



APHRODITE
Gold Limited

ANNUAL REPORT 2015

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APHRODITE GOLD LIMITED

CORPORATE DIRECTORY

REGISTERED AND CORPORATE OFFICE

Aphrodite Gold Limited
ABN 61 138 879 928
116 Harrick Road
Keilor Park
Melbourne VIC 3042

DIRECTORS

Peter Buttigieg – Executive Chairman, Acting Chief Executive Officer
Angus Middleton – Non-Executive Director
Roger Mitchell BCom, ACA – Non-Executive Director
Paul Buttigieg – Non-Executive Director

ACTING CHIEF EXECUTIVE OFFICER

Peter Buttigieg
Tel 613 8399 9462
Fax 613 9331 7323
peter@aphroditegold.com.au

COMPANY SECRETARY

Michael Beer B Bus (Acctcy), FCA, ACIS
Tel 613 9600 3599
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AUDITOR

Grant Thornton Audit Pty Ltd
Chartered Accountants
Level 1, 10 Kings Park Road
West Perth WA 6005

SOLICITORS

GTP Legal
Level 1, 28 Ord Street,
West Perth WA 6005

WEB SITE

www.aphroditegold.com.au

EXECUTIVE CHAIRMAN'S REVIEW

Review of Operations

Aphrodite Gold Limited (Aphrodite or the Company) continued to evaluate the commercial viability of the Aphrodite gold deposit by:

1. Completing approximately 2,217 meters of combined reverse circulation and core drilling
2. Reviewing the geology and metallurgy in detail of the supergene oxide zone and the depth extent of the transition zone mineralisation
3. Completing a statistical analysis and review of the top cuts applied to the high gold assays for the supergene and transition zone mineralisation
4. Reviewing the previous scoping and prefeasibility studies operating and capital cost estimates and parameters used and reported to the company in June 2013
5. Establishing that the capital and operating costs today are likely to be less than used in the scoping and prefeasibility studies for the Company in 2011/12

As a consequence of the opportunity of establishing a commercially viable open pit mining operation to mine initially only the metallurgical favourable supergene oxide and transition zone mineralisation is now being considered. Metallurgical test-work completed to date indicates a favourable recovery of gold through a conventional carbon in pulp/leaching processing plant with significant recoveries by gravity alone. This represents a very favourable processing option

The Company has a Mining Services firm to complete a desk top study to assess the commercial viability of an open pit mining operation of the supergene/oxide and transition mineralisation using current capital and operating costs and at the current gold price of A\$1,550 per ounce rather A\$1,450 which had been used previously.

These studies do not preclude further development work to determine whether the mineral resource can be substantially larger and higher grade at depth and as a consequence be more viable at the current gold prices. The current mineral resource of 1.4M ounces of gold extends to a depth of approximately 350 meters below surface. However with the depth potential below 350 meters below surface remains available for further testing to determine whether the mineral resource can be substantially larger and higher grade at depth and as a consequence be more viable at the current gold prices.

All the Company's tenements are in good standing and the company has continuing rights to explore these tenements for a further 13 to 14 years.

Financial Results

During the period, the Company capitalised exploration and evaluation costs totalling \$1,219,613 (2014: \$623,819) and took a writedown of \$19,754 (2014: \$751,674). Total capitalised costs at balance sheet date are \$24,381,169 (2014: \$23,181,310).

Net loss from operations for the period after income tax was \$768,201 (2014: \$284,829).

Financial Position

During the year the Company completed its draw down on the \$2,500,000 convertible note facility made available by the Executive Chairman in the previous financial year to stabilise the Company's financial position. The convertible note was converted to ordinary shares in May 2015.

The Board is thankful for the support of shareholders who approved and participated in the 3:7 rights issue in April 2015. This raised \$738,000 which together with Research and Development Grant rebates due for the current and previous year provide sufficient cash flow to maintain the Company at its current operating base into next year.

Further capital raisings may be required as and when further drilling or field work is required.

The company continues to report positive working capital position, all creditors are up to date.

Close

On behalf of the Company, I would like to thank the staff, contractors and consultants that have worked on the Project during the year. Their collective efforts have enhanced the value of the project and the Company is well positioned to gain the maximum value for shareholders despite the difficult market that now exists.

Aphrodite's Directors look forward to seeing you at the AGM, if you are able to attend, and further updating you on the Company's plans.

Yours sincerely



Executive Chairman & Acting Chief Executive Officer

Note A:

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code and references to "Measured, Indicated and Inferred Resources" are to those terms as defined in the JORC Code.

Information in this report which relates to the Mineral Resource estimation, together with any related assessments and interpretations, is based on information approved for release by Mr. Patrick Huxtable. Mr. Huxtable holds a B.Sc. in Geology from Curtin University and is an RPGeo and Member in good standing with the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr. Huxtable consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

DIRECTORS' REPORT

The Directors present their Report on the activities of Aphrodite Gold Limited for the year ended 30 June 2015.

Currency

All monetary amounts shown throughout the Annual Report are expressed in Australian Dollars.

Directors

The following persons were Directors of the Company during the year and at the date of this Report:

Peter Anthony Buttigieg

Non-Executive Chairman - Appointed 16 May 2012.
Executive Chairman and Acting CEO from 19 July 2013

Mr Buttigieg brings a wealth of business management skills and business connections to the Board as head of the RMS (Aust) information technology group. His Company operates world-wide in property management and reservations management systems supporting the hospitality industry.

Mr Buttigieg has continued as Executive Chairman and Acting CEO of the Company, and has demonstrated his belief in Aphrodite and the Aphrodite Gold Project from the early days by progressively increasing his shareholding, and through RMS (Aust) Pty Ltd a company in which he has an interest has previously provided a convertible note facility at a critical time for the Company. Mr Buttigieg is now the largest shareholder.

Mr Buttigieg continues to spend time working closely with staff and consultants to further progress the Pre-Feasibility study for the Aphrodite Gold Project.

Mr Buttigieg has not been a Director of any other ASX listed company during the last three years.

Number of Shares held directly and indirectly: 203,078,658
Number of Options held directly and indirectly: 4,000,000

Roger Mitchell

Non-Executive Director - Appointed 7 January 2013

Mr Mitchell has extensive corporate experience in Australasia and South East Asia, and holds a Bachelor of Commerce from New Zealand and is a Chartered Accountant.

Mr Mitchell has not been a Director of any other ASX listed company during the last three years.

Number of Shares held directly and indirectly: Nil
Number of Options held directly and indirectly: 6,000,000

Paul Buttigieg

Non-Executive Director - Appointed 16 August 2013

Mr Buttigieg assisted Aphrodite raise its pre-IPO funding in 2009, and assisted in its subsequent capital raisings. He has extensive business and marketing experience being a past director of the Master Grocers Association of Victoria setting up national product sales and distribution through Australia's major employer associations. He is experienced in developing and maintaining shareholder/stakeholder/business relationships.

Mr Buttigieg has not been a Director of any other ASX listed company during the last three years.

Number of Shares held directly and indirectly: 3,280,000
Number of Options held directly and indirectly: 3,000,000

DIRECTORS' REPORT (continued)

Angus Middleton

Non-Executive Director - Appointed 21 January 2014

Mr Middleton brings extensive experience in the equity markets and also with other exploration companies. He is a previous Managing Director of Crest Minerals Ltd and is the founder and Managing Director of SA Capital Funds Management Limited.

Mr Middleton has been a Director of other ASX listed companies during the last three years including Excalibur Mining Corporation Limited (Appointed 6th May 2014) and Hillcrest Litigation Services Limited (Appointed 27th October 2010).

Number of Shares held directly and indirectly: Nil

Number of Options held directly and indirectly: 3,000,000

Options

At the date of this Report, there are 35 million unissued ordinary shares of the Company under option. 15 million options were issued on 30 July 2014 as part of a compensation package for the appointment of Mr Eduard Eshuys as Consultant and Technical Advisor to the Board. The options are exercisable at \$0.025 on or before 31 July 2017. 20 million options were approved by a General meeting of shareholders on 25 November 2014 and were issued on 8 December 2014. The options are exercisable at \$0.025 on or before 31 July 2017.

