high grade zone turning the deposit to an economically viable mining project. In greenfields exploration, he has managed the search programs for deep or covered deposits using innovative targeting tools, including specialised geochemical datasets and applying quality 3D geological interpretation and visualisation. His geological analysis and exploration targeting has led to the generation of highly prospective exploration projects in Far East Russia, the Stans and Eastern Europe.

Other than Boss Resources Limited, over the past three years Dr Abzalov has not held any directorships with ASX listed companies.

Dr Abzalov holds a relevant interest in 1,470,499 shares of the Company.

Mr Peter Williams Technical Director

Appointed 20 August 2013

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that lead to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Mr Williams also has extensive experience in West Africa where he was the vendor of Gryphon Minerals' Banfora Gold Project, was involved in the project generation of Papillion's Mali projects and was a founding director of Ampella Mining Ltd. He was a co-founder of the International Resource Sector Intelligence company, Intierra and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

Other than Boss Resources Limited, over the past three years Mr Williams has not held any directorships with ASX listed companies.

Mr Williams holds a relevant interest in 24,172,647 shares of the Company. Mr Williams is a director of Newgenco Pty Ltd, a company with which Boss Resources has entered into two joint venture agreements and a technical services agreement.

Mr Thomas Gladwin-Grove Non-Executive Director

Appointed 8 October 2009

Mr Grove has experience as a private equity adviser and has been involved in raising finance for a number of companies. He has been a director of I-Trade, a web based worldwide commodity trading platform, since 2006.

Other than Boss Resources Limited, over the past three years Mr Grove has not held any directorships with ASX listed companies.

Mr Grove holds a relevant interest in 3,352,500 shares of the Company.

Ms Oonagh Malone Company Secretary

Appointed 30 November 2012

Ms Malone is a principal of a corporate advisory firm which provides company secretarial and administrative services. She has over 5 years' experience in administrative support roles for listed exploration companies and is a member of the Governance Institute of Australia. She is currently company secretary to ASX-listed companies Attila Resources Ltd, Carbine Resources Ltd and ZYL Limited. She is a non-executive director of ZYL Limited.

Ms Malone holds a relevant interest in 700,000 shares of the Company.

Meetings of Directors

During the financial year, three meetings of Directors were held and two circular resolutions signed. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Dr Marat Abzalov	3	3
Mr Evan Cranston	3	3
Mr Thomas Gladwin-Grove	3	2
Mr Peter Williams	3	3

Dividends Paid or Recommended

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

Principal Activities

The principal activities of the Group during the financial year were the exploration of its nickel / copper projects in Finland, Sweden and Norway, and its gold interests in Burkina Faso. The Company continues to pursue the maximisation of its investments and the seeking of complementary projects to the ultimate benefit of its shareholders.

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

Review of Operations

Scandinavian Nickel / Copper Projects

- Skogtrask Project (Sweden):
  - 11 strong bedrock conductors identified by TEM surveys demonstrating highly prospective project with excellent exploration targets.
  - 2 hole drill program completed in July 2014 intersecting disseminated and stringer sulphide mineralisation.
  - Mineralisation in one hole averaging 20.3m @ 0.3% Ni, 0.2% Cu and 0.02% Co, with nickel grades up to 1.96% (via XRF spot measurements).
  - Consolidation of the area with the successful granting of Skogtrask nr3 and Palange nr1 tenements.
- A drill program has been planned and ground access approval is being sought at the Liakka Project in Finland.
- 37km^2 license was granted at the Nottrask Project in Sweden covering a mafic-ultramafic intrusion with outcropping Ni grades up to 1.25% and Cu grades up to 1.8%. A new occurrence of Ni/Cu sulphides identified by Boss for further investigation.

- The Lilltrask Project in Sweden has been granted with outcropping mineralisation giving Ni tenors up to 4% and Cu tenors up to 7%.
- A 12 tenement package in Norway known as the Linn Project has been granted and will be reviewed by Boss for nickel / copper prospectivity.

Burkina Faso Gold Projects

In March 2014, the Company entered into a joint venture with ASX-listed explorer, Gryphon Minerals Ltd, with respect to its Burkina Faso gold assets. Gryphon has committed to meet the 2 years of minimum expenditure to earn a 51% interest in each Project. An additional 2 tenements have been acquired at Gourma which Gryphon have elected to join the joint venture agreement. Gryphon has conducted extensive sampling programs across the assets to date.

Operating Results

The loss of the Group for the year ended 30 June 2015 after providing for income tax amounted to $1,101,779 (2014: loss of $2,125,287).

Financial Position

The net assets of the Group are $6,295,015 as at 30 June 2015 (2014: $7,388,632).

Significant Changes in State of Affairs

- On 4 July 2014, the Company finalised an earn-in agreement with Gryphon Minerals Ltd over the Company's gold assets in Burkina Faso. Under the terms of the agreement, Gryphon Minerals Ltd can earn up to 80% of the assets by sole funding exploration up to the completion of a definitive feasibility study and decision to mine. Gryphon shall meet two years minimum expenditure commitments on the permits to earn 51% on the joint venture with delivery of definitive feasibility study increasing the interest to 70%. Gryphon Minerals Ltd has the right to acquire an additional 10% in the JV for $2.5 million. Upon completion of a definitive feasibility study but prior to a decision to mine, the Company may elect to convert the remainder of their interest to a 1.5% net smelter royalty, otherwise the Company shall be free carried to a decision to mine and will then be required to contribute on a pro rata basis. In January 2015 additional ground at Gourma was acquired and Gryphon elected to include this ground in the joint venture agreement.

- During the year, the Company was granted the following nickel / copper prospects in Scandinavia:
    - Nottrask Project in Sweden
    - Lilltrask Project in Sweden
    - Skogtrask nr 3 and Palange nr 1 tenements in Sweden which form part of the Skogtrask Project
    - Linn Project in Norway

After Balance Date Events

- On 10 August 2015, 28,500,000 unlisted share options in the Company expired.
- On 1 September 2015, the Company announced the acquisition of the Honeymoon Uranium Project in South Australia on the following terms:
  - A $200,000 site access fee, paid in April 2015, which gave the Company the exclusive right to access the Honeymoon Uranium Project and conduct all its due diligence.
  - An initial cash payment of approximately $2,442,000 (comprising an amount of $2,115,000 plus a care and maintenance contribution of approximately $327,000) ("**Closing Amount"**).
  - $3 million under a promissory note and repayable within 24 months of completion of the Acquisition
  - $4 million under a promissory note issued and repayable within 48 months of completion of the Acquisition
  - The Company will also make the following contingent payments to U1 upon successful recommissioning of the Honeymoon Uranium Project:
    - $2 million payable in cash and/or shares upon the later of restart of the operations with commercial production or 5 years of completion of the Acquisition.
    - 10% of the net operating cash flow of the Honeymoon Project payable annually up to a maximum of $3 million.
  - The payment of the Closing Amount has been guaranteed by Carbine Resources Limited (Carbine Guarantee). In consideration for the Carbine Guarantee, on 1 September 2015 the Company issued 10 million unlisted share options exercisable at $0.02 each by 31 August 2018.
  - The promissory notes are secured under the terms of a general security deed. Repayment of the amounts due under the promissory notes may be accelerated in certain circumstances, including where the Company raises financing of $15 million, the sale of the shares in Uranium One Australia or the Honeymoon Project (or part thereof) and a change in control of the Company.
- On 8 September 2015, the Company announced a 2 for 5 non-renounceable rights issue to acquire shares at $0.015 that is intended to raise $3,284,000 before costs.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Future Developments, Prospects and Business Strategies

