BOSS
RESOURCES LIMITED

Financial Report 2017

ABN 38 116 834 336

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Corporate Directory

DIRECTORS	Mr Mark Hohnen Mr Duncan Craib Mr Evan Cranston Mr Grant Davey Mr Peter Williams	Chairman Managing Director Director Director Director
COMPANY SECRETARY	Ms Oonagh Malone	
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SOLICITORS TO THE COMPANY	Bellanhouse Legal Alluvion, Level 19 58 Mounts Bay Road Perth WA 6000	
AUDITORS	RSM Australia Partners 8 St Georges Terrace Perth WA 6000	
STOCK EXCHANGE	Australian Securities Exchange Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000 ASX Code: BOE	
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Directors' Report

Your Directors present their report on the Group for the Year Ended 30 June 2017.

Directors

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

Mr Mark Hohnen

Mr Duncan Craib (Appointed 1 August 2017)

Dr Marat Abzalov (Resigned 1 August 2017)

Mr Evan Cranston

Mr Grant Davey

Mr Peter Williams

Information on Current Directors

Mr Mark Hohnen Non-Executive Chairman
Appointed 26 April 2016

Mr Hohnen has been involved in the mineral business since the late 1970s and has had extensive international business experience in a wide range of industries including mining and exploration, property, investment, software and agriculture. He is an experienced director having held a number of directorships in both public and private companies.

Until recently Mr. Hohnen was a Board member of Swakop Uranium, the owner of the Husab uranium project. Husab is the world's second largest uranium operation in terms of production with construction of a 15 mlbs uranium per annum mine and treatment plant nearing completion.

Mr. Hohnen was founding Executive Chairman of Kalahari Minerals Plc, a company founded in 2005 to explore for uranium and base metals in Namibia. Kalahari (KAH) was listed on AIM in March 2006 with a market capitalisation of Stg£15 million. In 2011, Kalahari Minerals Plc was valued at Stg£750 million and was ultimately the subject of a corporate transaction in 2012 valued at $US2.2 billion.

During the three year period to the end of the financial year, Mr Hohnen has held directorships with ASX listed companies Salt Lake Potash Limited (February 2010 – present) and Mawson West Limited (March 2014 – January 2015).

Mr Hohnen holds a relevant interest in 18,666,667 shares and 16,000,000 performance rights in the Company.

Mr Duncan Craib Managing Director
Appointed 1 August 2017

Mr Craib joined the Company in January 2017 as Chief Executive Officer and has overseen a successful capital raise, the completion of a resource upgrade at the Jasons Prospect, the successful completion of a Preliminary Feasibility Study over the Honeymoon Project, and the commissioning of a Field Leach Trial.

Prior to commencing with Boss Resources, Mr Craib served as Finance Director to Swakop Uranium (Pty) Ltd and was heavily involved in the US$2.5 billion development and construction of its world class Husab uranium mine in Namibia. Its principal shareholder, China General Nuclear Power Corporation (CGN), is the largest nuclear power operator in China and largest nuclear power constructor world-wide. Husab is currently being commissioned and once in production will be one of the largest mining and processing uranium projects in the world, mining 150 Mt on an annual basis and generating 15 Mt of ore to produce 15 Mlbs of uranium oxide.

Prior to 2012, Mr Craib served in London as CFO to Kalahari Minerals Plc under the Chairmanship of Mr Mark Hohnen. The company's key investment was a 42.74% shareholding in Extract Resources Ltd and its subsidiary Swakop Uranium (Pty) Ltd, which was ultimately the subject of a corporate transaction in 2012 valued at US$2.2 billion.

During the three year period to the end of the financial year, Mr Craib held no directorships with ASX listed companies.

Mr Craib holds a relevant interest in 2,500,000 shares and 30,000,000 unquoted share options in the Company.

Mr Evan Cranston Non-Executive Director
Appointed 2 May 2012

Mr Cranston is a corporate lawyer specialising in corporate and mining law. He holds a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia and was admitted as a barrister and solicitor of the Supreme Court of Western Australia. Mr Cranston has broad experience in the areas of capital raisings, initial public offerings, tenement acquisition agreements, mineral rights agreements, joint ventures, mergers and acquisitions, corporate governance, the ASX listing rules and the Corporations Act.

During the three year period to the end of the financial year, Mr Cranston has held directorships with ASX listed companies Carbine Resources Limited (March 2010 – present), Clancy Resources Limited (October 2014 – present), New Century Resources (October 2012 – present), Primary Gold Limited (March 2016 – present) and Cradle Resources Limited (September 2011 – May 2016).

Mr Cranston holds a relevant interest in 6,666,667 shares in the Company.

Mr Grant Davey Non-Executive Director
Appointed 12 January 2016

Mr Davey is a mining engineer with over 20 years of senior management and operational experience in the construction and operation of gold, platinum and coal mines in Africa, Australia, South America and Russia. More recently, he has been involved in venture capital investments in several exploration and mining projects and he has been instrumental in developing the Panda Hill niobium opportunity. Mr Davey's uranium experience is associated with mining uranium as a byproduct from the deep level gold mines in South Africa. Grant was responsible for the Vaal Reefs South Uranium plant between 2005 and 2008 when it produced up to 6 million pounds of uranium per year and was one of the largest uranium producers in the southern hemisphere at the time.

During the three year period to the end of the financial year, Mr Davey has held directorships with ASX listed companies Graphex Mining Limited (March 2016 – present) and Cradle Resources Limited (April 2013 – November 2015).

Mr Davey holds a relevant interest in 11,483,333 shares in the Company and is a director of Wattle Mining Pty Ltd which has a 20% interest in the Honeymoon Uranium Project.

Mr Peter Williams **Non-executive Director**
Appointed 20 August 2013

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

During the past three years Mr Williams has not held any other directorships with ASX listed companies.

Mr Williams holds a relevant interest in 32,505,979 shares and 30,000,000 performance rights in the Company.

Ms Oonagh Malone **Company Secretary**
Appointed 30 November 2012

Ms Malone is a principal of a corporate advisory firm which provides company secretarial and administrative services. She has over 8 years' experience in administrative support roles for listed exploration companies and is a member of the Governance Institute of Australia. She is currently company secretary to ASX-listed companies Carbine Resources Ltd, Draig Resources Limited, Hawkstone Mining Limited, Matador Mining Limited, New Century Resources Ltd, Primary Gold Limited and ServTech Global Holdings Limited. She is a director of Hawkstone Mining Limited.

Ms Malone holds a relevant interest in 30,000 shares of the Company.

Meetings of Directors

During the financial year, 3 meetings of Directors were held and 5 circular resolutions signed. Attendances by each Director during the year were as follows:

	Number of meetings eligible to attend	Number of meetings attended
Dr Marat Abzalov	3	3
Mr Evan Cranston	3	3
Mr Grant Davey	3	3
Mr Mark Hohnen	3	3
Mr Peter Williams	3	2

Dividends Paid or Recommended

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

Principal Activities

During the period the Group continued its focus on assessing the Honeymoon Uranium Project's near-term production with substantial exploration upside in underexplored tenements in South Australia, and its gold interests in Burkina Faso (in joint venture with Teranga Gold Corporation).

Review of Operations

Honeymoon Uranium Project

Significant milestone achievements achieved during the 12 months under financial review, include:

- Positive Pre-feasibility study (PFS) completed with GR Engineering Services Limited (ASX: GNG) as lead consultant in conjunction with Australian Nuclear Science & Technology Organisation and Groundwater Science giving the Board confidence to progress to a Definitive Feasibility Study
- An increase for the combined Honeymoon Project Resource to 43.5Mt at 660ppm eU3O8 (for 63.3Mlb eU3O8) following a successful drill program and resource upgrade at the Jasons Prospect
- Metallurgical testwork demonstrated a substantial increase in recoverability of uranium with the identification of a resin with over 100% higher loading capacity than previously tested resins
- Preparatory work for a Field Leach Trial commenced

Table 1: Mineral Resource Table for Honeymoon Uranium Project
(Ordinary Kriged estimate reported using a 250 ppm eU_3O_8 as a lower cut-off and density of 1.75 t/m^3.
Other deposits included in the Honeymoon Project are shown for reference)

Classification	Million tonnes	eU3O8 (ppm)	Contained metal (U_3O_8, K t)	Contained metal (U_3O_8, M lb)
Jasons (March 2017)				
Inferred	6.2	790	4.9	10.7
TOTAL	**6.2**	**790**	**4.9**	**10.7**
Goulds Dam (April 2016)				
Indicated	4.4	650	2.9	6.3
Inferred	17.7	480	8.5	18.7
TOTAL	**22.1**	**510**	**11.3**	**25.0**
Honeymoon* (January 2016)				
Measured	1.7	1720	3.0	6.5
Indicated	1.5	1270	1.9	4.2
Inferred	12.0	640	7.6	16.8
TOTAL	**15.2**	**820**	**12.5**	**27.6**
Project Total (All deposits)				
Measured	1.7	1720	2.95	6.5
Indicated	5.9	810	4.80	10.6
Inferred	35.9	586	21.0	46.7
GRAND TOTAL	**43.5**	**660**	**28.8**	**63.3**

* Quoted resources have been adjusted to exclude previous production of approximately 335t of U_3O_8.
Note: Figures have been rounded

Burkina Faso Gold Assets

On 13 October 2016, Teranga Gold (TSX/ASX:TGZ) completed the acquisition of Gryphon Minerals (ASX:GRY) and assumed Gryphon's current 51% interest (can earn up to 80%) in Boss Resources' Golden Hill and Gourma Gold Projects located in Burkina Faso (ASX: 4 July 2014 for full terms of the agreement).