During the year ended 30 June 2015 no shares were approved issued on exercise of options granted. No further shares have been issued since year end from the exercise of options.

Results

Net loss after income tax (Total Comprehensive Loss) for the year ended 30 June 2015 was \$768,201 (2014 - \$284,829).

Principal Activities and Use of Funds

During the year the principal activities of the Company were the exploration and development of the Aphrodite Gold Project. Cash funds were utilised to further studies for the Aphrodite Gold Project. No other significant activities were undertaken during the period.

Dividends or Distributions

- a) no dividends or distributions were paid to members during the year ended 30 June 2015; and
- b) no dividends or distributions were recommended or declared for payment to members, but not paid, during the year ended 30 June 2015.

Significant Changes in the State of Affairs

No significant changes took place during the year in the state of affairs of the Company other than described elsewhere in this annual report.

DIRECTORS' REPORT (continued)

Matters Subsequent to the Reporting Date

There are no matters or definitive circumstance which have arisen since the end of the financial year that have significantly affected or may significantly affect:

- the Company's operations in future financial years; or
- the results of those operations in future financial years; or
- the Company's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

There are no other likely developments contemplated at the date of this Report that may have a significant effect upon the expected results of operations of the Company other than those disclosed elsewhere in this Annual Report.

Environmental Regulations

Operating in the minerals exploration and development industry, Aphrodite is subject to Environmental Regulations and controls as set down by the Statutory Authorities, including the Department of Mines and Petroleum. The Company has complied and will continue to comply with those Regulations, and has adopted such compliance as an important point in its Corporate Governance practices.

Meetings of Directors and Committees

Directors during the year and Directors' Meetings held and attended were:

Name	Meetings Held	Meetings Attended
Peter Buttigieg	12	12
Roger Mitchell	12	12
Paul Buttigieg	12	12
Angus Middleton	12	12

The Company's Audit and Risk Management Committee met during the year with the Company's Auditor for the purpose of reviewing and discussing the Company's activities and the financial statements. Previously this function was undertaken by the entire Board of Directors.

The Audit and Risk Management Committee has met twice in the past 12 months. This Committee is chaired by Independent Director, Mr Angus Middleton, who has detailed experience in financial management, and also includes Mr Peter Buttigieg and Mr Paul Buttigieg. Mr Mitchell also attends Audit and Risk Management Committee meetings.

The Company does not have a Remuneration Committee. Remuneration is considered and determined by the Board of the Directors of the Company, with any relevant affected Director not participating in the vote on his Remuneration.

DIRECTORS' REPORT (continued)

Remuneration Report (Audited)

The Board of the Company determines the remuneration policies and practices generally, and makes specific decisions on remuneration packages and other terms of employment for Executive Directors, other senior executives and Non-Executive Directors.

Key management personnel of the Company during the reporting period are considered to be:

- Peter Buttigieg
- Roger Mitchell
- Paul Buttigieg
- Angus Middleton

The Company had no Employee Option Plan in place during the financial year. The Directors have been issued with 16 million options exercisable at \$0.025 on or before 31 July 2017. No other incentives to Directors or Key Management Personnel as part of their remuneration. No Key Management Personnel remuneration was linked to the Company's performance.

The performance of Key Management Personnel (KMP) will be measured on an ongoing basis against criteria agreed with each executive, and is based predominantly on the successful development of the Company's Aphrodite Gold Project. Any bonuses and incentives to be paid in the future must be linked to predetermined performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long term growth in Shareholder value.

Key Management Personnel do not receive compensation payments that are subject to a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

Upon retirement, Key Management Personnel are paid employee benefit entitlements accrued to the date of retirement.

All remuneration paid to Key Management Personnel is valued at cost and expensed or capitalised to exploration and evaluation where appropriate.

The Board's policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The Board of Directors determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when and if required. The maximum aggregate amount of Directors' fees that can be paid to Non-Executive Directors is subject to approval by Shareholders at the Annual General Meeting.

DIRECTORS' REPORT (continued)

Compensation of Key Management Personnel for the year ended 30 June 2015

During the year the following Directors' fees, salaries, management and consulting fees were paid or accrued to Directors:

2015	Short Term benefits		Post Employment Benefits		
	Salary and Fees	Non monetary benefits	Superannuation	Share Based Payments ¹	Total
	\$	\$	\$	\$	\$
Peter Buttigieg	-	-	-	-	-
Roger Mitchell	-	-	-	-	-
Paul Buttigieg	-	-	-	-	-
Angus Middleton	36,000	-	-	-	36,000
Total	36,000	-	-	-	36,000

1. During the year, as disclosed on the next page, 16,000,000 options were issued to Key Management Personnel. These have been valued at nil value per option.

2014	Short Term benefits		Post Employment Benefits		
	Salary and Fees	Non monetary benefits	Superannuation	Share Based Payments	Total
	\$	\$	\$	\$	\$
Peter Buttigieg	-	-	-	-	-
Paul Weston	110,909 ¹	-	-	-	110,909
Roger Mitchell	-	-	-	-	-
Paul Buttigieg	13,750	-	-	-	13,750
Angus Middleton	18,000	-	-	-	18,000
Wayne Ryder ⁴	16,104	300 ²	1,401	-	17,805
Leon Reisgys ⁴	15,147	300 ³	1,401	-	16,848
Total	173,910	600	2,802	-	177,312

1. Salary and fees included amounts of marketing expenses which was paid directly by Mr Weston.
2. Cost of the Company provided car park.
3. Cost of the Company provided vehicle, car park, running costs and fringe benefit tax payable on benefits.
4. No longer remunerated with effect from 19 July 2013.

No amounts were paid to Key Management Personnel during 2015 or 2014 which were the result of meeting performance conditions.

DIRECTORS' REPORT (continued)

Salary and Directors' fees includes fees paid to related entities as shown in note 9 Related Party Transactions.

Employment Contracts

No current Directors are employed under an official contract of service.

Shareholdings by Key Management Personnel

The number of ordinary shares held by each Key Management Personnel during the 2015 year was:

	Balance at 1 July 2014	Granted as remuneration during the year	Issued on exercise of options during the year	Acquired / (Sold)	Balance at 30 June 2015
Peter Buttigieg ¹	23,416,024	-	-	179,662,634	203,078,658
Roger Mitchell	-	-	-	-	-
Paul Buttigieg ¹	2,280,000	-	-	1,000,000	3,280,000
Angus Middleton	-	-	-	-	-
Total	25,696,024	-	-	180,662,634	206,358,658

1. The above shareholding contains both direct and indirect shareholdings.

Options Held by Key Management Personnel

Number of options held by KMP during the 2015 year was:

	Balance at 1 July 2014	Granted as remuneration during the year	Acquired	Expired without being exercised	Balance at 30 June 2015
Peter Buttigieg	-	4,000,000	-	-	4,000,000
Roger Mitchell	-	6,000,000	-	-	6,000,000
Paul Buttigieg	-	3,000,000	-	-	3,000,000
Angus Middleton	-	3,000,000	-	-	3,000,000
Total	-	16,000,000	-	-	16,000,000

Other KMP transactions

At a General Meeting on 13 January 2014, the shareholders approved a \$2,500,000 convertible note facility with RMS (Aust.) Pty Ltd a related party to the Executive Chairman. During the year the Company completed draw-downs on this facility to fund its ongoing operating requirements. On 13 May 2015 RMS (Aust) Pty Ltd elected to convert the facility to ordinary shares by the issue of 100,000,000 shares at \$0.025. Refer to Note 13 for further details.

DIRECTORS' REPORT (continued)

Loan to KMP's

No loans have been made by the Company to any of the Company's directors during the period.

Other Information

There were no consultants engaged in relation to the remuneration of Key Management Personnel during the financial year.

The Company did not receive a "no vote" of 25% of more on its remuneration report at its 2014 AGM.

End of Remuneration Report.