Further developments and business strategies are dependent upon the success of exploration work in Burkina Faso, Finland and Sweden and the Group's ability to identify and acquire suitable complementary resource projects.

Environmental Issues

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations at all times.

Options

At the date of this report there are no options on issue.

During the year, no options were exercised, lapsed or expired. Subsequent to the year end, 28,500,000 unlisted options expired.

Proceedings on Behalf of Company

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

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

Indemnifying Officers or Auditor

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

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 20 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2015, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

REMUNERATION REPORT - AUDITED

Remuneration policy

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally.

Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Performance-based remuneration

The Board recognises that Boss Resources Limited operates in a global environment. To prosper in this environment it we must attract, motivate and retain key executive staff.

The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Company operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Company; and
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders.

Market Comparisons

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Company's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the Board to reward key employees when they deliver consistently high performance.

Board Remuneration

The Board determines actual payments to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Directors' Fees

Executive

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Company has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

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

- The remuneration policy, setting the terms and conditions for executive directors and executives, was developed and approved by the Board. All executives receive a fee, part of which may be taken as superannuation, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Company's performance, executives' performance and comparable information from industry sectors and other listed companies in similar industries. The Board may in its discretion establish a performance based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.
- Salaried executive directors and specified executives are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.
- All remuneration paid to directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).

Service Agreements

A summary of the current service agreements entered into with Executive Directors is set out below:

Executive Director	Term of Agreement	Base salary per annum including any superannuation* (Non-performance based)	Termination Conditions	Proportion of elements of remuneration related to performance
Dr Marat Abzalov	No specified term	$120,000	1 month notice period	-
Mr Peter Williams	No specified term	$135,000	3 month notice period	-

* Base salary quoted is the position as at 30 June 2014; salaries are reviewed annually.

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The maximum aggregate remuneration approved for Non-Executive Directors is currently $300,000.

It is recognised that non-executive director remuneration is ideally structured to exclude equity based remuneration. However, whilst the Company remains small and the full Board, including the Non-Executive Directors, are included in the operations of the Company more intimately than may be the case with larger companies, the Non-Executive Directors are entitled to participate in equity based remuneration schemes.

All Directors are entitled to have their indemnity insurance paid by the Company.

Bonus or Profit Participation Plan

Performance incentives may be offered to executive directors and senior management of the Company through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

Details of remuneration for year ended 30 June 2015

	Salary, Fees and Commissions $	Super-annuation Contribution $	Non-cash Benefits $	Share-based payments $	Total $	Performance related %
Key Management Person						
Dr Marat Abzalov	109,589	10,411	-	-	120,000	-
Mr Evan Cranston	46,667	-	-	-	46,667	-
Mr Thomas Gladwin-Grove	30,000	-	-	-	30,000	-
Ms Oonagh Malone	24,000	-	-	-	24,000	-
Mr Peter Williams	135,000	-	-	-	135,000	-
	345,256	10,411	-	-	355,667	-

Details of remuneration for year ended 30 June 2014

	Salary, Fees and Commissions $	Super-annuation Contribution $	Non-cash Benefits $	Share-based payments $	Total $	Performance related %
Key Management Person						
Dr Marat Abzalov [1]	27,460	2,540	-	-	30,000	-
Mr Evan Cranston	30,000	-	-	-	30,000	-
Mr Thomas Gladwin-Grove	30,000	-	-	-	30,000	-
Ms Oonagh Malone [2]	24,000	-	-	-	24,000	-
Mr Leigh Ryan [3]	11,663	1,551	-	-	13,214	-
Mr Peter Williams [4]	116,855	-	-	-	116,855	-
	239,978	4,091	-	-	244,069	-

[1] appointed as Executive Director on 2 April 2014
[2] appointed as Non-Executive Director on 24 July 2013 and resigned 20 August 2013, Company Secretary for full year.
[3] resigned as Managing Director on 24 July 2013
[4] appointed as Executive Director on 20 August 2013

Performance rights

On 28 November 2014, shareholders approved the issue of 30,000,000 Performance Rights to Mr Wililams and 9,999,999 Performance Rights to Dr Abzalov. These Performance Rights have not been issued at the 30 June 2015 and at the date of this report. These Performance rights may be issued up to 28 November 2015 and are to expire 5 years from their issue dates. On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration.

The Board considers that the Performance Rights, are a cost effective and efficient reward for the Company to make to appropriately incentivise the continued performance of the Executive Directors and are consistent with the strategic goals and targets of the Company.

The Performance Rights to be issued to Mr Williams will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	First Milestone means when the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Tranche 2 Performance Rights	Second Milestone means announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Tranche 3 Performance Rights	Third Milestone means announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000

The Performance Rights to be issued to Dr Abzalov will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	First Milestone means when the closing price of the Company's Shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,333,333
Tranche 2 Performance Rights	Second Milestone means announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	3,333,333
Tranche 3 Performance Rights	Third Milestone means announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	3,333,333

No expense has been recognised for these performance rights to be issued for the year ended 30 June 2015 both because the ability of the Company to delay issue effectively means that there was no shared understanding of the terms and conditions of the performance rights during the financial year, and because they may never be issued in the event that any directors resign before 28 November 2015.

Options issued as part of remuneration

There were no compensation options issued to Directors during the year ended 30 June 2014 or 2015. No Director options were exercised or lapsed during the financial year.