Teranga have reported very encouraging assay results throughout the year at the Golden Hill property with exploration work continuing.

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

Operating Results

The loss of the Group for the year ended 30 June 2017 after providing for income tax amounted to $6,055,627 (2016: loss of $2,675,940).

Financial Position

The net assets of the Group are $11,578,724 as at 30 June 2017 (2016: $9,706,545).

Significant Changes in State of Affairs

- On 25 August 2016, the Company issued 16,666,667 ordinary shares at a share price of $0.04 each to raise $500,000 and 18,000,000 performance rights to Non-Executive Chairman, Mr Mark Hohnen, following shareholder approval on 16 August 2016.
- On 9 January 2017, the Company issued 30,000,000 unquoted options to Managing Director, Mr Duncan Craib as follows:
    - 10,000,000 exercisable at $0.065 and expiring on 9 January 2020;
    - 10,000,000 exercisable at $0.080 and expiring on 9 January 2020; and
    - 10,000,000 exercisable at $0.095 and expiring on 9 January 2020.
- On 9 January 2017, the Company issued 2,500,000 performance rights to a consultant pursuant to the Company's Employee Share Option Plan which subsequently lapsed prior to the financial year end following the cessation of services of the consultant.
- On 30 January 2017, the Company issued 104,615,385 ordinary shares in a placement to sophisticated and institutional investors at a share price of $0.065 to raise $6,800,000 before costs.
- On 2 June 2017, the Company issued 286,923 ordinary shares at a deemed issue price of $0.076516 and 217,007 ordinary shares at a deemed issue price of $0.080181 to GR Engineering Services Limited as payment for services in connection with the pre-feasibility study.
- On 2 June 2017, the Company issued 2,500,000 ordinary shares to Managing Director, Mr Duncan Craib, at an issue price of $0.04 per share as agreed in an executive service agreement dated 9 January 2017.
- On 2 June 2017, the Company issued 2,000,000 ordinary shares to Non-Executive Chairman, Mr Mark Hohnen, on conversion of Tranche 1 performance rights following completion of 12 months service.

- On 30 June 2017, the Company issued 107,957 ordinary shares at a deemed issue price of $0.069614 to GR Engineering Services Limited as payment for services in connection with the pre-feasibility study.

After Balance Date Events

On 10 July 2017, the Company received an R&D tax refund of $235,002 that related to the year ended 30 June 2016. No amount receivable has been recognised for this as at 30 June 2017.

On 1 August 2017, Duncan Craib was appointed Managing Director and Marat Abzalov resigned from the Board of Directors.

On 11 August 2017, the Company issued 60,000,000 ordinary shares at an issue price of $0.05 per share in a placement to sophisticated investors to raise $3,000,000 before costs.

On 18 August 2017, the Company announced the successful completion of the construction and official commencement on 11 August 2017 of the Field Leach Trial on the Honeymoon Uranium Project.

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

Future Developments, Prospects and Business Strategies

Disclosure of further information regarding likely developments in the operations of the Group in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice of those operations, or that state of affairs of the Group in future financial periods.

Environmental Issues

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

Options

At the date of this report there the following 40,000,000 unquoted share options and no quoted options on issue.

Recipient	Grant date	Vesting date	Exercise price	Expiry date
Carbine Resources Limited (ASX: CRB)	1/09/2015	1/09/2015	$0.02	31/08/2018
Mr Duncan Craib	9/01/2017	9/01/2017	$0.065	9/01/2020
Mr Duncan Craib	9/01/2017	9/01/2017	$0.08	9/01/2020
Mr Duncan Craib	9/01/2017	9/01/2017	$0.095	9/01/2020

During the year no unquoted options expired or were exercised.

Proceedings on Behalf of Company

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

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

Indemnifying Officers or Auditor

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

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 24 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

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

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2017, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

REMUNERATION REPORT - AUDITED

Remuneration policy

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

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

Performance-based remuneration

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

The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Company operates;
- rewards to executives are linked to creating value for shareholders;

- remuneration arrangements are equitable and facilitate the development of senior management across the Company; and
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders.
- long term incentives are used to ensure that remuneration of key management personnel reflects the Group's financial performance, with particular emphasis on the Group's earnings and the consequence of the Group's performance on shareholder wealth.

Additional information for consideration of shareholder wealth

This table summarises the earnings of the consolidated entity and other factors that are considered to affect shareholder wealth for the five years to 30 June 2017.

	2017	2016	2015	2014	2013
Loss after income tax attributable to shareholders ($)	(6,055,627)	(2,675,940)	(1,101,779)	(2,125,287)	(13,449,688)
Share price at financial year end ($)	0.048	0.041	0.0184	0.026	0.006
Movement in share price for the year ($)	0.007	0.0226	(0.076)	0.02	(0.049)
Total dividends declared (cents per share)	-	-	-	-	-
Returns of capital (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.64)	(0.36)	(0.20)	(0.44)	(3.50)

Market Comparisons

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

Board Remuneration

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

Directors' Fees

Executive

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

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

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

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

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

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

Voting and comments made at the Company's 2016 Annual General Meeting (AGM)

At the 2016 AGM, 99.2% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2016. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Service Agreements

A summary of service agreements entered into with Executives is set out below:

Executive	Term of Agreement	Base salary per annum including any superannuation* (Non-performance based)	Termination Conditions	Proportion of elements of remuneration related to performance
Dr Marat Abzalov*	No specified term	$120,000	1 month notice period	-
Mr Duncan Craib	No specified term	$250,000	3 month notice period	87.8%

* Base salary quoted is the position as at 30 June 2017; salaries are reviewed annually.

There was no service agreement with Mr Davey. $95,000 was owed to him at 30 June 2016 for his services. A payment of $300,000 was made for his services to 31 March 2017, when he ceased being an executive director and reverted to the non-executive director rate of $50,000pa.

Directors' Report continued

Managing Director, Mr Duncan Craib, commenced employment as Chief Executive Officer on 9 January 2017 on the following terms. He was subsequently appointed Managing Director on 1 August 2017 with no change to the terms of his remuneration:

- A base salary of $250,000pa inclusive of statutory superannuation.
- Unquoted options over ordinary shares to be issued under the Employee Share Option Plan with an expiry date of 3 years following issue and exercisable as follows:
  - 10,000,000 options exercisable at $0.065 each;
  - 10,000,000 options exercisable at $0.080 each; and
  - 10,000,000 options exercisable at $0.095 each.
- A termination period of 3 months.

Non-Executive Remuneration

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

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

A fee of $100,000pa, plus compulsory superannuation, is payable to Mr Hohnen for his services. 18,000,000 performance rights were approved by shareholders on 16 August 2016 and issued to him on 25 August 2016. These performance rights expire 5 years from their issue date on 25 August 2021, and each will vest and convert into one ordinary share with no further consideration on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	Completion of 12 months service with the Company. 2,000,000 shares were issued on 2 June 2017 after these performance rights vested and were converted.	2,000,000
Tranche 2 Performance Rights	Completion of 24 months service with the Company.	2,000,000
Tranche 3 Performance Rights	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Tranche 4 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,000,000
Tranche 5 Performance Rights	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

These performance rights were valued at their issue dates at $1,038,000. An expense of $452,187 was recognised during 2017 as these performance rights are expensed over expected vesting periods.

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

Bonus or Profit Participation Plan

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

Details of remuneration for year ended 30 June 2017

	Salary, Fees and Commissions	Super-annuation Contribution	Non-cash Benefits	Share-based payments	Total
	$	$	$	$	$
Key Management Person					
Dr Marat Abzalov	109,589	10,411	-	81,005	201,005
Mr Duncan Craib	118,804	10,455	-	930,500	1,059,759
Mr Evan Cranston	50,000	-	-	-	50,000
Mr Grant Davey	217,500	-	-	-	217,500
Mr Mark Hohnen	109,500	-	-	452,187	561,687
Ms Oonagh Malone	36,000	-	-	-	36,000
Mr Peter Williams	49,997	-	-	225,900	275,897
	691,390	20,866	-	1,689,592	2,401,848

Details of remuneration for year ended 30 June 2016

	Salary, Fees and Commissions	Super-annuation Contribution	Non-cash Benefits	Share-based payments	Total
	$	$	$	$	$
Key Management Person					
Dr Marat Abzalov	109,589	10,411	-	72,535	192,535
Mr Evan Cranston	50,000	-	-	-	50,000
Mr Grant Davey	95,000	-	-	-	95,000
Mr Thomas Gladwin-Grove	15,000	-	-	-	15,000
Mr Mark Hohnen	19,771	-	-	-	19,771
Ms Oonagh Malone	29,000	-	-	-	29,000
Mr Peter Williams	120,833		-	237,519	358,352
	439,193	**10,411**	**-**	**310,054**	**759,658**

Performance rights

On 28 November 2014, shareholders approved the issue of 30,000,000 Performance Rights to Mr Williams (Executive Director at the time of issue) and 9,999,999 performance rights to Dr Abzalov. These performance rights were not issued until 17 November 2015, and are to expire 5 years from their issue date on 17 November 2020. On meeting vesting conditions, performance rights will each convert into one ordinary share with no further consideration.