CORPORATE GOVERNANCE STATEMENT

The Directors are responsible for the Corporate Governance practices of the Company. These practices are being progressively developed, having regard to the most suitable and effective procedures applicable to the Company.

The main Corporate Governance practices in operation by the Company are:-

The Board of Directors

- The Board's Charter is that it should be comprised of at least three Directors;
- be made up of a majority of independent and/or Non-Executive Directors;
- be comprised of Directors with a broad range of skills, qualifications and experience appropriate to the Company's operations;
- meet on a regular basis; and
- maintain constant on-going communication of activities between Directors so that all Directors are fully informed of the Company's business and so as to be possessed of all the necessary information required to make decisions by Resolutions of the Board.

Duties and Responsibilities of Directors

At the date on which this Report of the Directors is made out, the Board consisted of four Directors, the Chairman became an Executive Director on 19th July 2013 plus three Non-Executive Directors. Details of the Directors are set out at the commencement of this Directors' Report.

The primary responsibilities of the Board include:

- the approval of the Company's periodic Financial Statements;
- establishment of long term goals of the Company and strategic plans to achieve those goals;
- the review and adoption of annual budgets for the financial performance of the Company, monitoring the results on a regular basis;
- ensuring that the Company abides by ASX listing rule disclosure requirements;
- ensuring that all management, employees and consultants abide by a high standard code of conduct befitting a listed corporation;
- ensuring that the Company abides strictly by Environmental Regulations affecting its operations in the minerals exploration and development industry; and
- ensuring that the Company has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities.
- through the chair, ensuring the company secretary is accountable directly to the Board, on all matters concerning the proper functioning of the Board.

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire year ended 30 June 2015.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the Annual Report and their term of office are detailed in the Directors' Report.

The names of non-executive and / or independent Directors of the Company at the date of this report are:

- Roger Mitchell – Non-Executive
- Paul Buttigieg – Non-Executive
- Angus Middleton – Independent Non-Executive

Mr Peter Buttigieg continues as Executive Chairman. He has led the Company effectively and been the Company's strongest financial supporter since his appointment as a Director.

CORPORATE GOVERNANCE STATEMENT (Continued)

When determining whether a Non-Executive Director is independent the Director must not fail any of the following materiality thresholds:

- less than 5% of Company's Shares are held by the Director and any entity or individual directly or indirectly associated with the Director; and
- none of the Director's income or the income of an individual or entity directly or indirectly associated with the Director is derived from a contract with any Member of the Company other than income derived as a Director of the Company.

All Directors have the right to seek reasonable independent professional advice in the furtherance of their duties as Directors at the Company's expense.

Securities Trading Policy

The Company's policy regarding Directors and employees trading in its securities is set by the Board. The policy restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the Company's share price.

Gender Diversity Policy

Aphrodite agrees with the Corporate Governance Principles and Recommendations regarding gender diversity, notwithstanding the difficulty of achieving diversity in a small company struggling to deliver value for shareholders. It is much easier to achieve reasonable diversity equality in a major Australian resources company. Aphrodite currently has 4 Directors. All Directors are currently males, as is the Company Secretary.

At present, the Company contains 2 part time female staff; being an accountant and exploration assistant.

The Company will continue to manage the principle of gender equality in the best interests of the Company's shareholders and other stakeholders.

Communication with Shareholders

The Company's policy is to keep Shareholders well informed of operational activities and financial matters via ASX announcements, media releases, direct letter and email advices and its web site. The Company also actively encourages communication from Shareholders.

Audit and Risk Management

The Audit and Risk Management Committee is responsible for the Company's system of internal controls to effectively manage material business risks and any oversights. The Audit and Risk Management Committee constantly monitor's the operational and financial aspects of the Company's activities and considers the recommendations and advice of the Auditor and other external advisers on the operational and financial risks that face the Company. The members of the Audit and Risk Management Committee are Chair, Mr Angus Middleton, Independent Non-Executive Director, Mr Paul Buttigieg, Non-Executive Director and Mr Roger Mitchell, Non-Executive Director.

The Board and Committee ensures that recommendations made by the Auditor and other external advisers are investigated and, where considered necessary, appropriate action is taken to ensure that the Company has an appropriate internal control environment in place to manage the risks identified.

CORPORATE GOVERNANCE STATEMENT (Continued)

The Board is satisfied from the annual declaration of the CEO and Chief Financial Officer, who have signed off in that regard, that all material business risks and financial reporting risks for the period have been managed effectively and that in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position of the company.

Code of Conduct

As part of the Board's commitment to the highest standards of conduct, the Company has adopted a Code of Conduct to guide executives, management and employees in carrying out their duties and responsibilities. The Code of Conduct covers such matters as:

- responsibilities to Shareholders;
- relations with customers and suppliers;
- compliance with environmental regulations;
- employment practices; and
- responsibilities to the community.

Performance Evaluation

A performance evaluation of the Board and all Board members and senior managers was conducted by the Board for the period ended 30 June 2015. The Chairman also speaks to each Director and senior manager individually regarding their role as a Director or senior manager.

Remuneration Policies

The remuneration policy, which sets the terms and conditions for Key Management Personnel, was developed by the Board after seeking professional advice from independent consultants. The objective is to reward executives adequately so as to attract highly capable personnel who will develop the Company's activities to the maximum benefit of Shareholders.

The Company aims to remunerate Non-Executive Directors in a similar manner to industry norms for remuneration of non-executive directors generally.

Remuneration Committee and Nomination Committee

The Company does not have either a Remuneration Committee or Nomination Committee as recommended by the ASX Corporate Governance Council. Given that the Company has only four Directors, it is considered that there are no efficiencies to be gained by having these separate Committees, so these roles are undertaken by the Board.

Other Information

Further information relating to the Company's corporate governance practices and policies has been made publicly available on the Company's web site at www.aphroditegold.com.au

CORPORATE GOVERNANCE STATEMENT (Continued)

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Indemnification and Insurance of Officers and Auditors

The Company has agreed to indemnify, to the extent permitted by law, each Director and Secretary of the Company against any liability incurred by that person as an Officer of the Company. The Company has in place the relevant Directors and Officers insurance policies.

The Company has not paid any premiums in respect of any contract insuring its Auditor against a liability incurred in their role as Auditor of the Company. In respect of non-audit services, Grant Thornton Audit Pty Ltd, the Company's Auditor, has the benefit of an indemnity to the extent Grant Thornton Audit Pty Ltd reasonably relies on information provided by the Company which is false, misleading or incomplete. No amount has been paid under this indemnity during the period ended 30 June 2015 or to the date of this Report.

Non-audit Services

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

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

No fees were paid or payable to a related practice of Grant Thornton Audit Pty Ltd for non-audit services provided during the year.

Auditor's Independence Declaration

The Auditor's Independence Declaration for the period ended 30 June 2015 is on the following page.

This Directors' Report is made in accordance with a Resolution of the Board of Directors.