The assessed fair value at grant date of options granted to individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Refer to note 21 of financial statements.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2015 Ordinary Shares	**Balance at the start of the year or at appointment**	**Received as part of remuneration**	**Options Exercised**	**Net changes other**	**Balance at the end of the year or at resignation**
Dr Marat Abzalov	-	-	-	1,470,499	1,470,499
Mr Evan Cranston	-	-	-	-	-
Mr Thomas Gladwin-Grove	3,352,500	-	-	-	3,352,500
Ms Oonagh Malone	1,000,000	-	-	(300,000)	700,000
Mr Peter Williams	24,172,647	-	-	-	24,172,647
	28,525,147	-	-	(1,170,499)	29,695,646

Option holding

The number options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2015 Options over ordinary shares	**Balance at the start of the year**	**Granted**	**Exercised**	**Expired/ forfeited/ other**	**Balance at the end of the year**
Dr Marat Abzalov	-	-	-	-	-
Mr Evan Cranston	15,000,000	-	-	-	15,000,000
Mr Thomas Gladwin-Grove	3,000,000	-	-	-	3,000,000
Ms Oonagh Malone	-	-	-	-	-
Mr Peter Williams	-	-	-	-	-
	18,000,000	-	-	-	18,000,000

Other transactions with key management personnel and their related parties

Evan Cranston is a director of Konkera Corporate. Konkera Corporate received $101,000 during the year for the provision of administration, bookkeeping and accounting services. Current year secretarial fees of $24,000 were paid to Malone Corporate Services and are included in the remuneration report for Ms Malone. At 30 June 2015, Group had no creditor balances payable to Konkera Corporate or Malone Corporate Services.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Shares Issued on Exercise of Compensation Options

No options have been exercised during or since the year end.

[END OF AUDITED REMUNERATION REPORT]

Signed in accordance with a resolution of the Board of Directors.

Evan Cranston
Non-Executive Chairman
DATED at PERTH this 30th day of September 2015

Competent Person Statements
The information in this report that relates to the Skogtrask Project, Nottrask Project and Lilltrask Project is based on and fairly represents information compiled by Mr Peter Williams, Technical Director of Boss Resources Limited, who is a member of the Australian Institute of Geoscientists, and Dr Marat Abzalov, Executive Director – Geology of Boss Resources Limited, who is a Fellow of The Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Williams and Dr Abzalov have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williams and Dr Abzalov consent to the inclusion in the report of the matters based on information in the form and context in which it appears. This information was originally reported to ASX on 16 April 2014, 29 April 2014, 8 May 2014 and 28 August 2014 (Skogtrask), 8 July 2014 (Nottrask) and 2 December 2014 (Lilltrask) and the Company is not aware of any new information or data that materially effects this information.

RSM Bird Cameron Partners

RSM Bird Cameron Partners
8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 **F** +61 8 9261 9101
www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS

David Wall

DAVID WALL
Partner

Perth, WA
Dated: 30 September 2015

Statement of Comprehensive Income

For the Year Ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
Revenue	2	109,577	89,789
Impairment of exploration and evaluation	9	-	(1,023,083)
Employees and consultants		(458,179)	(507,212)
Accounting and legal		(132,733)	(92,966)
Travel and accommodation		(20,692)	(6,672)
Financing charges		(3,851)	(5,051)
Regulatory fees		(31,715)	(23,224)
Occupancy and communications		(44,026)	(51,697)
Exploration and evaluation expenditure	9	(378,245)	(371,159)
Impairment of investment		(80,146)	-
Other expenses		(61,769)	(134,012)
Loss before income tax expense		(1,101,779)	(2,125,287)
Income tax expense	3	-	-
Loss after income tax expense		(1,101,779)	(2,125,287)
Other Comprehensive income:			
Items that may be reclassified subsequently to operating result:			
Net gain/ (loss) on fair value of available-for-sale financial assets		9,913	17,559
Exchange differences on translating foreign controlled entities		(1,751)	(16,411)
Total other comprehensive gain/ (loss) for the year, net of tax		8,162	1,148
Total comprehensive (loss) for the year		(1,093,617)	(2,124,139)
Loss per share			
Basic and diluted (loss) per share (cents per share)	14	(0.20)	(0.44)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2015

	Note	Consolidated 2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents	4	935,881	1,974,958
Trade and other receivables	5	36,119	38,439
Other assets	6	219,687	18,658
Non-current assets classified as held for sale	7	-	202,063
Total Current Assets		1,191,687	2,234,118
NON-CURRENT ASSETS			
Plant and equipment	7	26,688	37,513
Other financial assets	8	92,532	170,846
Exploration and evaluation expenditure	9	5,080,000	5,080,000
Total Non-Current Assets		5,199,220	5,288,359
TOTAL ASSETS		6,390,907	7,522,477
CURRENT LIABILITIES			
Trade and other payables	10	95,892	133,845
TOTAL CURRENT LIABILITIES		95,892	133,845
TOTAL LIABILITIES		95,892	133,845
NET ASSETS		6,295,015	7,388,632
EQUITY			
Issued capital	11	43,302,956	43,302,956
Reserves	12	6,317,085	6,308,923
Accumulated losses		(43,325,026)	(42,223,247)
TOTAL EQUITY		6,295,015	7,388,632

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2015

Consolidated	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Financial Assets Reserve	Total
	$	$	$	$	$	$
Balance at 1 July 2014	43,302,956	(42,223,247)	(426,162)	6,744,998	(9,913)	7,388,632
Loss for the year	-	(1,101,779)	-	-	-	(1,101,779)
Other comprehensive gain/ (loss) for the year	-	-	(1,751)	-	9,913	8,162
Total comprehensive (loss) for the year	-	(1,101,779)	(1,751)	-	9,913	(1,093,617)
Shares issued during the year	-	-	-	-	-	-
Capital raising costs	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-
Balance at 30 June 2015	43,302,956	(43,325,026)	(427,913)	6,744,998	-	6,295,015
Balance at 1 July 2013	41,792,589	(40,097,960)	(409,751)	6,776,409	(27,472)	8,033,815
Loss for the year	-	(2,125,287)	-	-	-	(2,125,287)
Other comprehensive gain/ (loss) for the year	-	-	(16,411)	-	17,559	1,148
Total comprehensive (loss) for the year	-	(2,125,287)	(16,411)	-	17,559	(2,124,139)
Shares issued during the year	1,554,683	-	-	-	-	1,554,683
Capital raising costs	(44,316)	-	-	-	-	(44,316)
Share based payments	-	-	-	(31,411)	-	(31,411)
Balance at 30 June 2014	43,302,956	(42,223,247)	(426,162)	6,744,998	(9,913)	7,388,632

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
		Inflows/(Outflows)	
Cash Flows from Operating Activities			
Payments to suppliers and employees		(466,739)	(441,950)
Expenditure on mining interests		(623,893)	(734,274)
Finance costs		(239)	(129)
Interest received		54,463	66,183
Other receipts		-	22,048
Net cash (used in) operating activities	13	(1,036,408)	(1,088,122)
Cash Flows from Investing Activities			
Purchase of plant and equipment		(2,888)	(38,408)
Proceeds on disposal of plant and equipment		200,000	85,000
Capitalised exploration expenditure		-	(113,727)
Other –deposits		(200,000)	(1,591)
Net cash (used in) investing activities		(2,888)	(68,726)
Cash Flows from Financing Activities			
Proceeds from issue of share capital (net)		-	1,450,367
Net cash provided by financing activities		-	1,450,367
Net (decrease) / increase in cash and cash equivalents		(1,039,296)	293,519
Cash and cash equivalents at the beginning of the financial year		1,974,958	1,681,524
Exchange differences on cash and cash equivalents		219	(85)
Cash and cash equivalents at the end of the financial year	4	935,881	1,974,958

The accompanying notes form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2015

These consolidated financial statements and notes represent those of Boss Resources Limited (the ‘Company’ or ‘parent entity’) and Controlled Entities (the “Group” or “consolidated entity”). Boss Resources Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Boss Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in note 23.