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

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

Tranche	Milestone	Number	Value of tranche ($)
Tranche 1 Performance Rights	First Milestone means when the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000	275,800
Tranche 2 Performance Rights	Second Milestone means announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000	290,000
Tranche 3 Performance Rights	Third Milestone means announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000	290,000

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

Tranche	Milestone	Number	Value of tranche ($)
Tranche 1 Performance Rights	First Milestone means when the closing price of the Company's Shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,333,333	91,000
Tranche 2 Performance Rights	Second Milestone means announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	3,333,333	97,667
Tranche 3 Performance Rights	Third Milestone means announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	3,333,333	97,667

No expense was recognised for these performance rights for the year ended 30 June 2015 because the ability of the Company to delay issue effectively meant that there was no shared understanding of the terms and conditions of the performance rights during 2015. These performance rights were valued at their issue dates at $855,800 for Mr Williams and $284,334 for Dr Abzalov for a total value of $1,140,133. Expenses of 225,900 (2016: $237,519) for Mr Williams and $81,005 (2016: $72,535) for Dr Abzalov have been recognised during the year as these performance rights are expensed over the expected vesting periods.

Performance rights were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions as detailed in this table. The expected vesting period for each performance right for performance based vesting conditions is the period until expiry of the performance right.

Options issued as part of remuneration

There were no compensation options issued to Directors during the year ended 30 June 2016 or 2017. No Director options were exercised or lapsed during the financial year.

A total of 30,000,000 options over ordinary shares in the Company were provided as remuneration to Mr Duncan Craib. These options were granted with no vesting conditions, fully vested during the year, had a total value at the grant date of $930,500 and have not lapsed or expired.

Details of all options held by key management personnel of the Group, at the date of this report are shown below.

Key Management Personnel	Grant date	Number granted	Value of options granted ($)	Vesting date	Expiry date	Vested %
Mr Duncan Craib	9/01/2017	10,000,000	333,200	9/01/2017	9/01/2020	100
Mr Duncan Craib	9/01/2017	10,000,000	308,900	9/01/2017	9/01/2020	100
Mr Duncan Craib	9/01/2017	10,000,000	288,400	9/01/2017	9/01/2020	100

Shares Issued on Exercise of Compensation Options or Performance Rights

2,000,000 ordinary shares were issued to Mr Mark Hohnen on 2 June 2017 after 2,000,000 performance rights vested and were converted, following his completion of 12 months service with the Company. No other options or performance rights have been exercised during or since the year end.

Additional disclosures relating to key management personnel

Shareholding

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

2017 Ordinary Shares	Balance at the start of the year or at appointment	Received as part of remuneration	Performance rights vested	Options Exercised	Net changes other	Balance at the end of the year or at resignation
Dr Marat Abzalov	3,058,698	-	-	-	-	3,058,698
Mr Duncan Craib	-	-	-	-	2,500,000	2,500,000
Mr Evan Cranston	6,666,667	-	-	-	-	6,666,667
Mr Grant Davey	10,483,333	-	-	-	1,000,000	11,483,333
Mr Mark Hohnen	-	-	2,000,000	-	16,666,667	18,666,667
Ms Oonagh Malone	980,000	-	-	-	(950,000)	30,000
Mr Peter Williams	32,505,979	-	-	-	-	32,505,979
	53,694,677	-	2,000,000	-	19,216,667	74,911,344

Option holding

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

2017 Options over ordinary shares	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Dr Marat Abzalov	-	-	-	-	-
Mr Duncan Craib	-	30,000,000	-	-	30,000,000
Mr Evan Cranston	-	-	-	-	-
Mr Grant Davey	-	-	-	-	-
Mr Mark Hohnen	-	-	-	-	-
Ms Oonagh Malone	-	-	-	-	-
Mr Peter Williams	-	-	-	-	-
	-	30,000,000	-	-	30,000,000

Other transactions with key management personnel and their related parties

Evan Cranston is a director of Konkera Corporate. Konkera Corporate received $120,000 during the year for the provision of administration, bookkeeping and accounting services. At 30 June 2017, the Group had no creditor balances payable to Konkera Corporate.

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

[END OF AUDITED REMUNERATION REPORT]

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

Mark Hohnen
Chairman
DATED at PERTH this 28th day of August 2017

Competent Person's Statement

The information in this report that relates to the Mineral Resources (as those terms are defined in the JORC Code) was reported by the Company on 20 January 2016, 8 April 2016 and 15 March 2017 (available at http://bossresources.com.au/announcements/). The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources, and that all material assumptions and technical parameters underpinning these continue to apply and have not materially changed.

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Resources Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM

RSM AUSTRALIA PARTNERS

David Wall.

Perth, WA
Dated: 28 August 2017

DAVID WALL
Partner

Statement of Comprehensive Income

For the Year Ended 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Revenue	2	163,106	167,456
Other income	2	-	289,820
Loss on disposal of property, plant and equipment		-	(37,413)
Impairment of exploration and evaluation	9	-	(80,000)
Employees and consultants	2	(2,355,477)	(1,027,622)
Accounting and legal		(108,470)	(273,198)
Travel and accommodation		(49,092)	(83,842)
Financing charges	2	(224,476)	(230,008)
Regulatory fees		(44,362)	(38,436)
Occupancy and communications		(70,566)	(59,264)
Exploration and evaluation expenditure	9	(3,904,856)	(1,082,224)
Impairment of financial assets		(28,093)	(98,130)
Other expenses	2	(266,217)	(336,651)
Loss before income tax expense		(6,888,503)	(2,889,512)
Income tax expense	3	-	-
Loss after income tax expense		(6,888,503)	(2,889,512)
Attributable to non-controlling interests		(832,876)	(213,572)
Attributable to members of Boss Resources Ltd		(6,055,627)	(2,675,940)
Other Comprehensive income:			
Items that may be reclassified subsequently to operating result:			
Exchange differences on translating foreign controlled entities		-	146
Total other comprehensive gain/ (loss) for the year, net of tax		-	146
Total comprehensive (loss) for the year		(6,888,503)	(2,889,366)
Attributable to non-controlling interests		(832,876)	(213,572)
Attributable to members of Boss Resources Ltd		(6,055,627)	(2,675,794)
Loss per share			
Basic and diluted (loss) per share (cents per share)	18	(0.64)	(0.36)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2017

	Note	Consolidated 2017	2016 $
CURRENT ASSETS			
Cash and cash equivalents	4	4,876,784	2,619,672
Trade and other receivables	5	216,433	84,903
Other assets	6	-	29,052
Total Current Assets		5,093,217	2,733,627
NON-CURRENT ASSETS			
Plant and equipment	7	421,839	420,903
Other financial assets	8	9,095,459	8,961,199
Exploration and evaluation expenditure	9	13,337,810	13,834,394
Total Non-Current Assets		22,855,108	23,216,496
TOTAL ASSETS		27,948,325	25,950,123
CURRENT LIABILITIES			
Trade and other payables	10	1,015,059	401,198
Provisions		8,746	-
Borrowings	11	3,000,000	-
TOTAL CURRENT LIABILITIES		4,023,805	401,198
NON-CURRENT LIABILITIES			
Borrowings	11	4,000,000	7,000,000
Provisions	12	8,345,796	8,842,380
TOTAL CURRENT LIABILITIES		12,345,796	15,842,380
TOTAL LIABILITIES		16,369,601	16,243,578
NET ASSETS		11,578,724	9,706,545
EQUITY			
Issued capital	13	56,209,988	49,138,898
Reserves	14	8,899,544	7,209,952
Accumulated losses	15	(52,484,360)	(46,428,733)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		12,625,172	9,920,117
Non-controlling interest	16	(1,046,448)	(213,572)
TOTAL EQUITY		11,578,724	9,706,545

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2017

Consolidated	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Minority Interest	Total
	$	$	$	$	$	$
Balance at 1 July 2016	49,138,898	(46,428,733)	-	7,209,952	(213,572)	9,706,545
Loss for the year	-	(6,055,627)	-	-	(832,876)	(6,888,503)
Other comprehensive gain/ (loss) for the year	-	-	-	-	-	-
Total comprehensive (loss) for the year	-	(6,055,627)	-	-	(832,876)	(6,888,503)
Shares issued during the year	7,446,869	-	-	-	-	7,446,869
Capital raising costs	(375,779)	-	-	-	-	(375,779)
Share based payments	-	-	-	1,689,592	-	1,689,592
Balance at 30 June 2017	56,209,988	(52,484,360)	-	8,899,544	(1,046,448)	11,578,724
Balance at 1 July 2015	43,302,956	(43,325,026)	(427,913)	6,744,998	-	6,295,015
Loss for the year	-	(2,675,940)	-	-	(213,572)	(2,889,512)
Other comprehensive gain/ (loss) for the year	-	-	146	-	-	146
Total comprehensive (loss) for the year	-	(2,675,940)	146	-	(213,572)	(2,889,366)
Shares issued during the year	5,861,262	-	-	-	-	5,861,262
Capital raising costs	(25,320)	-	-	-	-	(25,320)
Deconsolidation of subsidiaries	-	(427,767)	427,767	-	-	-
Share based payments	-	-	-	464,954	-	464,954
Balance at 30 June 2016	49,138,898	(46,428,733)	-	7,209,952	(213,572)	9,706,545

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2017

	Note	Consolidated 2017 $	2016 $
		Inflows/(Outflows)	
Cash Flows from Operating Activities			
Payments to suppliers and employees		(826,126)	(940,797)
Expenditure on mining interests		(3,915,114)	(1,175,757)
Finance costs		(9)	(1,287)
Interest received		151,660	115,835
Other receipts		-	289,720
Net cash (used in) operating activities	17	(4,589,589)	(1,712,286)
Cash Flows from Investing Activities			
Purchase of plant and equipment		(62,088)	-
Proceeds on disposal of plant and equipment		-	56,451
Capitalised exploration expenditure		-	(2,521,677)
Cash on acquisition of subsidiaries	29	-	25,698
Cash on disposal of subsidiaries	30	-	(318)
Other – security bonds		(162,300)	-
Net cash (used in) investing activities		(224,388)	(2,439,846)
Cash Flows from Financing Activities			
Proceeds from issue of share capital (net)		7,071,089	5,835,942
Net cash provided by financing activities		7,071,089	5,835,942
Net increase in cash and cash equivalents		2,257,112	1,683,810
Cash and cash equivalents at the beginning of the financial year		2,619,672	935,881
Exchange differences on cash and cash equivalents		-	(119)
Cash and cash equivalents at the end of the financial year	4	4,876,784	2,619,672

The accompanying notes form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2017

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

The separate financial statements of the parent entity, Boss Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in note 27.