Director

Dated at Perth this 30th Day of September 2015

Level 1
10 Kings Park Road
West Perth WA 6005

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E info.wa@au.gt.com
W www.grantthornton.com.au

**Auditor's Independence Declaration
To the Directors of Aphrodite Gold Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Aphrodite Gold Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M J Hillgrove
Partner - Audit & Assurance

Perth, 30 September 2015

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Other Income			
Interest income	3	59	16,079
Sale of shares in joint venture	3	50,000	-
Total Other Income		50,059	16,079
Expenses			
Employee benefits expenses		-	(7,090)
Depreciation		(28,946)	(31,303)
Financing expenses	4(b)	(270,789)	(167,258)
Impairment of exploration and evaluation		(19,754)	(751,675)
Other expenses	4(a)	(498,771)	(1,115,000)
Total Expenses		(818,260)	(2,072,326)
(Loss) before Income Tax		(768,201)	(2,056,247)
Income tax benefit	5	-	1,771,418
(Loss) for the year		(768,201)	(284,829)
Other Comprehensive Income		-	-
Total Comprehensive (Loss) for the year		(768,201)	(284,829)
Basic and diluted (loss) per share (cents)	20	(0.3)	(0.1)

The accompanying notes form part of the Financial Statements

APHRODITE GOLD LIMITED

STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Note	2015 \$	2014 \$
Current Assets			
Cash and cash equivalents	7	104,351	333,035
Trade and other receivables	10	127,073	145,958
Other assets	11	3,979	6,417
Total Current Assets		235,403	485,410
Non-Current Assets			
Property, plant and equipment	14	77,511	103,042
Exploration and evaluation costs	15	24,381,169	23,181,310
Total Non-Current Assets		24,458,680	23,284,352
Total Assets		24,694,083	23,769,762
Current Liabilities			
Trade and other payables	12	89,980	198,850
Total Current Liabilities		89,980	198,850
Non-Current Liabilities			
Borrowings	13	2,500,000	4,052,433
Total Non-Current Liabilities		2,500,000	4,052,433
Total Liabilities		2,589,980	4,251,283
Net Assets		22,104,103	19,518,479
Equity			
Issued capital	16	25,573,473	22,253,045
Reserves	24	-	141,041
Accumulated losses		(3,469,370)	(2,875,607)
Total Equity		22,104,103	19,518,479

The accompanying notes form part of the Financial Statements

APHRODITE GOLD LIMITED

STATEMENT OF CASH FLOWS
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Research and development refund		-	1,771,418
Payments to suppliers & employees		(586,317)	(2,204,896)
Interest income		59	16,079
Interest expense		(264,826)	-
Net cash (used in) operating activities	18	(851,084)	(417,399)
Cash flows from investing activities			
Exploration and evaluation costs capitalised		(1,137,113)	(623,819)
Sale of shares in joint venture		50,000	-
Sale of property, plant and equipment		-	21,305
Purchases of property, plant and equipment		(3,415)	(3,984)
Net cash (used in) investing activities		(1,090,528)	(606,498)
Cash flows from financing activities			
(Repayment of) / receipt from related party loans		-	(235,000)
Borrowings – convertible note		975,000	1,525,000
Proceeds from issue of shares		737,928	-
Share issue costs		-	(1,537)
Net cash provided by financing activities		1,712,928	1,288,463
Net (decrease) in cash held		(228,684)	264,566
Cash and cash equivalents at beginning of year		333,035	68,469
Cash and cash equivalents at end of financial year		104,351	333,035

The accompanying notes form part of the Financial Statements

APHRODITE GOLD LIMITED

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2015

2014	Issued Capital \$	Accumulated Losses \$	Convertible Note Reserve \$	Option Reserve \$	Total \$
Balance at 1 July 2013	22,254,582	(3,413,968)	-	823,190	19,663,804
Total comprehensive loss for the year		(284,829)			(284,829)
	22,254,582	(3,698,797)	-	823,190	19,378,975
Reserve transfer at option expiry	-	823,190	-	(823,190)	-
Equity component of convertible note	-	-	141,041	-	141,041
Share issue costs	(1,537)	-	-	-	(1,537)
Balance at 30 June 2014	22,253,045	(2,875,607)	141,041	-	19,518,479
2015	Issued Capital \$	Accumulated Losses \$	Convertible Note Reserve \$	Option Reserve \$	Total \$
Balance at 1 July 2014	22,253,045	(2,875,607)	141,041	-	19,518,479
Total comprehensive loss for the year		(768,201)			(768,201)
	22,253,045	(3,643,808)	141,041	-	18,750,278
Rights Issue	737,928	-	-	-	737,928
Conversion of convertible note	2,500,000	-	-	-	2,500,000
Placement of shares	82,500	-	-	-	82,500
Equity component of convertible note	-	-	33,397	-	33,397
Reserve transfer at conversion of convertible note to equity	-	174,438	(174,438)	-	-
Balance at 30 June 2015	25,573,473	(3,469,370)	-	-	22,104,103

The accompanying notes form part of the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

Note 1: Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of Aphrodite Gold Limited (“the Company”).

The Financial Report was authorised for issue on 30 September 2015 by a Resolution of the Board of Directors.

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.

Statement of compliance

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

Basis of Preparation

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

Aphrodite Gold Limited is a for-profit entity for the purposes of preparing these financial statements.

(a) Income Tax

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the statement of comprehensive income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the statement of comprehensive income when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be capitalised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is capitalised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are capitalised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be realised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not capitalised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Amounts receivable from the Australian Taxation Office (“ATO”) in respect of the research and development concession claims are recognised as a tax benefit in the year in which the claim is lodged with the ATO.

Note 1: Statement of Significant Accounting Policies (continued)

(a) Income Tax (continued)

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous capitalised and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous capitalised and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b) Property, Plant and Equipment

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

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Plant and Equipment

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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 income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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

Class of fixed asset	Depreciation Rate
Computer and electronic equipment	20% - 40%
Office furniture	20%
Motor vehicles	10% - 20%

(c) Exploration and Evaluation Expenditure

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

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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

Note 1: Statement of Significant Accounting Policies (continued)

(c) Exploration and Evaluation Expenditure (continued)

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.

(d) Leases

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

(e) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are capitalised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

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

Classification and Subsequent Measurement

i Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

ii Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Where the value of listed securities has increased the resultant gains are capitalised in the other financial assets reserve. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are capitalised in the statement of comprehensive income.

(f) Provisions

Provisions are capitalised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Note 1: Statement of Significant Accounting Policies (continued)

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are capitalised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is capitalised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Comparative Figures

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

(j) Impairment of Non-Financial Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible non-financial assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

(k) Interests in Joint Ventures

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of the joint operations are included in the respective line items of the financial statements.

All of the Group's current joint arrangements are treated as joint operations.

(l) Revenue

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

The Company receives interest on funds deposited with its Bank, and brings this to account as revenue in the income statement using the effective interest rate method.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

Note 1: Statement of Significant Accounting Policies (continued)

(m) Fair Value Estimation (continued)

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

(n) Trade and other payables

Liabilities for trade creditors and other amounts are measured at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Company.

(o) Contributed equity

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. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(p) Segment reporting

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

(q) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates — Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Where appropriate, value-in-use calculations are performed in assessing recoverable amounts which incorporate a number of key estimates.

Key Judgments — Exploration and Evaluation Expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the extent of the resource and reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the belief that, except where specific impairment adjustments are made, such expenditure should not be written off since feasibility studies have not yet concluded. Such expenditure is carried at balance sheet date at \$24,381,169 (2014 \$23,181,310).

Note 1: Statement of Significant Accounting Policies (continued)

(r) Going concern

The financial statements have been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. During the financial year the Company incurred an operating loss of \$768,201 (2014: \$284,829). Net cash outflow from operating and investing activities was \$1,941,612 (2014: \$1,023,897). At balance sheet date the Company had current assets exceeding current liabilities by \$145,423 (2014: \$286,560).

The Company is evaluating its Aphrodite Gold Project resource. The ability of the Company to continue to evaluate and/or develop the Aphrodite Gold Project is dependent upon the Company's ability to obtain further debt or equity funding. The Directors recognise that the above factors represent a material uncertainty as to the Company's ability to continue as a going concern, however, the Directors are confident that the Company will be able to continue its operations into the foreseeable future for the following reasons.

- The Company has recently lodged a Research & Development claim of \$295,266. These funds are expected to be received in October 2015. The company continues to be eligible for further grants including those in respect of the expenditure incurred in the year ended 30 June 2015.
- During the reporting period, the Company raised \$737,928 after costs from a underwritten renounceable rights issue. This offer was fully underwritten by RMS (Aust) Pty Ltd, an entity related to the Executive Chairman. The Directors are satisfied that the Company continues to receive the support of the Executive Chairman and should the Company need this year to raise additional funds, it will again be underwritten by RMS (Aust) Pty Ltd.
- The exploration expenditure commitments are discretionary in nature and will be dependent upon the Company's ability to raise further funds.