The financial statements were authorised for issue on 30 September 2015 by the Directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

New and Amended Accounting Policies adopted by the Group

The Group has adopted the following new and revised Australian Accounting Standards from 1 July 2014 together with consequential amendments to other Standards:

- *Investment Entities – Amendments to AASB 10, AASB 12 and AASB 127*

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under AASB 10 Consolidated Financial Statements and must be applied retrospectively, subject to certain transition relief. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact on the Group, since none of the entities in the Group qualifies to be an investment entity under AASB 10.

- *AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*

The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. This amendment has resulted in increased disclosures in the Group’s financial statements.

- *Offsetting Financial Assets and Financial Liabilities - Amendments to AASB 132*

These amendments clarify the meaning of ’currently has a legally enforceable right to set-off’ and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting and is applied retrospectively. These amendments have no impact on the Group, since none of the entities in the Group has any offsetting arrangements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *Interpretation 21 Accounting for Levies*

Interpretation 21 clarifies that an entity recognises a liability for a levy when the activity that triggers the payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. Retrospective application is required for AASB Interpretation 21. This interpretation has no impact on the Group as it has applied the recognition principles under AASB 137 Provisions, Contingent Liabilities and Contingent Assets consistent with the requirements of AASB Interpretation 21 in prior years.

- *AASB 2014-1 Amendments to Australian Accounting Standards*

The adoption of AASB 2014-1 has required additional segment disclosures that are reflected in note 19. Other than that, the adoption of these standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

New accounting standards issued but not yet effective

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

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

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

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

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

- *AASB 15: Revenue from Contracts with Customers and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).*

The Standard establishes a comprehensive framework for determining whether, how much and when revenue is recognised. The potential financial impact of the adoption of AASB 15 on the Group is not yet possible to determine.

The following amendments to existing standards are not yet mandatory and not expected to result in any significant changes to the Group's accounting policies:

  - *2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements;*
  - *2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;*
  - *2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle;*

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101;* and
- *2015-5 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities.*

The Group has decided against early adoption of these standards and interpretations. Furthermore, these changes in standards and interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Principles of consolidation

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

A list of controlled entities is contained in Note 15.

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

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

b) Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are always classified as non-current.

d) Business combinations

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

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

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

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

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

e) Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;

(ii) any non-controlling interest; and

(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value remeasurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interests is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

f) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Foreign Currency Translation

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the parent company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the Group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

h) Income Tax

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

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

i) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

j) Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Depreciation

The depreciable amount of all plant and is depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	12.5-66.67%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement profit or loss and other comprehensive income.

k) Exploration and Development Expenditure

For each area of interest, expenditure incurred in the exploration for, and evaluation of, mineral resources are either expensed as incurred or capitalised and recognised as an exploration and evaluation asset.

Exploration, evaluation and development expenditure capitalised are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

Where permits for capitalised areas of interest are not held directly by the Group, the Group has enforceable current rights to the capitalised areas of interest.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. 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 on an undiscounted basis.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Leases

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

m) Trade and Other Payables

Trade payables and other accounts are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

n) Trade and Other Receivables

Trade account receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for doubtful accounts.

o) Revenue

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax (GST).

p) Goods and Services Tax

Revenues, 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, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

q) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

r) Financial Instruments

At present, the Group does not undertake any hedging or deal in derivative instruments.

Recognition

The Group recognises financial assets and financial liabilities on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification and Subsequent Measurement

Financial instruments are subsequently valued at fair value amortised cost using the effective interest method, or cost.

Amortised Cost

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

The Effective Interest Method

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

Fair value

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

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

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

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

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

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

Valuation techniques

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

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

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

Fair value hierarchy

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

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

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

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or

(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

The Group has no assets or liabilities measured at fair value because, while assets acquired and liabilities assumed in business combinations have been measured at their acquisition date fair values, in accordance with paragraph 18 of AASB 3, these initial measurements have formed the costs of the assets acquired and liabilities assumed for the purpose of other accounting standards.

Impairment

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

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Financial Liabilities

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Derecognition

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

s) Share-Based Payment Transactions

The Company provides benefits to key management personnel of the Group in the form of share-based payments, whereby the key management personnel render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share based payments.

The cost of equity settled transactions with key management personnel are measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cost of equity settled transactions are recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

t) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred except borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale. In this case the borrowing costs are capitalised as part of the cost of such a qualifying asset.

The amount of borrowing costs relating to funds borrowed generally and used for the acquisition of qualifying assets has been determined by applying a capitalisation rate to the expenditures on those assets. The capitalisation rate comprises the weighted average of borrowing costs incurred during the period.

u) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

v) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

w) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

Liabilities for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

x) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

y) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Boss Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

z) Critical Accounting Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Capitalised Exploration and Evaluation Expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the company decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share based payment transactions

The Group measures the cost of equity-settled transactions with reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined from market value of the Company's shares at grant date using an option valuation methodology.

	Consolidated	
	2015	2014
	$	$

NOTE 2: REVENUE

	2015 $	2014 $
Interest revenue	49,550	73,638
Other income	60,027	16,151
	109,577	**89,789**

NOTE 3: INCOME TAX EXPENSE

a. Income tax expense

	2015 $	2014 $
Current tax	-	-
Deferred tax	-	-
Under/(over) provision in respect of prior years	-	-
	-	**-**

b. Numerical reconciliation of income tax benefit to prima facie tax payable

	2015 $	2014 $
Loss from continuing operations before income tax expense	(1,101,779)	(2,125,287)
Tax at the Australian tax rate of 30% (2014: 30%)	(330,534)	(637,586)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax effect on different tax rate of oversea subsidiaries	(2,314)	17,530
Share based payments	-	(9,423)
Impairment of assets	24,044	306,925
Other non-deductible expenses	(13,893)	(25,666)
Income tax benefit not recognised	322,697	348,220
Income tax expense	**-**	**-**

c. Unrecognised deferred tax assets – tax losses

	2015 $	2014 $
Unused tax losses for which no deferred tax asset has been recognised	14,116,899	13,397,726
Potential tax benefit at the Australian tax rate of 30% (2014: 30%) and Burkina Faso rate of 25% (2014: 25%)	**4,014,828**	**3,779,232**

The Group has Australian related tax losses for which no deferred tax asset is recognised of $9,712,071 and Burkina Faso related tax losses of $4,404,828 for which no deferred tax asset has been recognised.

d. Unrecognised temporary differences

	2015 $	2014 $
Unrecognised deferred tax asset at 30 June relates to the following:		
Accumulated impairment of assets	8,642,381	8,621,311
Capital raising costs recognised directly in equity	29,664	45,325
Other unrecognised temporary differences	5,195	4,200
	8,677,240	**8,670,836**

NOTE 3: INCOME TAX EXPENSE (continued)

The temporary differences have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable. The benefit of these deferred tax assets will only be obtained if:

(1) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;

(2) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and

(3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

No franking credits are available.