The financial statements were authorised for issue on 28 August 2017 by the Directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

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

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

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

New and Amended Accounting Policies adopted by the Group

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the consolidated entity.

Accounting policies

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

Principles of consolidation

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

A list of controlled entities is contained in Note 19.

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

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

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Segments

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

Current and non-current classification

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

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

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

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

Business combinations

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

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

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

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

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

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

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

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

Foreign Currency Translation

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Income Tax

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

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

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

Plant and Equipment

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

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

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

Depreciation

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

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

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and Development Expenditure

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

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

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

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Leases

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

Trade and Other Payables

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

Trade and Other Receivables

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

Revenue

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

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

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

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of Assets

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

Share-Based Payment Transactions

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

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

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

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

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

Comparative figures

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

Provisions

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee Benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

Provision for restoration

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount may be capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location. The capitalised cost is amortised over the life of the project and the provision is accredited periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as interest expense. 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 are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs are determined on the basis that restoration will be completed within one year of abandoning a site.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical Accounting Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Capitalised Exploration and Evaluation Expenditure

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Share based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Restoration provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision. For 2017, management’s best estimate of the present value of future rehabilitation costs for the Honeymoon project were reduced following information provided by the South Australian government regarding the rehabilitation bond required.

	Consolidated	
	2017	**2016**
	$	**$**
NOTE 2: SIGNIFICANT INCOMES AND EXPENDITURES		
Revenue		
Interest revenue	163,106	167,456
Other income	-	-
	163,106	**167,456**
Other income		
R&D tax rebate received during the year that does not meet the definition of an income tax benefit	-	289,820
	-	**289,820**
Employees and consultants		
Superannuation	(21,625)	(10,411)
Share based payments expense	(1,689,592)	(464,954)
Other employee and consultant charges	(644,260)	(552,257)
	(2,355,477)	**(1,027,622)**
Financing charges		
Bank fees including guarantee fees	(154,467)	(171,187)
Interest on promissory notes	(70,000)	(57,534)
Other interest expense	(9)	(1,287)
	(224,476)	**(230,008)**
Occupancy and communications		
Office rent	(60,000)	(44,000)
Other occupancy and communication expenses	(10,566)	(15,264)
	(70,566)	**(59,264)**
Other expenses		
Depreciation	(106,809)	(67,603)
Other expenses	(119,408)	(269,048)
	(226,217)	**(336,651)**

NOTE 3: INCOME TAX EXPENSE

a. Income tax expense

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

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

Loss from continuing operations before income tax expense	(6,888,503)	(2,889,512)
Tax at the Australian tax rate of 27.5% (2016: 28.5%)	(1,894,338)	(823,511)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax effect on different tax rate of oversea subsidiaries		-
Share based payments	464,638	132,512
Impairment of assets	7,726	50,767
Other non-deductible expenses and non-assessable income	(68,097)	(17,383)
Income tax benefit not recognised	1,490,071	657,615
Income tax expense	**-**	**-**

c. Unrecognised deferred tax assets – tax losses

Unused tax losses for which no deferred tax asset has been recognised	109,662,888	104,253,135
Potential tax benefit at the Australian tax rate of 27.5% (2016: 28.5%)	**30,157,294**	**29,712,144**

The Group has Australian tax losses for which no deferred tax asset is recognised of $109,662,888 (2016: $104,253,135). This includes tax losses of Boss Uranium Pty Ltd of $93,508,616 (2016: $93,396,856) based on the expected availability of these tax losses for the group. The Group is not capable of tax consolidation in accordance with Australian tax law as the group does not own 100% of Australian subsidiaries.

d. Unrecognised temporary differences

Unrecognised deferred tax asset at 30 June relates to the following:

Accumulated impairment of assets	7,920,734	8,200,754
Capital raising costs recognised directly in equity	113,240	22,711
Other unrecognised temporary differences	(75,775)	50,985
	7,958,199	**8,274,450**

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

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

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

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

No franking credits are available.

NOTE 4: CASH AND CASH EQUIVALENTS

	Consolidated 2017 $	Consolidated 2016 $
Cash at bank	386,784	1,519,672
Term deposit	4,490,000	1,100,000
	4,876,784	**2,619,672**

NOTE 5: TRADE AND OTHER RECEIVABLES

Trade receivables	347,923	216,393
Less provision for doubtful debts	(131,490)	(131,490)
	216,433	**84,903**

Receivables are non-interest bearing and generally repayable within 30 days. During the prior year the Group fully impaired an amount of $131,490 that was receivable for sales of fuel that was acquired as part of the Honeymoon acquisition. This impaired receivable has not been written off as the debtor remains in external administration.

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

NOTE 6: OTHER ASSETS

Prepaid expenses	-	29,052
	-	**29,052**

NOTE 7: PLANT AND EQUIPMENT

Cost	612,982	505,237
Accumulated depreciation	(191,143)	(84,334)
	421,839	**420,903**
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	420,903	26,688
Additions	107,745	-
Additions through acquisition of subsidiary (see note 29)	-	461,818
Depreciation expense	(106,809)	(67,603)
Carrying amount at end of the year	**421,839**	**420,903**

NOTE 8: OTHER FINANCIAL ASSETS

	Consolidated 2017 $	Consolidated 2016 $
Security bonds	9,053,319	8,890,966
Available for sale financial assets	42,140	70,233
	9,095,459	8,961,199
Listed investments, at fair value		
- Shares in listed corporations	42,140	70,233
Movement in available for sale financial assets		
Opening fair value	70,233	36,872
(Decline)/Gain in value	(28,093)	33,361
Closing fair value	42,140	70,233

NOTE 8: OTHER FINANCIAL ASSETS (continued)

Movement in security bonds:		
Opening value	8,890,966	55,660
Security bond acquisition with Honeymoon project (see note 29)	-	8,842,380
Foreign exchange movement	53	149
New security bonds	162,300	-
Security bonds lost on loss of control of subsidiaries	-	(7,223)
Closing value	**9,053,319**	**8,890,966**

Available for sale financial assets comprise investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. Movements in the value of available for sale financial assets are recognised in profit or loss with no asset revaluation reserve.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks with at least 'A' credit rankings. Security deposits that were lost on loss of control of subsidiaries were held by utility suppliers in Burkina Faso.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2017	**2016**
	$	**$**
Balance at the beginning of the year	13,834,394	5,080,000
Exploration expenditure incurred	3,904,856	1,082,224
Exploration and evaluation interest acquisition with Honeymoon project (see note 29)	-	8,834,394
Reduction in associated restoration provision (note 12)	(496,584)	-
Impairment of exploration and evaluation	-	(80,000)
Exploration expenditure expensed	(3,904,856)	(1,082,224)
Balance at the end of the year	**13,337,810**	**13,834,394**

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

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated	
	2017	**2016**
	$	**$**
Trade payables	750,418	158,400
Accrued expenditure	137,287	185,264
Interest payable on promissory notes	127,354	57,534
	1,015,059	**401,198**

All payables are on industry standard payment terms.

NOTE 11: BORROWINGS

Current borrowings

	$	$
Promissory notes	3,000,000	-
	3,000,000	**-**

Non-current borrowings

	$	$
Promissory notes	4,000,000	7,000,000
	4,000,000	**7,000,000**

During 2016, two promissory notes were issued by the Company, for $3,000,000 and $4,000,000, to the vendor of the Honeymoon Project on behalf of Boss Energy Pty Ltd (Boss Energy) to enable Boss Energy to partially repay loans owning to the vendor of the Honeymoon Project.

Interest on these promissory notes accrues daily on the principal, at interest rates equal to the bank interest rates paid on performance bonds over the Honeymoon Project.

The promissory notes are secured by a charge in favour of the noteholder over all current and future assets of the Company, other than assets based in Sweden, Norway and Finland.

Repayment of the promissory notes is due on the earliest of: any change in control of the Company; any sale of the Honeymoon Project; the Company obtaining financing for at least $15,000,000 with a minimum consequent repayment date of 30 November 2016; or at the longstop dates of 30 November 2017 and 30 November 2019 for the $3,000,000 and $4,000,000 promissory notes respectively. At 30 June 2017, the face value of the $3,000,000 promissory notes is recognised as a current borrowing while the face value of the $4,000,000 promissory note is recognised as a non-current borrowing and the accrued interest payable of $127,354 (2016: $57,534) is included in the balance of current trade and other payables.

The vendor can transfer these notes, on the consent of the Company, which consent must not be unreasonably withheld.

NOTE 12: NON-CURRENT PROVISIONS

	Consolidated	
	2017	**2016**
	$	**$**
Restoration provision	8,345,796	8,842,380
	8,345,796	**8,842,380**
The provision movement for the year is as follows:		
Carrying amount at the start of the period	8,842,380	-
Restoration provision recognised upon acquisition of assets (note 29)	-	8,842,380
Reduction in restoration provision (note 9)	(496,584)	-
Carrying amount at the end of the period	**8,345,796**	**8,842,380**

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location.