Should the Company be unable to raise sufficient funding, there is a material uncertainty whether the Company will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from these stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

(s) Standards issued but not yet effective and not early adopted by the Company

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The new and amended standards that are relevant to the Company are listed below:

AASB 9 *Financial Instruments*

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this Standard is first adopted for the year ending 30 June 2018, there is not expected to be any material impact on the transactions and balances recognised in the financial statements.

Note 1: Statement of Significant Accounting Policies (continued)

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- provides a new and more detailed guidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and
- expands and improves disclosures about revenue.

When this Standard is first adopted for the year ending 30 June 2018, there is not expected to be any material impact on the transactions and balances recognised in the financial statements.

AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations

This amendment impacts on the use of AASB 11 when acquiring an interest in a joint operation.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there is not expected to be any material impact on the transactions and balances recognised in the financial statements.

Note 2: New and Revised Standards that are in effect for these Financial Statements

In the financial year ended 30 June 2015, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2014. It has been determined by the Company that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to Company accounting policies.

Note 3: Other Income

	2015	2014
	\$	\$
Interest income	59	16,079
Sale of share in Joint Venture *	50,000	-
Other Income	50,059	16,079

* During the year, the Company sold its interest in the Scotia Joint Venture to Minotaur Exploration Limited for consideration of \$50,000.

Note 4: Expenses	2015	2014
	\$	\$
(a) Other Expenses		
Accounting fees	49,122	30,170
Administration service fee	30,273	36,000
Consultants fees	73,603	483,841
Legal fees	184,895	408,903
Office Rent	1,912	21,181
Variable outgoings	3,965	5,913
Marketing and website expenses	1,890	5,717
Director fees	36,000	31,750
Filing and listing costs	62,839	38,203
Other	54,278	53,322
Total Other Expenses	498,777	1,115,000
(b) Financing Expenses		
Interest expense	141,518	122,092
Convertible note accretion expense	129,271	45,166
Total Financing Expenses	270,789	167,258
Note 5: Income Tax		
	2015	2014
	\$	\$
Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate.		
The Prima facie tax on profit before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from original activities before income tax at 30%	(230,460)	(616,874)
Adjusted for the tax effect of		
Income not assessable for income tax purposes	-	-
Expenditure not allowed for income tax purposes	38,781	13,550
Deferred tax asset not brought to account – losses	555,623	706,824
Deferred tax asset not brought to account – temporary differences	(363,944)	(103,500)
Research and development tax offset	-	(1,771,418)
	-	(1,771,418)
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
Unrecognised Deferred Tax Asset		
- Unrecognised deferred tax asset – losses	7,562,993	7,601,053
- Unrecognised deferred tax asset – profit and loss timing differences	9,621	8,664
- Unrecognised deferred tax asset – Other Comprehensive Income	35,945	65,638
	7,608,559	7,675,355
Unrecognised Deferred Tax Liabilities	(7,314,531)	(6,954,393)

Note 5: Income Tax (Continued)

The tax rate used in the above tax expense reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law for the year ended 30 June 2015. There has been no change in the corporate tax rate when for the current period the tax expense compared with the previous reporting period.

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that profits will be available against which deductible temporary differences and tax losses can be utilised. Unrecognised deferred tax assets and liabilities have been valued at the tax rate of 28.5% that is applicable to the Company from 1 July 2015.

The potential deferred tax assets will only be obtained if:

- (i) the company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Division 170 of the Income Tax Assessment Act 1997;
- (ii) the company continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the company in realising the benefits.

Note 6: Key Management Personnel (KMP)

Refer to the audited Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's KMP for the year ended 30 June 2015.

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

	2015	2014
	\$	\$
Short term employee benefits	36,000	174,510
Post employment benefits	-	2,802
	36,000	177,312

No other non-cash benefits were paid to Directors who held office during the year.

Options granted as part of remuneration for the period ended 30 June 2015

The following unlisted Options exercisable at 2.5 cents per share with an expiry date of 31 July 2017 were granted as remuneration to the following Directors for the period ended 30 June 2015 (2014 nil).

	2015
	No.
Peter Buttigieg	4,000,000
Paul Buttigieg	3,000,000
Roger Mitchell	6,000,000
Angus Middleton	3,000,000
	16,000,000

Shares Issued on Exercise of Compensation Options

No options granted as compensation were exercised during the year.

Note 6: Key Management Personnel (KMP) (Continued)

Material Contacts

At a General Meeting on 13th January 2014, the shareholders approved a convertible note facility with RMS (Aust.) Pty Ltd a related party to the Executive Chairman. The Company was able to draw down on this facility to fund its ongoing operating requirements. The facility was fully drawn down to its maximum \$2,500,000 (2014: \$1,525,000) during the year and on 18th May 2015 the facility was converted to shares by the issue of 100,000,000 ordinary shares at the exercise price of 2.5 cents per share.

On 12th March 2015 RMS (Aust) Pty Ltd, a company controlled by the Executive Chairman and Acting Chief Executive Peter Buttigieg, entered into a contract to fully underwrite a 3 for 7 renounceable rights issue to shareholders conducted and completed in April 2015.

Peter Buttigieg who became Executive Chairman and Acting Chief Executive Officer on 19th July 2013 does not have an employment contract and is currently remunerated through unlisted options.

Apart from the details shown in this note, no Director has entered into a material contract with the Company during the financial year.

Other KMP transactions

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer to Note 9 Related Party Transactions.

Note 7: Cash and Cash Equivalents	2015	2014
	\$	\$
Cash at bank and in hand	104,351	333,035
Balance at end of the year	104,351	333,035
Effective interest rate on short term bank deposit	0%	0%
Average maturity of short term bank deposit	at call	at call

Cash at bank earns interest at floating rates based on daily deposit rates. The carrying amounts of cash and cash equivalents represent fair value. Short-term deposits are made for varying periods of between one day, and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rate.

Note 8: Auditor's Remuneration

Remuneration of Grant Thornton Audit Pty Ltd for:

– auditing and reviewing the financial report

	46,200	33,300
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Amounts paid to related practice of Auditor for:

– taxation services

	-	3,355
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	46,200	36,655
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Note 9: Related Parties Transactions

(a) Associated Entities

	2015	2014
	\$	\$
Fees and reimbursement of expenses paid to Grow Big Pty Ltd, an entity in which Director Paul Weston has an interest	-	110,909
Fees and reimbursement of expenses paid to Sempre Fidelis Pty Ltd, an entity in which Director Paul Buttigieg has an interest	-	13,750
Fees paid to Buttigieg RMS (Aust) Pty Ltd, an entity in which Chairman Peter Buttigieg has an interest	30,273	36,000
Fees and reimbursement of expenses paid to Tornado Nominees Pty Ltd, an entity in which Director Angus Middleton has an interest	36,000	18,000
Fees paid to Michael Beer for Company Secretary services and other services	39,777	36,764
Fees paid to Beer & Co., an entity in which Company Secretary Michael Beer has an interest	-	24,165

(b) Balances payable at year end

Amounts payable to related parties at year end are:

RMS (Aust.) Pty Ltd	9,000	36,000
Tornado Nominees Pty Ltd	-	6,000
	9,000	42,000

(c) Loans

As disclosed in Note 13, during the year the Convertible Note of \$2,500,000 was converted into equity.

In addition, a total of \$264,826 (\$141,518 recognised as an expense for the current year) was paid in recognition of the 10% interest rate on the principal of the debt.

Note 10: Trade and Other Receivables

Trade receivable	55,000	-
Refund due	17,000	-
GST receivable	55,073	145,958
	127,073	145,958

Note 11: Other Current Assets

Prepayments	-	2,438
Other	3,979	3,979
	3,979	6,417

Note 12: Trade and Other Payables	2015	2014
	\$	\$
Trade payables	88,748	175,726
Other payables:		
- PAYG	1,232	23,124
	89,980	198,850

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

All creditors are on normal commercial trade terms, payable within 14- 30 days.

Amounts due to KMP are on terms and conditions that are no more favourable than those available, or which may be reasonably available, on similar transactions to non-director related entities on an arm's length basis.