NOTE 4: CASH AND CASH EQUIVALENTS

	Consolidated	
	2015 $	2014 $
Cash at bank	435,881	774,958
Term deposit	500,000	1,200,000
	935,881	1,974,958

NOTE 5: TRADE AND OTHER RECEIVABLES

Trade receivables	36,119	38,439
	36,119	38,439

Receivables are non-interest bearing and generally repayable within 30 days.

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

NOTE 6: OTHER ASSETS

Deposit	200,000	-
Prepaid expenses	19,687	18,658
	219,687	18,658

NOTE 7: PLANT AND EQUIPMENT AND ASSETS HELD FOR SALE

Cost	43,419	40,531
Accumulated depreciation	(16,731)	(3,018)
	26,688	37,513
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	37,513	270,936
Additions	2,888	38,408
Disposals	-	(8,849)
Depreciation expense	(13,713)	(68,291)
Foreign exchange movement	-	7,372
Assets reclassified as held for sale	-	(202,063)
Carrying amount at end of the year	26,688	37,513

During 2015, the Group finalised a sale to Gryphon Minerals Ltd of all plant and equipment held in Burkina Faso for $260,000. As this transaction became highly probable during the year ended 30 June 2014, this plant and equipment was reclassified as assets held for sale in the 30 June 2014 financial report.

NOTE 7: PLANT AND EQUIPMENT AND ASSETS HELD FOR SALE (continued)

The carrying amount of the assets held for sale at 30 June 2014 of $202,063 consisted of cost of $454,729 less accumulated depreciation to the date of reclassification of $252,666. As the sale was only finalised in 2015, the $60,000 deposit received during 2014 was classified within the balance of trade and other payables as unearned income at 30 June 2014, with the gain on disposal of $60,027 recognised in the year ended 30 June 2015.

As there was no loss on sale, the value of the assets held for sale was measured at their carrying amount at the date of reclassification.

NOTE 8: OTHER FINANCIAL ASSETS

	Consolidated	
	2015	**2014**
	$	**$**
Security bonds	55,660	63,740
Available for sale financial assets	36,872	107,106
	92,532	170,846
Listed investments, at fair value		
- Shares in listed corporations	36,872	107,106
Movement:		
Opening fair value	107,106	89,547
Impairment expense	(80,146)	-
Revaluation increment / (decrement)	9,912	17,559
Closing fair value	36,872	107,106

Available for sale financial assets comprise investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. This investment has been impaired at 30 June 2015 after a significant decline in the price of the quoted share price. Revaluation increments previously recognised in other comprehensive income for the investment have been reversed and expensed during the financial year ended 30 June 2015.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks with at least 'A' credit rankings. The security deposits are held by utility suppliers in Burkina Faso.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

Balance at the beginning of the year	5,080,000	6,009,356
Exploration expenditure incurred	378,245	464,886
Impairment of exploration and evaluation	-	(1,023,083)
Exploration expenditure expensed	(378,245)	(371,159)
Balance at the end of the year	5,080,000	5,080,000

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

NOTE 10: TRADE AND OTHER PAYABLES

Trade payables	67,089	49,730
Accrued expenditure	28,803	14,000
Unearned income	-	60,000
GST payable	-	10,115
	95,892	133,845

All payables are on industry standard payment terms.

NOTE 11: ISSUED CAPITAL

a)	Issued Capital - fully paid ordinary shares	43,302,956	43,302,956

Ordinary Shares		
2015		
Ordinary Shares	**Number**	**$**
Balance at 1 July 2014	547,341,477	43,302,956
Share issue costs	-	-
Balance at 30 June 2015	547,341,477	43,302,956

2014		
Ordinary Shares	**Number**	**$**
Balance at 1 July 2013	390,373,182	41,792,589
Share issue – 29 August 2013 at $0.008 per share	7,500,000	60,000
Share issue - 22 October 2013 at $0.01 per share	57,570,882	575,709
Share issue - 30 December 2013 at $0.01 per share	74,147,413	741,474
Share issue – 19 March 2014 at $0.01 per share	17,750,000	177,500
Share issue costs	-	(44,316)
Balance at 30 June 2014	547,341,477	43,302,956

Ordinary shareholders participate in dividends and the proceeds in winding up of the parent entity in proportion to the shares held.

b) Capital Risk Management

When managing capital, management's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The Company does not have a defined share buy-back plan. No dividends were paid or declared in the years ending 2014 and 2015.

There is no current intention to incur debt funding on behalf of the Company as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies. The Group is not subject to any externally imposed capital requirements.

NOTE 12: RESERVES

	Consolidated	
	2015	**2014**
	$	**$**
Option reserve	6,744,998	6,744,998
Foreign currency translation reserve	(427,913)	(426,162)
Financial assets reserve	-	(9,913)
	6,317,085	6,308,923

a)	**Unlisted Options**	**Number**	**$**
	2015		
	Balance at 1 July 2014	28,500,000	6,744,998
	Expiry of options during the year	-	-
	Amount expensed over vesting periods for options granted in prior year	-	-
	Balance at 30 June 2015	**28,500,000**	6,744,998

NOTE 12: RESERVES (continued)

	Number	$
2014		
Balance at 1 July 2013	78,600,001	6,776,409
Expiry of options during the year	(50,100,001)	(42,002)
Amount expensed over vesting periods for options granted in prior year	-	10,591
Balance at 30 June 2014	28,500,000	6,744,998

The options reserve represents the charge for outstanding options which have met all conditions precedent to vest, but which have not been exercised.

b) Financial Assets reserve

The fair value reserve represents the revaluation of available for sale financial assets.

c) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of its foreign controlled subsidiaries.