NOTE 13: ISSUED CAPITAL

		Consolidated	
		2017	2016
		$	$
a)	Issued Capital - fully paid ordinary shares	**56,209,988**	**49,138,898**

Ordinary Shares
2017

Ordinary Shares	**Number**	**$**
Balance at 1 July 2016	886,008,969	49,138,898
Share issue – 25 August 2016 at $0.03 per share	16,666,667	500,000
Share issue – 30 January 2017 at $0.065 per share	104,615,385	6,800,000
Share issue – 2 June 2017 at $0.076515 per share	286,923	21,954
Share issue – 2 June 2017 at $0.080181 per share	217,007	17,400
Share issue – 2 June 2017 at $0.04 per share	2,500,000	100,000
Shares issued on 2 June 2017 on vesting of performance rights (note 25)	2,000,000	-
Share issue – 30 June 2017 at $0.069614 per share	107,957	7,515
Share issue costs	-	(375,779)
Balance at 30 June 2017	**1,012,402,908**	**56,209,988**

Ordinary Shares
2016

Ordinary Shares	**Number**	**$**
Balance at 1 July 2015	547,341,477	43,302,956
Share issue - 6 October 2015 at $0.015 per share	91,719,107	1,375,786
Share issue - 20 October 2015 at $0.015 per share	165,365,052	2,480,476
Share issue – 16 November 2015 at $0.015 per share	30,333,333	455,000
Share issue – 24 December 2015 at $0.015 per share	20,000,000	300,000
Share issue – 7 June 2016 at $0.04 per share	31,250,000	1,250,000
Share issue costs	-	(25,320)
Balance at 30 June 2016	**886,008,969**	**49,138,898**

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

b) Capital Risk Management

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

The Company does not have a defined share buy-back plan. No dividends were paid or declared in the years ending 2017 and 2016. There is no current intention to incur debt funding on behalf of the Company as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies. The Group is not subject to any externally imposed capital requirements.

NOTE 14: RESERVES

	Consolidated 2017 $	2016 $
Options reserve	8,899,544	7,209,952
	8,899,544	**7,209,952**

Options reserve	**Number of Options**	**$**
2017		
Balance at 1 July 2016	10,000,000	7,209,952
Options issued to Chief Executive officer that vested immediately	30,000,000	930,500
Recognition of performance rights over vesting period	-	759,092
Balance at 30 June 2017	**40,000,000**	**8,899,544**
2016		
Balance at 1 July 2015	28,500,000	6,744,998
Options issued to Carbine Resources Limited that vested immediately	10,000,000	154,900
Recognition of performance rights over vesting period	-	310,054
Expiry of options during the year	(28,500,000)	-
Balance at 30 June 2016	**10,000,000**	**7,209,952**

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

NOTE 15: ACCUMULATED LOSSES

	Consolidated 2017 $	2016 $
Accumulated losses at the beginning of the year	(46,428,733)	(43,325,026)
Loss after income tax expense for the year that is attributable to members of Boss Resources Ltd	(6,055,627)	(2,675,940)
Previously recognised foreign currency translation reserve transferred to accumulated losses following loss of control of subsidiaries	-	(427,767)
Accumulated losses at the end of the year	**(52,484,360)**	**(46,428,733)**

NOTE 16: NON-CONTROLLING INTEREST

	Consolidated 2017 $	2016 $
Non-controlling interest at the beginning of the year	(213,572)	-
Loss of subsidiary attributable to non-controlling interest	(832,876)	(213,572)
Non-controlling interest at the end of the year	**(1,046,448)**	**(213,572)**

NOTE 17: CASHFLOW INFORMATION

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

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

	Consolidated	
	2017	**2016**
	$	**$**
Cash at bank and on hand	**4,876,784**	**2,619,672**
Reconciliation of loss after related income tax to net cash used in operating activities:		
Operating loss	(6,888,503)	(2,889,512)
Adjustments for:		
Depreciation	106,809	67,603
Impairment of exploration and evaluation	-	80,000
Impairment of investment	28,093	98,130
Loss on disposal of subsidiary	-	(16,874)
Exchange differences	(52)	(1,057)
Share based payments	1,686,592	464,954
Gain on disposal of fixed assets	-	37,313
Net changes in working capital:		
Provisions	8,746	-
Payables	568,204	305,306
Receivables	(131,530)	(48,784)
Other assets	29,052	190,635
Net cash used in operating activities	**(4,589,589)**	**(1,712,286)**

b) Non-cash Financing and Investing Activities

A total of 611,887 shares with a total value of $46,870 were issued to GR Engineering Services Limited during the year in payment for services associated with the pre-feasibility study. These shares are detailed in note 13.

NOTE 18: LOSS PER SHARE

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

	Consolidated	
	2017	**2016**
	$	**$**
Loss for the year attributable to members of the Company	**(6,055,627)**	**(2,675,940)**
	Number	**Number**
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share	**943,781,663**	**760,952,054**

NOTE 19: DETAILS OF CONTROLLED ENTITIES

a. Information about Principal Subsidiaries

	Country of Incorporation	Percentage Owned % 2017	Percentage Owned % 2016
Parent Entity:			
Boss Resources Limited	Australia		
Subsidiaries of Boss Resources Limited:			
Boss Energy Pty Ltd*	Australia	80	80
Boss Uranium Pty Ltd**	Australia	80	80
Askia Gold Pty Ltd***	Australia	49	49
Boss Minerals Pty Ltd***	Australia	49	49
Boss Resources Sweden Pty Ltd****	Australia	100	100
Subsidiary of Askia Gold Pty Ltd:			
Boss Gold SARL (formerly Askia Gold SARL)***	Burkina Faso	49	49
Subsidiary of Boss Minerals Pty Ltd:			
Boss Minerals SARL***	Burkina Faso	49	49

*Boss Energy Pty Ltd (Boss Energy) was incorporated on 27 August 2015 as the holding company for Boss Uranium Pty Ltd and the Honeymoon Project. 80% of the shares in Boss Energy are held by the parent Entity. The remaining 20% of shares in Boss Energy are held by Wattle Energy Pty Ltd (Wattle). Wattle is controlled by Mr Grant Davey who was appointed as a director of the Company on 12 January 2016. Boss Energy is controlled by the Company. Wattle's shareholding in Boss Energy is free carried until completion of a Bankable Feasibility Study for the Honeymoon Project (BFS) and Decision to Mine. On completion of the BFS, Boss may buy out Wattle's shareholding at fair market value, where fair market value is determined by mutual agreement or external valuation. While Wattle remains a shareholder of Boss Energy, Wattle has a right by written notice to appoint one Director to the board of the Company in proportion to Wattle's shareholding in Boss Energy.

** Boss Uranium Pty Ltd, (Boss Uranium) (formerly Uranium One Australia Pty Ltd) was acquired on Completion of the Honeymoon acquisition on 30 November 2015. All shares in Boss Uranium are held directly by Boss Energy.

***During 2016, the Group Lost control of Askia Gold Pty Ltd, Boss Minerals Pty Ltd, Boss Gold SARL and Boss Minerals SARL pursuant to the Farm out agreement detailed in note 30.

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

There have been no movements in percentage ownership or costs of controlled entities during 2017.

b. Summarised Financial Information of Subsidiaries with Material Non-controlling Interests

Set out below is the summarised financial information for Boss Uranium as it has a non-controlling interest that is material to the group.

Summarised statement of financial position	**Boss Uranium 2017 $**	**Boss Uranium 2016 $**
Current assets	24,996	21,317
Non-current assets	17,685,591	18,084,692
Total assets	17,710,587	18,106,009
Current liabilities	172,556,810	168,291,268
Non-current liabilities	8,345,796	8,842,380
Total liabilities	180,902,606	177,133,648
Net Assets/(Liabilities)	**(163,192,019)**	**(159,027,639)**

NOTE 19: DETAILS OF CONTROLLED ENTITIES (continued)

The non-current assets of Boss Uranium include a secured deposit of $8,345,796 that is security against a non-current reclamation liability of $8,345,796. The nature of this non-current reclamation liability significantly restricts the Group's ability to access the secured deposit for the purpose of meeting other liabilities of the Group. The current liabilities of Boss Uranium include an intra-group loan balance owing to the Company of $172,501,248 (2016: $168,291,268). This intra-group loan balance is unsecured and at call, so consequently considered current despite the nature of operations.

Summarised statement of profit or loss and other comprehensive income	**Boss Uranium 2017**	**Boss Uranium 2016**
	$	**$**
Revenue	-	-
Loss before income tax	(4,164,380)	(1,067,860)
Income tax expense	-	-
Loss after income tax expense	(4,164,380)	(1,067,860)
Other comprehensive income	-	-
Total comprehensive income	**(4,164,380)**	**(1,067,860)**

Summarised statement of cashflows	**Boss Uranium 2017**	**Boss Uranium 2016**
	$	**$**
Net cash used in operating activities	(4,161,193)	(814,203)
Net cash from financing activities	4,164,380	809,822
Cash and Cash Equivalents at beginning of the reporting period	21,317	25,698
Cash and Cash Equivalents at end of the reporting period	24,504	21,317
Other financial information		
Loss attributable to non-controlling interest	(832,876)	(213,572)
Accumulated non-controlling interest at the end of the reporting period	**(1,046,448)**	**(213,572)**

NOTE 20: KEY MANAGEMENT PERSONNEL

Compensation of key management personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel For the Year Ended 30 June 2017.