Note 13: Borrowings	2015	2014
	\$	\$
Non-Current		
Convertible Note – Debt Portion (1)	-	1,552,433
Fair value of interest-free advance (2)	2,500,000	2,500,000
	2,500,000	4,052,433

- (1) At a General Meeting of the Company on 13 January 2014, shareholders approved a convertible note facility with RMS (Aust) Pty Ltd a related party to the Executive Chairman. The convertible note has a face value of \$2,500,000 and may be drawn on to fund the operating activities of the Company. The convertible note was convertible to ordinary shares in the Company in whole or part at the election of RMS (Aus) Pty Ltd until maturity on 29 July 2015 at the conversion price of \$0.025. RMS elected to convert the facility to ordinary shares on 18th May 2015. The convertible note had a coupon interest rate of 10% per annum.

The convertible note facility is treated as a compound instrument under accounting standards with both an equity and debt component. During the year the full amount of the facility was drawn down by the Company (As at 30 June 2014, \$1,525,000 had been drawn down on the facility). A total of \$174,438 was recognised as the equity component with the remaining debt portion recognised as a liability inclusive of accrued interest over the progressive drawdowns based on the facility running the full term.

- (2) In 2013, the Company received \$2,500,000 by way of an interest-free royalty advance from Franco-Nevada. The advance has been treated as a financial liability measured initially at its fair value. The advance requires no repayments for 5 years, and which, provided production at the Company's project commences within that time, automatically converts to a 2.5% Royalty. Should production not commence within 5 years, then the Company will make annual payments of \$250,000 per annum with such payments to be fully offset against Royalties when the project does commence production.

Note 14: Property, Plant and Equipment	2015	2014
	\$	\$
Computer and electronic equipment - cost	75,557	72,142
Less – accumulated depreciation	(75,557)	(70,601)
	-	1,541
Office furniture and equipment - cost	56,654	56,654
Less – accumulated depreciation	(44,478)	(35,530)
	12,176	21,124
Vehicles - cost	128,533	128,533
Less – accumulated depreciation	(63,198)	(48,156)
	65,335	80,377
	77,511	103,042

(a) Movements in Carrying Amounts

Detailed below is the movement in the carrying amount for computer and electronic equipment, office equipment and vehicles between the beginning and the end of the financial year.

	Computer & electronic equipment	Office furniture & equipment	Vehicles	Total
	\$	\$	\$	\$
Gross carrying amount				
Balance 1 July 2013	68,159	56,654	164,624	289,437
Additions	3,983	-	-	3,983
Disposals	-	-	(36,091)	(36,091)
Balance 30 June 2014	72,142	56,654	128,533	257,329
Depreciation				
Balance at 1 July 2013	63,055	27,774	46,942	137,771
Depreciation	7,546	7,756	16,001	31,303
Disposals	-	-	(14,787)	(14,787)
Balance at 30 June 2014	70,601	35,530	48,156	154,287
Carrying amount 30 June 2014	1,541	21,124	80,377	103,042
	Computer & electronic equipment	Office furniture & equipment	Vehicles	Total
	\$	\$	\$	\$
Gross carrying amount				
Balance 1 July 2014	72,142	56,654	128,533	257,329
Additions	3,415	-	-	3,415
Balance 30 June 2015	75,557	56,654	128,533	260,744
Depreciation				
Balance at 1 July 2014	70,601	35,530	48,156	154,287
Depreciation	4,956	8,948	15,042	28,946
Balance at 30 June 2015	75,557	44,478	63,198	183,233
Carrying amount 30 June 2015	-	12,176	65,335	77,511

Note 15: Exploration and Evaluation Costs	2015	2014
	\$	\$
Balance at the beginning of the year	23,181,310	23,309,166
Expenditure capitalised during the year	1,219,613	623,819
Impairment during the year	(19,754)	(751,675)
Balance at the end of the year	24,381,169	23,181,310

The Directors' assessment of the carrying amount for the Company's Aphrodite Gold Project exploration and evaluation was after consideration of prevailing market conditions; previous expenditure for exploration work carried out on the tenements; and the potential for mineralisation based on the Company's and independent geological reports. The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole or part of the Company's interests in these exploration properties for an amount at least equal to the carrying value. Should this or any other exploration properties be established as non-viable commercially, the Company will then either on sell or abandon them and write off the expenditure incurred thereon to profit and loss. There may exist on the Company's exploration properties areas subject to claim under Native Title or containing sacred sites or sites of significance to Aboriginal people. As a result, the Company's exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

In June 2011, the Company signed a Joint Venture ("JV") Agreement with Breakaway Resources Limited whereby Aphrodite could earn up to an 80% interest in the Gold Rights at their Scotia Project adjacent to the Aphrodite Gold Project. The area of the JV tenements was 217 sq km. Breakaway Resources Limited sold its interest in the Joint Venture to Minotaur Gold Solutions Ltd ("Minotaur"). Aphrodite had earned a 51% interest in the gold rights at Scotia, and with the right to earn up to 80% on spending a further \$1,100,000.

In 2014, the Company did not commit to the full amount of minimum tenement expenditure to the JV tenements required for the 12 months ended 15 June 2014, thereby constituting a default under the JV Agreement. On 18 September 2014, Minotaur gave notice to the Company that it wishes to acquire the whole of the Company's participating interest in the Scotia project by exercising the default purchase option available in the Agreement and pay the Company a fair market value for its participating interest. During the year, the Company sold its interest for \$50,000 and Minotaur has assumed all current and future obligations and liabilities in respect of the Company's participating interest. An impairment adjustment of \$19,754 (2014: \$751,675) was incurred this year which related to expenditure incurred on the tenements prior to the sale.

Note 16: Issued Capital	2015	2014
	\$	\$
Fully paid ordinary shares	25,573,473	22,253,045
	No.	No.
Fully paid ordinary shares	451,394,170	238,475,919
(a) Movements in Ordinary Share Capital	2015	2015
	No.	\$
Balance at beginning of the year	238,475,919	22,253,045
Number issued during the year:		
1) Placement: 7,500,000 at \$0.011 per share	7,500,000	82,500
2) Rights Issue: 3 new shares for each 7 existing at \$0.07 per share	105,418,251	737,928
3) Placement: Convertible note at \$0.025 per share	100,000,000	2,500,000
Number on issue at the end of the year	451,394,170	25,573,473

Note 16: Issued Capital (continued)

(b) Options

	Note	2015 No.	2014 No.
Number on issue at the beginning of the year		-	76,790,750
Number issued during the year	22	35,000,000	-
Number expiring during the year		-	(76,790,750)
Number on issue at the end of the year		35,000,000	-

The Company's capital consists of Ordinary Shares. The Company does not have a limited amount of authorised share capital. The Shares have no par value and are entitled to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of Shares held. At Shareholders meetings each Ordinary Share is entitled to one vote when a poll is called, otherwise each Shareholder has one vote on a show of hands.

All Options over unissued Shares existing are exercisable on or before 31 July 2017 at an exercise price of \$0.025 per share and were issued for no cash consideration.

(c) Capital Management

The Board of Directors policy is to control the capital of the Company in the interests of Shareholders so that sufficient funds are available to effectively pursue the exploration and development of the Company's exploration properties, consisting solely of the Aphrodite Gold Project; to enable prompt payment of the Company's costs and debts incurred in pursuit of those objectives; to maintain low debt levels; and to maintain substantial (relative to the Company's size and share structure) available cash availability to enable participation in worthwhile new exploration and mining projects that may become available.

Note 17: Segment Reporting

The Company has identified for the year ended 30 June 2015 that it has no operating segments disaggregated within the Company. This has been determined based on the fact that the Board of Directors (chief operating decision makers) assesses performance of the Company with no further review at a disaggregated level.

The Company operates in one segment being Exploration and Evaluation of Minerals in Western Australia. Thus, segmented disclosures are not required nor will any disaggregated level of revenue or expenditure be informative.