NOTE 13: CASHFLOW INFORMATION

a) Reconciliation of net cash used in operating activities with loss after income tax

For the purpose of the statement of cash flows, cash includes cash on hand and at bank and deposits. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

	Consolidated	
	2015	2014
	$	$
Cash at bank and on hand	935,881	1,974,958
Reconciliation of loss after related income tax to net cash used in operating activities:		
Operating loss	(1,101,779)	(2,125,287)
Adjustments for:		
Depreciation	13,713	68,291
Impairment of exploration and evaluation	-	1,023,083
Impairment of investment	80,146	-
Exchange differences	8,201	(7,633)
Share based payments	-	(31,410)
Gain on disposal of fixed assets	(60,027)	-
Net changes in working capital:		
Provisions	-	(5,112)
Payables	22,047	18,150
Receivables	2,320	(11,038)
Other assets	(1,029)	(17,166)
Net cash used in operating activities	(1,036,408)	(1,088,122)

b) Non-cash Financing and Investing Activities

During 2014, the Group issued 7,500,000 shares with a fair value of $60,000 as consideration for initial earn in to exploration projects.

NOTE 14: LOSS PER SHARE

The loss and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	Consolidated 2015 $	2014 $
Loss for the year	(1,101,779)	(2,125,287)
	Number	Number
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share	547,341,477	478,211,184

NOTE 15: DETAILS OF CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned % 2015	2014
Parent Entity:			
Boss Resources Limited	Australia		
Subsidiaries of Boss Resources Limited:			
Boss Energy (Latrobe Holdings) Pty Ltd*	Australia	-	100
Minga Pty Ltd*	Australia	-	100
Askia Gold Pty Ltd	Australia	100	100
Boss Minerals Pty Ltd	Australia	100	100
Boss Resources Sweden Pty Ltd**	Australia	100	-
Subsidiary of Askia Gold Pty Ltd:			
Boss Gold SARL (formerly Askia Gold SARL)	Burkina Faso	100	100
Subsidiary of Boss Minerals Pty Ltd:			
Boss Minerals SARL	Burkina Faso	100	100

*During the year, Boss Energy (Latrobe Holdings) Pty Ltd and Minga Pty Ltd were voluntarily deregistered, on application by the Group, with no assets or liabilities at their dates of deregistration.

**Boss Resources Sweden Pty Ltd has been 100% owned and controlled by Boss Resources Ltd since its incorporation in August 2014.

There have been no other movements in percentage ownership or cost of controlled entities during the year.

NOTE 16: KEY MANAGEMENT PERSONNEL

Compensation of key management personnel

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 For the Year Ended 30 June 2015.

	Consolidated 2015 $	2014 $
Short term employment benefit	345,256	239,978
Other benefits	10,411	4,091
Share based payments	-	-
	355,667	244,069

NOTE 17: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On 19 August 2013, the Company entered into two earn in agreements with Newgenco Pty Ltd over the Liakka and Skogtrask Copper-Nickel Projects located in Finland and Sweden respectively. Under each agreement, the Company committed to a minimum exploration spend of $80,000 in the first year and to free carry the vendors to completion of bankable feasibility studies for each project to secure an 80% interest in each project. Following any decision to mine over particular tenements, the Company is obliged to acquire the remaining 20% vendor's interest in these tenements at a fair value that will be determined at that stage. Both minimum exploration expenditure requirements were met before 30 June 2014.

NOTE 18: COMMITMENTS

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial statements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended. The minimum expenditure commitments on the tenements are:

	Consolidated	
	2015	**2014**
	$	**$**
Exploration expenditure		
Less than 12 months	-	-
12 months to 5 years	-	-
	-	-
Administration Services		
Less than 12 months	64,276	62,500
12 months to 5 years	-	-
	64,276	62,500
Lease commitment		
Less than 12 months	18,000	18,000
12 months to 5 years	-	-
	18,000	18,000
Executive services commitment		
Less than 12 months	43,750	43,750
12 months to 5 years	-	-
	43,750	43,750

Performance Rights

On 28 November 2014, shareholders approved the issue of 30,000,000 Performance Rights to Mr Wililams and 9,999,999 Performance Rights to Dr Abzalov. These Performance Rights have not been issued at the 30 June 2015 and at the date of this report. These Performance rights may be issued up to 28 November 2015 and are to expire 5 years from their issue dates. On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration.

The Board considers that the Performance Rights, are a cost effective and efficient reward for the Company to make to appropriately incentivise the continued performance of the Executive Directors and are consistent with the strategic goals and targets of the Company.

The Performance Rights to be issued to Mr Williams will vest on meeting the following performance conditions before the expiry date:

NOTE 18: COMMITMENTS (continued)

Tranche	Milestone	Number
Tranche 1 Performance Rights	First Milestone means when the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Tranche 2 Performance Rights	Second Milestone means announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Tranche 3 Performance Rights	Third Milestone means announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000

The Performance Rights to be issued to Dr Abzalov will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	First Milestone means when the closing price of the Company's Shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,333,333
Tranche 2 Performance Rights	Second Milestone means announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	3,333,333
Tranche 3 Performance Rights	Third Milestone means announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	3,333,333

No expense has been recognised for these performance rights to be issued for the year ended 30 June 2015 both because the ability of the Company to delay issue effectively means that there was no shared understanding of the terms and conditions of the performance rights during the financial year, and because they may never be issued in the event that any directors resign before 28 November 2015.

NOTE 19: SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group's operations in 2015 were managed in Australia and involved exploration of its mineral interests. During the year, assets were located in Sweden and Finland (Nickel and Copper), Australia and Burkina Faso (Gold). Segment assets are allocated to countries based on where the assets are located.

GOLD

The Group is currently conducting exploration upon tenements considered prospective for gold. No income has been derived from the recovery of gold during the year (2014: Nil).

OIL SHALE

The Group conducted exploration upon tenements considered prospective for oil shale in 2014. The Group disposed of relevant exploration interests in 2014. No income was derived from the recovery of oil shale during the year (2014: Nil).

NICKEL AND COPPER

The Group is currently conducting exploration upon tenements considered prospective for nickel and copper. No income has been derived from the recovery of nickel or copper during the year (2014: Nil).