	Consolidated	
	2017	**2016**
	$	**$**
Short term employment benefit	691,390	439,193
Other benefits	20,866	10,411
Share based payments	1,689,592	310,054
	2,401,848	**759,658**

NOTE 21: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The contingent liabilities of the Group are:

- $2 million is payable in cash and/or shares upon the later of restart of the operations of the Honeymoon Project with commercial production or 30 November 2020.
- 10% of the net operating cash flow of the Honeymoon Project is payable annually up to a maximum of $3 million in total.

The contingent assets of the Group are:

- Boss Uranium has agreed to potentially sell up to 1.3 million pounds of uranium oxide (U_3O_8) to a United States customer, calculated as at least 20% of each prior quarter's production up to a total of 250,000 pounds per year. The price is to be determined based on future market prices.
- Boss Uranium has agreed to potentially sell up to 1.15 million pounds of uranium oxide to a European customer, calculated as 50,000 pounds per annum for the first three years from the commencement of production plus up to 20% of the prior year's production for the first five years from the commencement of production up to a total of 200,000 pounds per year. The price is to be determined based on future market prices.
- The Group retains a 49% free carried interest in the Golden Hill and Gourma gold projects located in Burkina Faso. This is reflected in the Gold segment with $5,000,000 (2016: $5,000,000) of capitalised mineral exploration expenditure as shown in note 23. The farm out partner, Gryphon Minerals Limited, was acquired by Teranga Gold Limited (Teranga) (ASX/TSX: TGZ) during the year. Teranga is the operator of the venture and has the right to earn a further 19% interest upon delivery of a bankable feasibility study regarding a potential deposit within any of the permits comprising the Golden Hill or Gourma projects. At that point, the Group will be required to participate on a pro-rata basis for all costs associated with the development of the project or default to a 1.5% net smelter royalty interest. Teranga also has the option to acquire a further 10% interest upon payment of $AUD2,500,000 with the delivery of the bankable feasibility study.

NOTE 22: COMMITMENTS

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

	Consolidated	
	2017	**2016**
	$	**$**
Exploration expenditure		
Less than 12 months	360,000	927,185
12 months to 5 years	-	420,000
	360,000	**1,347,185**
Administration Services		
Less than 12 months	60,000	60,000
12 months to 5 years	-	-
	60,000	**60,000**
Lease commitment		
Less than 12 months	30,000	24,000
12 months to 5 years	-	-
	30,000	**24,000**
Executive services commitment		
Less than 12 months	72,500	10,000
12 months to 5 years	-	-
	72,500	**10,000**

NOTE 23: SEGMENT REPORTING

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

The Group's operations in 2017 were managed in Australia and involved exploration of its mineral interests. During the year, assets were located in Australia (Uranium) and Burkina Faso (Gold). Segment assets are allocated to countries based on where the assets are located.

GOLD

The Group has farmed out tenements considered prospective for gold. No income has been derived from the recovery of gold during the year (2016: Nil).

URANIUM

The Group conducted exploration and feasibility studies upon tenements considered prospective for uranium. No income was derived from the recovery of uranium during the year (2016: Nil).

NICKEL AND COPPER

The Group conducted no exploration upon tenements considered prospective for nickel and copper during the year. No income has been derived from the recovery of nickel or copper during the year (2016: Nil).

SEGMENT INFORMATION

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2017 and 30 June 2016 are as follows:

Consolidated	**Gold**	**Uranium**	**Nickel / Copper**	**Corporate**	**Total**
2017	**$**	**$**	**$**	**$**	**$**
Revenue					
Other revenues from external customers	-	-	-	-	-
Total segment revenue	-	-	-	-	-
Segment result		(4,094,381)		(2,794,122)	(6,888,503)
Interest revenue	-	88,319	-	74,787	163,106
Depreciation	-	(93,056)	-	(13,753)	(106,809)
Assets and Liabilities					
Segment assets					
Exploration expenditure	5,000,000	8,337,810	-	-	13,337,810
Plant and equipment	-	405,401	-	16,438	421,839
Cash and cash equivalents	-	24,504	-	4,852,280	4,876,784
Trade and other receivables	-	-	-	216,433	216,433
Financial assets	-	8,942,380	-	153,079	9,095,459
Total assets as per Statement of Financial Position	5,000,000	17,710,095	-	5,238,230	27,948,325
Segment liabilities					
Trade and other payables	-	55,562	-	959,497	1,015,059
Provisions	-	-	-	8,746	8,746
Current borrowings		3,000,000	-	-	3,000,000
Non-current borrowings	-	4,000,000	-	-	4,000,000
Non-current provisions	-	8,345,796	-	-	8,345,796
Total liabilities as per Statement of Financial Position	-	15,401,358	-	968,243	16,369,601

NOTE 23: SEGMENT REPORTING (continued)

Consolidated	**Gold**	**Uranium**	**Nickel / Copper**	**Corporate**	**Total**
2016	**$**	**$**	**$**	**$**	**$**
Revenue					
Other revenues from external customers	-	-	-	-	-
Total segment revenue	-	-	-	-	-
Segment result	(729)	(1,073,805)	(101,830)	(1,713,147)	(2,889,511)
Interest revenue	-	71,332	-	96,124	167,456
Depreciation	-	(53,900)	-	(13,703)	(67,603)
Assets and Liabilities					
Segment assets					
Exploration expenditure	5,000,000	8,834,394	-	-	13,834,394
Plant and equipment	-	407,918	-	12,985	420,903
Cash and cash equivalents	-	21,317	-	2,598,355	2,619,672
Other current assets	-	-	-	29,052	29,052
Trade and other receivables	-	-	-	84,903	84,903
Financial assets	-	8,842,380	-	118,819	8,961,199
Total assets as per Statement of Financial Position	5,000,000	18,106,009	-	2,844,114	25,950,123
Segment liabilities					
Trade and other payables	-	-	-	401,198	401,198
Non-current borrowings	-	7,000,000	-	-	7,000,000
Non-current provisions	-	8,842,380	-	-	8,842,380
Total liabilities as per Statement of Financial Position	-	15,842,380	-	401,198	16,243,578

NOTE 24: AUDITORS' REMUNERATION

	Consolidated	
	2017	**2016**
	$	**$**
The auditor of Boss Resources Limited is RSM Australia Partners.		
Amounts, received or due and receivable by RSM Australia Partners for:		
- Auditing or review services	34,265	31,500

NOTE 25: SHARE-BASED PAYMENTS

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

	Consolidated	
	2017	**2016**
	$	**$**
Share based payments for employees (reversed)/ expensed	1,689,592	310,054
Cost of acquisition of exploration project expensed	-	154,900
	1,689,592	464,954

Notes to the Financial Statements
For the Year Ended 30 June 2017

NOTE 25: SHARE-BASED PAYMENTS (continued)

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

Options - 2017

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/16	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/17	Number vested and exer-cisable
1/09/15	31/08/18	0.020	10,000,000	-	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.065	-	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.080	-	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.095	-	10,000,000	-	-	10,000,000	10,000,000
			10,000,000	30,000,000	-	-	40,000,000	40,000,000
Weighted average exercise price			$0.02	$0.08	-	-	$0.065	$0.065

Options - 2016

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/15	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/16	Number vested and exer-cisable
30/07/12	10/08/15	0.11	9,500,000	-	-	9,500,000	-	-
30/07/12	10/08/15	0.13	9,500,000	-	-	9,500,000	-	-
30/07/12	10/08/15	0.15	9,500,000	-	-	9,500,000	-	-
1/09/15	31/08/18	0.02	-	10,000,000	-	-	10,000,000	10,000,000
			28,500,000	10,000,000	-	28,500,000	10,000,000	10,000,000
Weighted average exercise price			$0.13	$0.02	-	$0.13	$0.02	$0.02

Performance rights - 2017

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/16	Granted during the year	Vested during the year	Expired or Change due to Resigning	Balance 30/06/17	Number vested and exer-cisable
17/11/15	17/11/20	0.00	39,999,999	-	-	-	39,999,999	-
16/08/16	25/08/21	0.00	-	18,000,000	2,000,000	-	16,000,000	-
9/01/17	9/01/22	0.00	-	2,500,000	-	2,500,000	-	-
			39,999,999	20,500,000	2,000,000	2,500,000	55,999,999	-
Weighted average exercise price			$0.00	$0.00	$0.00	$0.00	$0.00	-

Performance rights - 2016

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/15	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/16	Number vested and exer-cisable
17/11/15	17/11/20	0.00	-	39,999,999	-	-	39,999,999	-
			-	39,999,999	-	-	39,999,999	-
Weighted average exercise price			-	$0.00	-	-	$0.00	-

On 28 November 2014, shareholders approved the issue of 30,000,000 Performance Rights to Mr Williams and 9,999,999 Performance Rights to Dr Abzalov. These Performance Rights were not issued until 17 November 2015. These Performance Rights expire 5 years from their issue date on 17 November 2020. On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration.

NOTE 25: SHARE-BASED PAYMENTS (continued)

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

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

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

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

No expense was recognised for these performance rights for the year ended 30 June 2015 because the ability of the Company to delay issue effectively meant that there was no shared understanding of the terms and conditions of the performance rights during 2015. These performance rights were valued at their issue dates at $855,800 for Mr Williams and $284,333 for Dr Abzalov for a total value of $1,140,133. Expenses of $225,900 for Mr Williams and $81,005 for Dr Abzalov have been recognised during 2017 (2016: $237,519 and $72,535 respectively) as these performance rights are expensed over the expected vesting periods.