Note 18: Cash Flow Information

Reconciliation of cash flows from operations with loss for the year

	2015	2014
	\$	\$
(Loss) for the year after income tax	(768,201)	(284,829)
<i>Non-cash items in loss:</i>		
Depreciation	28,946	31,303
Write-down of exploration costs	19,754	751,675
Convertible note accretion expense	129,271	45,166
<i>Changes in assets and liabilities:</i>		
Decrease in other assets and receivables	(28,677)	(53,651)
Increase/(Decrease) in trade payables and accruals	(232,177)	(907,063)
Cash flows used in operations	(851,084)	(417,399)

Note 19: Financial Risk Management

Financial Risk Management Policies

The Company's financial instruments consist of deposits with banks.

a. Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and price risk.

Interest rate risk

Interest rate risk on funds the Company has on deposit is managed by regular review by the Board to ensure maximum available rates are being received.

Credit risk

Credit risk is managed and reviewed regularly by the Board. It arises from exposures through certain derivative financial instruments and deposits with financial institutions.

The Board monitors credit risk by only utilising banks with an "A" rating to minimise risk.

Price risk

The Company may be exposed to commodity price risk in the future through its Aphrodite Gold Project, should it be developed through to the production phase. Should this Project go into production, the operation's profitability will be subject to fluctuations in the price of gold. The gold price has fluctuated considerably over the past several years, although tending strongly higher, and prior to production commencing the Company will consider implementing a hedging policy, or the Company may opt to not participate or reduce its participation in the production phase and the risks involved therein by selling the Project or joint venturing out a part thereof so that the Company's retained interest will involve none or readily manageable expenditure.

Note 19: Financial Risk Management (continued)

b. Financial Instruments

i. Financial instrument composition and maturity analysis:

The tables below shows the Company's Financial Assets and Financial Liabilities and the weighted interest rate average received on deposits.

2015	Weighted Average Interest Rate %	Interest Bearing \$	Non-Interest Bearing \$	Total \$
Financial Assets				
Cash on deposit at bank	0%	-	104,351	104,351
Receivables		-	127,073	127,073
		-	231,424	231,424

Financial Liabilities at amortised cost

Trade and other payables	-	-	89,980	89,980
Borrowings	-	-	2,500,000	2,500,000
		-	2,589,980	2,589,980

2014	Weighted Average Interest Rate %	Interest Bearing \$	Non-Interest Bearing \$	Total \$
Financial Assets				
Cash on deposit at bank	0%	-	333,035	333,035
Receivables		-	145,958	145,958
		-	478,993	478,993

Financial Liabilities at amortised cost

Trade and other payables	-	-	198,850	198,850
Borrowings	-	1,552,433	2,500,000	4,052,433
		1,552,433	2,698,850	4,251,283

(i) Net Fair Values

The fair value of financial assets and financial liabilities of the Company is equivalent to their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

(ii) Sensitivity Analysis

Interest Rate Risk and Price Risk

The Company has performed sensitivity analysis relating to its exposure to interest rate risk at balance sheet date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Note 19: Financial Risk Management (continued)

Interest Rate Sensitivity Analysis

At 30 June 2015, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

Increase/(decrease) in profit	2015	2014
	\$	\$
— increase in interest rate by 2%	(29,630)	(26,870)
— decrease in interest rate by 2%	34,000	26,870
Increase/(decrease) in equity		
— increase in interest rate by 2%	(29,630)	(26,870)
— decrease in interest rate by 2%	34,000	26,870

c. Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through the following mechanisms:

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised cash funds are held at bank to cover all forecast outgoings.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial Liability and Financial Asset Maturity Analysis	2015	2014
	\$	\$
Financial Liabilities due for payment within 1 year		
Trade and other payables	89,980	198,850
Financial Liability due for payment over 1 year		
Borrowings	2,500,000	4,052,433
	2,589,980	4,251,283
Financial Assets – cash flows realisable within 1 year		
Cash and cash equivalents	104,351	333,035
Trade and other receivables	127,073	145,958
	231,424	478,993

Note 20: Earnings Per Share

	2015	2014
Basic (loss) per Share (Cents)	(0.3)	(0.1)
(Loss) used in calculation of basic and diluted loss per Share	(768,201)	(284,829)
Weighted average number of Shares used in the calculation of the basic (Loss) per Share and diluted (loss) per Share	264,130,565	238,475,919

No potential ordinary shares are included as all options expired during the year. Refer to Note 24.

Note 21: Capital and Lease Commitments

Exploration Expenditure Commitments

Due to the nature of the Company's operations in exploring and evaluating the Aphrodite Gold Project, whereby expenditure is subject to constant variation in accordance with drilling and other exploration results as they come to hand, and given that the Company is planning for production from the Project, it is difficult to forecast the nature and amount of future expenditure.

Commitments shown comprise of the minimum exploration expenditure required by the W.A. Mines Department to maintain the tenements at the Aphrodite Gold Project. The Scotia Project held under Joint Venture, is excluded due to the default purchase option being exercised by Minotaur Gold Solutions Ltd who have advised the Company they shall acquire the whole of the Company' participating interest in the Scotia Project and thereby will assume all current and future obligations and liabilities in respect of the Scotia project. No commitments are shown beyond 5 years due to the indeterminate nature of the exploration and development program.

Commitments are estimated as follows:

	2015	2014
	\$	\$
Not later than 12 months	313,200	313,200
Between 12 months and 5 years	1,252,800	1,252,800
Greater than 5 years - indeterminate	-	-
	1,566,000	1,566,000

Operating Lease Commitments

Non-cancellable operating lease contracted for but not capitalised in the financial statements

Payable – minimum lease payments

	2015	2014
	\$	\$
Not later than 12 months	-	-
Between 12 months and 5 years	-	-
Greater than 5 years	-	-
	-	-

The Company has no lease commitments at 30 June 2015.

Note 22: Options

	2015	2014
	No.	No.
Options on issue at the beginning of the year	-	76,790,750
Options issued during the year	35,000,000	-
Options expired during the year	-	(76,790,750)
Options on issue at the end of the year	35,000,000	-

Note 22: Options (continued)

a) Options issued during the year

During the financial year the Company issued 35,000,000 options over unissued shares (2014: nil), as follows:

Options issued to:	Number of options	Exercise price	Expiry date
Resource Surveys Pty Ltd	15,000,000	2.5 cents	31 July 2017
P&J Buttigieg Nominees Pty Ltd – An entity in which Chairman Peter Buttigieg has an interest.	4,000,000	2.5 cents	31 July 2017
Michael Beer	4,000,000	2.5 cents	31 July 2017
Sempre Fidelis Pty Ltd – An entity in which Director Paul Buttigieg has an interest.	3,000,000	2.5 cents	31 July 2017
Roger Mitchell	6,000,000	2.5 cents	31 July 2017
SA Capital Pty Ltd – An entity in which Director Angus Middleton has an interest.	3,000,000	2.5 cents	31 July 2017
	35,000,000		

Refer Note 23 for share based payments disclosures.

b) Options exercised during the year

During the financial year the Company issued no shares on the exercise of options (2014: Nil).

c) Options cancelled during the year

During the year no options (2014: nil) were cancelled upon termination of employment.

d) Options on issue at the balance date

The number of options outstanding over unissued ordinary shares at 30 June 2015 is 35,000,000 (2014: nil).

The terms of these options are as follows:

Number of options outstanding	Exercise price	Expiry date
35,000,000	2.5 cents	31 July 2017

e) Subsequent to the balance date

No options have been granted subsequent to the balance date and to the date of signing this report.

No options have been exercised subsequent to the balance date to the date of signing this report.

Note 23: Share Based Payments

During the financial year 15,000,000 options over unissued shares were issued and a further 20,000,000 options issued following shareholder approval at the 2014 AGM. These options have been valued and included in the financial statements over the periods that they vest.

Basis and assumptions used in the valuation of options.

The options issued during the year were valued using the Black-Scholes option valuation methodology.