SEGMENT INFORMATION

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2015 and 30 June 2014 are as follows:

NOTE 19: SEGMENT REPORTING (continued)

Consolidated	**Gold**	**Nickel / Copper**	**Corporate**	**Total**
2015	**$**	**$**	**$**	**$**
Revenue				
Other revenues from external customers	60,028	-	-	60,028
Total segment revenue	60,028	-	-	60,028
Result				
Segment result	46,288	(365,742)	(782,325)	(1,101,779)
Interest revenue	-	-	49,549	49,549
Depreciation	-	-	(13,713)	(13,713)
Assets and Liabilities				
Segment assets				
Exploration expenditure	5,000,000	80,000	-	5,080,000
Plant and equipment	-	-	26,688	26,688
Cash and cash equivalents	3,830	-	932,051	935,881
Other current assets	-	-	219,687	219,687
Trade and other receivables	10,047	-	26,072	36,119
Financial assets	7,089	1,571	83,872	92,532
Total assets as per Statement of Financial Position	5,020,966	81,571	1,288,370	6,390,907
Segment liabilities				
Trade and other payables	3,509	4,819	87,564	95,892
Total liabilities as per Statement of Financial Position	3,509	4,819	87,564	95,892

Consolidated	**Gold**	**Oil Shale**	**Nickel / Copper**	**Corporate**	**Total**
2014	**$**	**$**	**$**	**$**	**$**
Revenue					
Other revenues from external customers	-	-	-	16,151	16,151
Total segment revenue	-	-	-	16,151	16,151
Result					
Segment result	(350,609)	(1,023,083)	(305,184)	(446,411)	(2,125,287)
Interest revenue	-	-	-	73,638	73,638
Depreciation	(64,999)	-	-	(3,292)	(68,291)
Assets and Liabilities					
Segment assets					
Exploration expenditure	5,000,000	-	80,000	-	5,080,000
Plant and equipment	202,063	-	-	37,513	239,576
Cash and cash equivalents	14,007	-	-	1,960,951	1,974,958
Other current assets	-	-	-	18,658	18,658
Trade and other receivables	12,233	-	-	26,206	38,439
Financial assets	15,150	-	1,591	154,105	170,846
Total assets as per Statement of Financial Position	5,243,453	-	81,591	2,197,433	7,522,477
Segment liabilities					
Trade and other payables	70,115	-	-	63,730	133,845
Total liabilities as per Statement of Financial Position	70,115	-	-	63,730	133,845

Notes to the Financial Statements
For the Year Ended 30 June 2015

NOTE 20: AUDITORS' REMUNERATION

	Consolidated 2015 $	Consolidated 2014 $
The auditor of Boss Resources Limited is RSM Bird Cameron Partners.		
Amounts, received or due and receivable by RSM Bird Cameron Partners for:		
- Auditing or review services	31,500	32,500

NOTE 21: SHARE-BASED PAYMENTS

(a) Value of share based payments in the financial statements

	2015	2014
Share based payments (reversed)/ expensed	-	(31,411)
Acquisition of exploration project	-	60,000
	-	28,589

Set out below are the summaries of options granted as share based payments:

2015

Grant Date	Expiry Date	Exercise Price	Balance 01/07/14	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/15	Number vested and exercisable
30/07/12	10/08/15	0.11	9,500,000	-	-	-	9,500,000	9,500,000
30/07/12	10/08/15	0.13	9,500,000	-	-	-	9,500,000	9,500,000
30/07/12	10/08/15	0.15	9,500,000	-	-	-	9,500,000	9,500,000
			28,500,000	-	-	-	28,500,000	28,500,000
Weighted average exercise price			$0.13	-	-	-	$0.13	$0.13

2014

Grant Date	Expiry Date	Exercise Price	Balance 01/07/13	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/14	Number vested and exercisable
30/07/12	10/08/15	0.11	9,500,000	-	-	-	9,500,000	9,500,000
30/07/12	10/08/15	0.13	9,500,000	-	-	-	9,500,000	9,500,000
30/07/12	10/08/15	0.15	9,500,000	-	-	-	9,500,000	9,500,000
30/07/12	10/11/14	0.08	2,000,000	-	-	(2,000,000)	-	-
30/07/12	10/11/14	0.08	2,000,000	-	-	(2,000,000)	-	-
25/10/12	17/10/15	0.06	100,000	-	-	(100,000)	-	-
25/10/12	17/10/15	0.06	100,000	-	-	(100,000)	-	-
11/11/11	10/11/14	0.15	2,000,000	-	-	(2,000,000)	-	-
5/12/11	28/11/14	0.15	100,000	-	-	(100,000)	-	-
			34,800,000	-	-	(6,300,000)	28,500,000	28,500,000
Weighted average exercise price			$0.12	-	-	$0.10	$0.13	$0.13

NOTE 21: SHARE-BASED PAYMENTS (continued)

The assessed fair values of the options was determined using a binomial option pricing model or Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	30/07/12	30/07/12	30/07/12
Expiry date	10/08/15	10/08/15	10/08/15
Dividend yield (%)	-	-	-
Expected volatility (%)	90%	90%	90%
Risk-free interest rate (%)	2.57%	2.57%	2.57%
Expected life of options (years)	3.03	3.03	3.03
Underlying share price ($)	0.06	0.06	0.06
Option exercise price ($)	$0.11	$0.13	$0.15
Number of options outstanding at 30 June 2014	9,500,000	9,500,000	9,500,000
Number of options outstanding at 30 June 2015	9,500,000	9,500,000	9,500,000
Value of option ($)	$0.02631	$0.02413	$0.02229

(b) Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options that were outstanding as at 30 June 2015 was 0.1 years (2014: 1.1 years).

(c) Weighted average fair value

No share-based payment options were granted during the financial years ended 30 June 2014 or 2015.

(d) Share based payment to supplier

During 2014, the Group issued 7,500,000 shares with a fair value of $60,000 as consideration for initial earn in to the exploration projects.

NOTE 22: FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, available for sale financial assets, trade and other receivables and trade and other payables.

The Group manages its exposure to key financial risks, including interest rate, liquidity and credit risk 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 whilst protecting future financial security.

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 rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1 to the financial statements.

NOTE 22: FINANCIAL INSTRUMENTS (continued)

The totals of each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated 2015 $	2014 $
Financial Assets			
Cash and cash equivalents	4	935,881	1,974,958
Trade and other receivables	5	36,119	38,439
Other assets	8	55,660	63,740
Available-for-sale financial assets at fair value			
- listed investments	8	36,872	107,106
Total Financial Assets		1,064,532	2,184,243
Financial Liabilities			
Financial liabilities at amortised cost			
- trade and other payables	10	95,892	133,845
Total Financial Liabilities		95,892	133,845

Risk exposures and responses

i. *Interest Rate Risk*

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2015	Floating Interest Rate	Fixed Interest Rate 1 Year or Less	Fixed Interest Rate 1 to 5 Years	Non-Interest Bearing	Total	Weighted Effective Interest Rate
	$	$	$	$	$	
Financial Assets						
Cash	431,161	500,000	-	4,720	935,881	2.1%
Trade and other receivables	-	-	-	36,119	36,119	NA
Other financial assets	-	47,000	-	45,532	92,532	1.6%
Total Financial Assets	**431,161**	**547,000**	**-**	**86,371**	**1,064,532**	
Financial Liabilities						
Trade and other payables	4,391	-	-	91,501	95,892	0.7%
Total Financial Liabilities	**4,391**	-	-	**91,501**	**95,892**	