On 16 August 2016, shareholders approved the issue of 18,000,000 performance rights to Mr Hohnen. These performance rights were issued on 25 August 2016. The Performance Rights issued to Mr Hohnen vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	Completion of 12 months service with the Company. 2,000,000 shares were issued on 2 June 2017 after these performance rights vested and were converted.	2,000,000
Tranche 2 Performance Rights	Completion of 24 months service with the Company.	2,000,000
Tranche 3 Performance Rights	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Tranche 4 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,000,000
Tranche 5 Performance Rights	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

NOTE 25: SHARE-BASED PAYMENTS (continued)

These performance rights were valued at their issue dates at $1,038,000. An expense of $452,187 has been recognised during 2017 as these performance rights are expensed over expected vesting periods.

On 9 January 2017, 2,500,000 performance rights were granted and issued to a consultant who was not Key Management Personnel. These Performance Rights were to vest on meeting the following performance conditions before the expiry date, but expired on 16 June 2017 because the consultant ceased providing services before any vesting conditions were met.

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	1,250,000
Tranche 2 Performance Rights	Estimation of a 30mlb JORC Resource of U_3O_8 in the Measured and Indicated categories from the Eastern Tenements of the Company's Honeymoon Uranium Project.	1,000,000
Tranche 3 Performance Rights	Estimation of a 33mlb JORC Resource of U_3O_8 in the Measured and Indicated categories from the Eastern Tenements of the Company's Honeymoon Uranium Project.	250,000

These performance rights were valued at their issue dates at $140,188.

Performance rights were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions as detailed in this table. The expected vesting period for each performance right for performance based vesting conditions is the period until expiry of the performance right.

Recipient	**Tranche**	**Grant date**	**Expiry date**	**Number of performance rights outstanding at 30 June 2017**	**Share price at grant date ($)**	**Discount applied to share price at grant date to reflect market based vesting condition**	**Value per performance right ($)**
Mr Williams	1	17/11/15	17/11/20	10,000,000	0.029	4.89%	0.02758
Mr Williams	2	17/11/15	17/11/20	10,000,000	0.029	-	0.02900
Mr Williams	3	17/11/15	17/11/20	10,000,000	0.029	-	0.02900
Dr Abzalov	1	17/11/15	17/11/20	3,333,333	0.029	5.85%	0.02730
Dr Abzalov	2	17/11/15	17/11/20	3,333,333	0.029	-	0.02900
Dr Abzalov	3	17/11/15	17/11/20	3,333,333	0.029	-	0.02900
Mr Hohnen	1	16/08/16	16/08/21	-	0.058	-	0.05800
Mr Hohnen	2	16/08/16	16/08/21	2,000,000	0.058	-	0.05800
Mr Hohnen	3	16/08/16	16/08/21	3,000,000	0.058	-	0.05800
Mr Hohnen	4	16/08/16	16/08/21	3,000,000	0.058	3.44%	0.05600
Mr Hohnen	5	16/08/16	16/08/21	8,000,000	0.058	-	0.05800
Non-KMP*	1	9/01/17	9/01/22*	1,250,000	0.057	3.25%	0.05515
Non-KMP*	2	9/01/17	9/01/22*	1,000,000	0.057	-	0.05700
Non-KMP*	3	9/01/17	9/01/22*	250,000	0.057	-	0.05700

* Expired on 16 June 2017 following cessation of services.

NOTE 25: SHARE-BASED PAYMENTS (continued)

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

Grant date	1/09/15	9/01/17	9/01/17	9/01/17
Expiry date	31/08/18	9/01/20	9/01/20	9/01/20
Dividend yield (%)	-	-	-	-
Expected volatility (%)	115%	97%	97%	97%
Risk-free interest rate (%)	1.76%	1.98%	1.98%	1.98%
Expected life of options (years)	3.00	3.00	3.00	3.00
Underlying share price ($)	0.022	0.057	0.057	0.057
Option exercise price ($)	$0.02	0.065	0.08	0.095
Value of option ($)	0.01549	0.0333	0.0309	0.0288
Number of options issued	10,000,000	10,000,000	10,000,000	10,000,000

(b) Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options outstanding as at 30 June 2017 was 2.2 years (2016: 2.2 years). The weighted average remaining contractual life of performance rights that were outstanding as at 30 June 2017 was 3.6 years (2016: 4.4 years).

(c) Weighted average fair value

The weighted average fair value of options outstanding as at 30 June 2017 was $0.0271 (2016: $0.0155). The weighted average fair value of performance rights outstanding as at 30 June 2017 was $0.0376 (2016 $0.0285)

NOTE 26: FINANCIAL INSTRUMENTS

Financial Risk Management

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

The Group manages its exposure to key financial risks, including interest rate, liquidity and credit risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2017

NOTE 26: FINANCIAL INSTRUMENTS (continued)

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

	Note	Consolidated 2017 $	2016 $
Financial Assets			
Cash and cash equivalents	4	4,876,784	2,619,672
Trade and other receivables	5	216,433	84,903
Other assets	8	9,053,319	8,890,966
Available-for-sale financial assets at fair value			
- listed investments	8	42,140	70,233
Total Financial Assets		**14,188,676**	**11,665,774**
Financial Liabilities			
Financial liabilities at amortised cost			
- trade and other payables	10	1,015,059	401,198
Current borrowings	11	3,000,000	-
Non-current borrowings	11	4,000,000	7,000,000
Total Financial Liabilities		**8,015,059**	**7,401,198**

Risk exposures and responses

i. *Interest Rate Risk*

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

2017	Floating Interest Rate $	Fixed Interest Rate 1 Year or Less $	Fixed Interest Rate 1 to 5 Years $	Non-Interest Bearing $	Total $	Weighted Effective Interest Rate
Financial Assets						
Cash	326,784	4,550,000	-	-	4,876,784	2.16%
Trade and other receivables	-	-	-	216,433	216,433	NA
Other financial assets	-	8,951,680	-	143,779	9,095,459	1.00%
Total Financial Assets	**326,784**	**13,501,680**	**-**	**360,212**	**14,188,676**	**1.38%**
Financial Liabilities						
Trade and other payables	14,204	-	-	1,000,855	1,015,059	0.22%
Current borrowings	-	3,000,000	-	-	3,000,000	1.00%
Non-current borrowings	-	4,000,000	-	-	4,000,000	1.00%
Total Financial Liabilities	**14,204**	**7,000,000**	**-**	**1,000,855**	**8,015,059**	**0.90%**

NOTE 26: FINANCIAL INSTRUMENTS (continued)

2016	Floating Interest Rate	Fixed Interest Rate 1 Year or Less	Fixed Interest Rate 1 to 5 Years	Non-Interest Bearing	Total	Weighted Effective Interest Rate
	$	$	$	$	$	
Financial Assets						
Cash	1,517,506	1,100,000	-	2,166	2,619,672	1.54%
Trade and other receivables	-	-	-	84,903	84,903	NA
Other financial assets	-	8,889,380	-	71,819	8,961,199	1.00%
Total Financial Assets	**1,517,506**	**9,989,380**	**-**	**158,888**	**11,665,774**	
Financial Liabilities						
Trade and other payables	7,362	-	-	393,836	401,198	0.28%
Non-current borrowings	-	7,000,000	-	-	7,000,000	1.00%
Total Financial Liabilities	**7,362**	**7,000,000**	-	**393,836**	**7,401,198**	

ii. *Sensitivity Analysis*
As at 30 June 2017, if interest rates had changed by -/+75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $51,107 lower/higher (2016 - $33,746 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

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

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

Financial Instruments Measured at Fair Value

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

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

2017	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets:				
Available-for-sale financial assets:				
Listed investments	42,140	-	-	42,140
2016				
Financial assets:				
Available-for-sale financial assets:				
Listed investments	70,233	-	-	70,233

NOTE 26: FINANCIAL INSTRUMENTS (continued)

Fair Value Estimation

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

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

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

NOTE 27: PARENT ENTITY DISCLOSURES

	2017	2016
Statement of Financial Position	**$**	**$**
Assets		
Current assets	5,068,221	2,712,310
Non-current assets	19,710,987	15,463,292
Total assets	**24,779,208**	**18,175,602**
Liabilities		
Current liabilities	3,968,243	401,198
Non-current liabilities	4,000,000	7,000,000
Total liabilities	**7,968,243**	**7,401,198**
Equity		
Issued capital	56,209,988	49,138,898
Reserves	8,899,544	7,209,952
Accumulated losses	(48,298,567)	(45,574,446)
Total equity	**16,810,965**	**10,774,404**
Statement of Comprehensive income		
Loss for the year	(2,724,121)	(2,871,910)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(2,724,121)**	**(2,871,910)**

Guarantees

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

Other Commitments and Contingencies

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

NOTE 28: RELATED PARTY TRANSACTIONS

Transactions with shareholders

Kingslane Pty Ltd and associated entities (Kingslane) is a substantial shareholder in the Company and held 56,161,837 (2016: 65,210,602) ordinary shares in the Company at 30 June 2017. Entities controlled by Kingslane received $60,000 (2016: $44,000) during the year for serviced office rent. At 30 June 2017 and 30 June 2016, the Group had no creditor balances payable to Kingslane.

Transactions with key management personnel

Evan Cranston is a director of Konkera Corporate. Konkera Corporate received $120,000 (2016: $113,667) during the year for the provision of administration, bookkeeping and accounting services. At 30 June 2017 and 30 June 2016, the Group had no creditor balances payable to Konkera Corporate.