Date granted	Number of options granted	Exercise price (cents)	Expiry date	Risk free interest rate used	Volatility applied	Value per Option (cents)
25 September 2014	15,000,000	2.5	31 July 2017	2%	40%	\$0.00
18 November 2014	20,000,000	2.5	31 July 2017	2%	40%	\$0.00

Historical volatility has been used as the basis for determining expected share price volatility, as it is assumed that this is an indicator of future tender, which may not eventuate.

Note 24: Reserves

Convertible Note Reserve

	2015 \$	2014 \$
Equity component of Convertible Note issued	-	141,041
	<u>-</u>	<u>141,041</u>

The convertible note facility that was approved by a General Meeting of shareholders on 13 January 2014 is treated as a compound instrument with both an equity and debt component. Refer to Note 15. The facility converted to issued ordinary shares on 18th May 2015.

Note 25: Events After Reporting Date

No other matter or circumstances of significance have arisen since balance sheet date.

Note 26: Contingent Liabilities

The Board of Directors ceased the employment of Directors Wayne Ryder and Leon Reisgys on 19th July 2013. On 20th September 2013, Wayne Ryder and Leon Reisgys filed proceedings in the Supreme Court of Western Australia for additional payments following the cessation of their employment. The Company's solicitors have advised that no further payments are owing beyond those already provided for in the financial books of the Company and the proceedings will be vigorously defended by the Company. The Company has received a letter dated 12 March 2014 from the above parties requesting an apology for certain public statements. No liability is anticipated from this event by the Board.

At the end of the financial period the Company had no other contingent liabilities.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Aphrodite Gold Limited (the "Company"):

- (a) the financial statements and notes set out on pages 18 to 42, and the Remuneration disclosures that are contained in pages 9 to 12 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date: and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with International Financial Reporting Standards as disclosed in Note 1.
- (b) the remuneration disclosures that are contained in page 9 to 12 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Signed in accordance with a resolution of the Directors:



Peter Buttigieg
Executive Chairman / Acting Chief Executive Officer
Dated at Perth this 30th day of September 2015

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Independent Auditor's Report To the Members of Aphrodite Gold Limited

Report on the financial report

We have audited the accompanying financial report of Aphrodite Gold Limited (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Company.

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. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's opinion

In our opinion:

- a the financial report of Aphrodite Gold Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company'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.
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1(r) in the financial report which indicates that the Company incurred a net loss of \$768,201 and cash outflows from operating activities and investing activities of \$1,941,612 during the year ended 30 June 2015. These conditions, along with other matters as set forth in Note 1(r), indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Report on the remuneration report

We have audited the remuneration report included in pages 9 to 12 of the directors' report for the year ended 30 June 2015. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Aphrodite Gold Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M J Hillgrove
Partner - Audit & Assurance

Perth, 30 September 2015

Shareholders and Optionholders Details
Substantial Shareholders at 28 September 2015 were:

Name	No. of Shares	% of Total
Peter Anthony Buttigieg	203,078,658	44.25
GRP Ltd	30,000,000	6.54

Spread of Shareholders

	No. of Holders	No. of Shares	% of Total
1 - 1,000	27	1,448	0.0
1,001 - 5,000	16	61,307	0.01
5,001 - 10,000	63	571,876	0.12
10,001 - 100,000	391	17,852,983	3.89
100,001 - and above	268	440,406,556	95.98
	765	458,894,170	100.00

Spread of Optionholders

	No. of Holders	No. of Shares	% of Total
100,001 - and above	6	35,000,000	100.00
	6	35,000,000	100.00

Top 20 Shareholders

Name	No. of Shares	% of Total
RMS Aust Pty Ltd	194,587,634	42.40
UOB Kay Hian Private Ltd	31,600,000	6.89
Resource Surveys Pty Ltd	18,200,000	3.97
HSBC Custody Nominees Aust	17,620,000	3.84
Little Gary William	6,356,484	1.39
Sutton Craig John	5,780,000	1.26
Citicorp Nominees Pty Ltd	5,340,000	1.16
Novakovic Daniel Lucas	5,285,714	1.15
Buttigieg Peter A & JL	5,241,024	1.14
Sanarra Pty Ltd	5,000,000	1.09
Buttigieg Xavier William	4,977,833	1.08
Leech Kim Michelle	3,971,000	0.87
Lock Jason Andrew	3,499,368	0.76
Sempre Fidelis Pty Ltd	3,280,000	0.71
P & J Super Pty Ltd	3,250,000	0.71
J P Morgan Nom Aust Ltd	3,248,500	0.71
Gramazio Frank & L F	3,166,452	0.69
Gregor Cindy Siew-Lu	3,085,714	0.67
Liu Gen Cao	3,000,000	0.65
National Nom Ltd	2,854,912	0.62
	329,344,635	71.76

Shareholders and Optionholders Details (Continued)

Optionholders

Name	No. of Options	% of Total
Resource Surveys Pty Ltd	15,000,000	42.86
Roger Mitchell	6,000,000	17.14
P & J Buttigieg Nominees Pty Ltd	4,000,000	11.43
Michael Beer	4,000,000	11.43
Sempre Fidelis Pty Ltd	3,000,000	8.57
SA Capital Pty Ltd	3,000,000	8.57
	35,000,000	100.00

APHRODITE GOLD LIMITED

Annual Resources Summary at 25 September 2015:

Resource Summary at cut off of 0.5 g/t gold applied to potential open pit (OP) mineable resources and 3.0 g/t for the underground (UG) mineable resources.

Domain	Cutoff (g/t)	Indicated			Inferred			Indicated + Inferred		
		Tonnes	Gold		Tonnes	Gold		Tonnes	Gold	
		(t)	(g/t)	(oz)	(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
OP	0.5	13,910,000	1.21	542,000	11,520,000	1.00	369,000	25,430,000	1.12	911,000
UG (Primary)	3.0	2,480,000	4.47	357,000	830,000	4.79	128,000	3,310,000	4.55	485,000
TOTAL		16,390,000	1.70	899,000	12,350,000	1.26	497,000	28,740,000	1.52	1,396,000

Governance and internal controls

Aphrodite maintains strong QAQC controls across all resource related work.

Resource drilling is Reverse Circulation drilling sampled every 1m. Samples are dispatched to Genalysis Kalgoorlie, where they are dried, weighed and pulverised before being sent to the Interket facility in Perth. QAQC Samples are inserted into the sample stream at a ratio of 1 every 20 samples. These include standard reference material from GeoStats Pty Ltd, coarse blank material and duplicate field samples. Intertek Perth run internal QQC samples reported with each batch. Umpire Assays are run at Bureau Veritas Ultra Trace Perth. Pulp grind size tests have also been run. All QAQC and Umpire Assay Data have been reviewed by Tetra Tech.

All drilling is DGPS collar surveyed. Downhole surveys are made at intervals of 50m using a Gyro.

All drilling is logged in details to describe lithology, alteration, structure and mineralogy.

All data is imported into the master database by Aphrodite Gold Ltd using Datashed and SWL. Data validation checks are completed by Aphrodite Gold Ltd and then verified by Tetra Tech before resource modelling.

Resource estimates were calculated by Tetra Tech and reported under JORC 2012.

Note A:

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code and references to "Measured, Indicated and Inferred Resources" are to those terms as defined in the JORC Code.

Information in this report which relates to the Mineral Resource estimation, together with any related assessments and interpretations, is based on information approved for release by Mr. Patrick Huxtable. Mr. Huxtable holds a B.Sc. in Geology from Curtin University and is an RPGeo and Member in good standing with the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr. Huxtable consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

APHRODITE GOLD LIMITED

Schedule of Tenements at 28 September 2015:

Project	JV Partner	Status	Tenement	Annual Expenditure	Interest Held by Aphrodite Gold Ltd
Aphrodite		Granted	M24/720	\$99,600	100%
		Granted	M24/779	\$94,400	
		Granted	M24/649	\$18,100	
		Granted	M24/681	\$44,700	
		Granted	E24/186	\$20,000	
		Granted	L24/204	N/A	
		Granted	L29/114	N/A	
		Granted	L29/115	N/A	
		Pending	L24/217	N/A	
	Dalrymple	Granted	M24/662	\$36,400	70%