NOTE 22: FINANCIAL INSTRUMENTS (continued)

2014	Floating Interest Rate	Fixed Interest Rate 1 Year or Less	Fixed Interest Rate 1 to 5 Years	Non-Interest Bearing	Total	Weighted Effective Interest Rate
	$	$	$	$	$	
Financial Assets						
Cash	760,950	1,200,000	-	14,008	1,974,958	3.1%
Trade and other receivables	-	-	-	38,439	38,439	NA
Other financial assets	-	47,000	-	123,846	170,846	1.0%
Total Financial Assets	**760,950**	**1,247,000**	**-**	**176,293**	**2,184,243**	
Financial Liabilities						
Trade and other payables	13,115	-	-	120,730	133,845	1.5%
Total Financial Liabilities	**13,115**	-	-	**120,730**	**133,845**	

ii. Sensitivity Analysis

At 30 June 2015, if interest rates had changed by -/+75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $7,303 lower/higher (2014 - $12,953 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

iii. Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate access to funds are maintained.

iv. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

– quoted prices in active markets for identical assets or liabilities (Level 1);
– inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
– inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2015	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets:				
Available-for-sale financial assets:				
Listed investments	36,872	-	-	36,872
2014				
Financial assets:				
Available-for-sale financial assets:				
Listed investments	107,105	-	-	107,105

NOTE 22: FINANCIAL INSTRUMENTS (continued)

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the last trade price.

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

NOTE 23: PARENT ENTITY DISCLOSURES

	2015	2014
Statement of Financial Position	**$**	**$**
Assets		
Current assets	1,177,810	2,005,812
Non-current assets	5,192,130	5,302,184
Total assets	6,369,940	7,307,996
Liabilities		
Current liabilities	92,382	123,730
Total liabilities	92,382	123,730
Equity		
Issued capital	43,302,956	43,302,956
Reserves	6,744,998	6,735,085
Accumulated losses	(43,770,396)	(42,853,775)
Total equity	6,277,558	7,184,266
Statement of Comprehensive income		
Loss for the year	(916,621)	(1,075,438)
Other comprehensive income	9,913	17,559
Total comprehensive loss for the year	(906,708)	(1,057,879)

Guarantees

Boss Resources Limited has not entered into any guarantees in the current or previous financial year in relation to the debts of its subsidiaries.

Other Commitments and Contingencies

Boss Resources Limited has no commitments to acquire property, plant and equipment and has no contingent liabilities other than those already disclosed in the notes to the financial statements.

NOTE 24: RELATED PARTY TRANSACTIONS

Transactions with shareholders

Kingslane Pty Ltd and associated entities (Kingslane) is a substantial shareholder in the Company and held 46,579,002 (2014: 56,250,000) ordinary shares in the Company at 30 June 2015. Entities controlled by Kingslane received $36,000 (2014: $36,000) during the year for office rent. At 30 June 2015 and 30 June 2014, the Group had no creditor balances payable to Kingslane.

NOTE 24: RELATED PARTY TRANSACTIONS (continued)

Transactions with key management personnel

Evan Cranston is a director of Konkera Corporate. Konkera Corporate received $101,000 (2014: $101,000) during the year for the provision of administration, bookkeeping and accounting services. Current year secretarial fees of $24,000 (2014: $12,000) were paid to Malone Corporate Services and are included in the remuneration report for Ms Malone. In 2014, Konkera Corporate received $12,000 for the provision of company secretarial for Oonagh Malone. At 30 June 2015 and 30 June 2014, the Group had no creditor balances payable to Konkera Corporate or Malone Corporate Services.

Peter Williams is a director of Newgenco Pty Ltd (Newgenco). Newgenco is the vendor of the Liakka tenement in Finland and the Skogtrask nr1 and nr 2 tenements in Sweden. During 2014, Newgenco received:

- $20,000 in cash plus 7,500,000 ordinary shares at an agreed value of $0.008 per share for $60,000 as part of the earn in agreements over the Liakka and Skogtrask Copper-Nickel Projects; and
- $875 for other mining consulting services for the year.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 25: EVENTS SUBSEQUENT TO BALANCE DATE

- On 10 August 2015, 28,500,000 unlisted share options in the Company expired.
- On 1 September 2015, the Company announced the acquisition of the Honeymoon Uranium Project in South Australia on the following terms:
    - A $200,000 site access fee, paid in April 2015, which gave the Company the exclusive right to access the Honeymoon Uranium Project and conduct all its due diligence.
    - An initial cash payment of approximately $2,442,000 (comprising an amount of $2,115,000 plus a care and maintenance contribution of approximately $327,000) ("Closing Amount").
    - $3 million under a promissory note and repayable within 24 months of completion of the Acquisition.
    - $4 million under a promissory note issued and repayable within 48 months of completion of the Acquisition.
    - The Company will also make the following contingent payments to U1 upon successful recommissioning of the Honeymoon Uranium Project:
        - $2 million payable in cash and/or shares upon the later of restart of the operations with commercial production or 5 years of completion of the Acquisition.
        - 10% of the net operating cash flow of the Honeymoon Project payable annually up to a maximum of $3 million.
    - The payment of the Closing Amount has been guaranteed by Carbine Resources Limited (Carbine Guarantee). In consideration for the Carbine Guarantee, on 1 September 2015 the Company issued 10 million unlisted share options exercisable at $0.02 each by 31 August 2018.
    - The promissory notes are secured under the terms of a general security deed. Repayment of the amounts due under the promissory notes may be accelerated in certain circumstances, including where the Company raises financing of $15 million, the sale of the shares in Uranium One Australia or the Honeymoon Project (or part thereof) and a change in control of the Company.
- On 8 September 2015, the Company announced a 2 for 5 non-renounceable rights issue to acquire shares at $0.015 that is intended to raise $3,284,000 before costs.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Directors' Declaration

In accordance with a resolution of the Directors of Boss Resources Limited, I state that:

1. In the opinion of the Directors:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:

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

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

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

(c) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1;

2. This declaration has been made after receiving the declarations required to be made in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2015.

This declaration is made in accordance with a resolution of the Board of Directors.

Evan Cranston
Non-Executive Chairman

DATED at PERTH this 30th day of September 2015

RSM Bird Cameron Partners
8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 **F** +61 8 9261 9101
www.rsmi.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BOSS RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Boss Resources Limited, which comprises the statement of financial position as at 30 June 2015, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

RSM Bird Cameron Partners

Independence

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

Opinion

In our opinion:

(a) the financial report of Boss Resources Limited is in accordance with the *Corporations Act 2001*, including:

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

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

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Boss Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

David Wall

DAVID WALL
Partner

Perth, WA
Dated: 30 September 2015