20% of shares in Boss Energy are held by Wattle Energy Pty Ltd (Wattle). Wattle is controlled by Mr Grant Davey who was appointed as a director of the Company on 12 January 2016. Boss Energy is controlled by the Company. Wattle's shareholding in Boss Energy is free carried until completion of a Bankable Feasibility Study for the Honeymoon Project (BFS) and Decision to Mine.

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

NOTE 29: ACQUISITION OF HONEYMOON PROJECT

On 30 November 2015 (Completion), the Company completed the acquisition of the Honeymoon Uranium Project in South Australia. The assets of the Honeymoon project are all held by Boss Uranium Pty Ltd, (Boss Uranium) (formerly Uranium One Australia Pty Ltd) which was acquired on Completion of the Honeymoon acquisition. This acquisition occurred in several stages:

- An initial site access fee of $200,000 was paid in April 2015, giving the Company the exclusive right to access the Honeymoon Project and conduct all its due diligence. This was recognised as a prepayment at 30 June 2015 then expensed as an acquisition cost during the 2016.
- Before Completion, Boss Uranium repaid $9,521,666 owing to the vendor with funds borrowed from Boss Resources Limited. This repayment was fulfilled with the Company paying $2,521,666 (the Closing Amount) in cash to the vendor and issuing $7,000,000 in promissory notes to the vendor. The terms of the promissory notes are detailed in note 11.
- At Completion, the Company paid $1 and agreed to the following contingent payments to the vendor upon successful recommissioning of the Honeymoon Project:
    - $2 million payable in cash and/or shares upon the later of restart of the operations with commercial production or 30 November 2020.
    - 10% of the net operating cash flow of the Honeymoon Project payable annually up to a maximum of $3 million in total.
    - These contingent payments have been classified as contingent liabilities and detailed in note 21.
- At Completion the outstanding legally enforceable loan from the vendor to Boss Uranium of $157,959,780 was assigned to the Company for $1.

Payment of the Closing Amount was guaranteed by Carbine Resources Limited (Carbine Guarantee). In consideration for the Carbine Guarantee, on 1 September 2015 the Company issued 10 million unquoted share options exercisable at $0.02 each by 31 August 2018. These options have been valued at $ 0.01549 each for a total value of $154,900, based on a Black-Scholes valuation with no dividends, a term of 3 years, an exercise price of $0.02, a grant date share price of $0.022, a volatility of 115% and a risk free interest rate of 1.76%pa. The full value of $154,900 was expensed immediately for these options.

NOTE 29: ACQUISITION OF HONEYMOON PROJECT (CONTINUED)

Details of the purchase consideration and the net assets acquired are as follows:

	2016
	$
Purchase consideration paid by Boss Resources Limited	
Cash paid to acquire Boss Uranium Limited	1
Total purchase consideration	**1**

The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value
	$
Cash and cash equivalents	25,698
Property, plant and equipment	687,272
Other financial assets	8,842,380
Exploration and evaluation expenditure	8,834,394
Trade and other payables	(9,547,363)
Non-current provision	(8,842,380)
Net assets acquired at fair value	**1**

The assets held for sale are plant and equipment acquired that the Group intended to sell as at the acquisition date, based on decisions made during the due diligence period, that were sold during the year.

For the purpose of acquisition accounting, a legally enforceable loan of $157,959,780 owing by Boss Uranium, which was assigned by the vendor to the Company through a separate transaction, has been brought to account by the Company at the fair value of $1, which is its recoverable value and is not part of the acquisition consideration transferred by the Company.

Boss Energy Pty Ltd (Boss Energy) owns and controls all shares in Boss Uranium. 20% of shares in Boss Energy are held by Wattle Energy Pty Ltd (Wattle). Although. Boss Energy is controlled by the Company, Wattle's shareholding in Boss Energy is free carried until completion of a Bankable Feasibility Study for the Honeymoon Project (BFS) and Decision to Mine. On completion of the BFS, Boss may buy out Wattle's shareholding at fair market value, where fair market value is determined by mutual agreement or external valuation. While Wattle remains a shareholder of Boss Energy, Wattle has a right by written notice to appoint one Director to the board of the Company in proportion to Wattle's shareholding in Boss Energy.

The fair value of the Wattle's non-controlling free carried interest in Boss Uranium was zero at acquisition based on the negative net assets of Boss Uranium.

NOTE 30: DISPOSAL OF SUBSIDIARIES

On 20 January 2016, Gryphon Resources Ltd (Gryphon) acquired control and 51% shareholdings in Askia Gold Pty Ltd, Boss Minerals Pty Ltd, Boss Gold SARL and Boss Minerals SARL (Farmed out subsidiaries) pursuant to a Farm out agreement executed on 4 July 2014. Although the Group has retained 49% shareholdings in the subsidiaries, the nature of Gryphon's control under the Farm out agreement prevents the Group's interests in the subsidiaries from meeting recognition criteria for investments in associates or joint ventures. Under this Farm out agreement, the Group has presently retained a free carried interest in the mineral exploration assets of the Farmed out subsidiaries. This free carried interest in the mineral exploration assets of the Farmed out subsidiaries is the Gold exploration asset detailed in note 9. As these subsidiaries were responsible for all operations in Burkina Faso, together they represented the Gold segment presented in note 23. The Farmed out subsidiaries are not recognised as a discontinued operation because the retention of the capitalised mineral exploration interest for the Burkina Faso assets prevents the Farmed out subsidiaries from meeting the recognition criteria for a discontinued operation.

NOTE 30: DISPOSAL OF SUBSIDIARIES (continued)

Book values of net assets over which control was lost	**20 January 2016** **$**
Assets	
Cash and cash equivalents	318
Trade and other receivables	12,896
Total current assets	13,214
Other financial assets	7,223
Total non-current assets	7,223
Total Assets	20,437
Liabilities	
Trade and other payables	3,563
Total current liabilities	3,563
Total liabilities	3,563
Net assets derecognised	**16,874**
Consideration received	-
Loss during period to date of disposal	729
Loss on disposal of subsidiaries	16,874
Foreign currency translation reserve movement	
Opening balance at 1 July 2015	(427,767)
Movement to date of disposal	146
Foreign currency translation reserve balance reclassified to accumulated losses on loss of control of Farmed out subsidiaries	**427,621**

The loss on disposal of the subsidiaries is included in the balance of other expenses in the statement of profit or loss and other comprehensive income.

The foreign currency translation reserve balance of ($427,767) was reclassified to accumulated losses on loss of control of the Farmed out subsidiaries.

NOTE 31: EVENTS SUBSEQUENT TO BALANCE DATE

- On 10 July 2017, the Company received an R&D tax refund of $235,002 that related to the year ended 30 June 2016. No amount receivable has been recognised for this as at 30 June 2017.
- On 1 August 2017, Duncan Craib was appointed Managing Director and Marat Abzalov resigned from the board.
- On 11 August 2017, the Company issued 60,000,000 ordinary shares at an issue price of $0.05 per share in a placement to sophisticated investors to raise $3,000,000 before costs.
- On 18 August 2017, the Company announced the successful completion of the construction and official commencement on 11 August 2017 of the Field Leach Trial on the Honeymoon Uranium Project.

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

Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and

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

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Mark Hohnen
Chairman

DATED at PERTH this 28th day of August 2017

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INDEPENDENT AUDITOR'S REPORT
To the members of Boss Resources Limited

OPINION

We have audited the financial report of Boss Resources Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed this matter
Deferred exploration and evaluation expenditure Refer to Note 9 in the financial statements	
The Group has capitalised a significant amount of exploration and evaluation expenditure, with a carrying value of $13,337,810 as at 30 June 2017. Under AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount may exceed the recoverable amount. This assessment was significant to our audit in view of the assessment process being judgemental and complex.	Our audit procedures in relation to the carrying value of the exploration and evaluation asset included: • Obtaining evidence that the Group has valid rights to explore in the specific area; • Reviewing and challenging management's basis on which they have determined that the exploration and evaluation of mineral resources has not yet reached the stage where it can conclude there exists no commercially viable quantities of mineral resources; • Enquiring with management and reviewing budgets and plans to test that the Group will incur substantive expenditure on further exploration for and evaluation of mineral resources in the specific area; • Reviewing whether management has received sufficient data to conclude that the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale; and • Reviewing minutes of director meetings and Australian Securities Exchange announcements to ensure that the Group had not resolved to discontinue activities in the specific area.

Key audit matter	How our audit addressed this matter
Share based payments Refer to Note 25 in the financial statements	
During the year the Group provided benefits to key management personnel and consultants in the form of share based payments by issuing 30,000,000 options and 20,500,000 performance rights as detailed in Note 25. The Group used the Black-Scholes model calculations to record the related share based payment expense in the consolidated statement of comprehensive income in accordance with AASB 2 *Share-Based Payments*. The Group used judgement in estimating the price volatility of the underlying share, the dividend yield, the risk free interest rate and the length of the expected vesting period at grant date, based on the most likely outcome of the performance conditions. We determined this to be a key audit matter due to the complex and significant judgement involved in assessing the fair value of the share based payment expense.	We obtained the Group's Black-Scholes model and assessed whether the model was appropriate for valuing the shares, options and performance rights issued during the year. We also checked the mathematical accuracy of the calculations in the model. We involved our valuation specialists to assess the reasonableness of the Group's assumptions, including probabilities such as the price volatility of the underlying share, dividend yield, risk free interest rate and expiry date of the options and performance rights. In addition, we assessed the adequacy of the disclosures in Note 25.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

RSM

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf.
This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the remuneration report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Boss Resources Limited, for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

Responsibilities

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.

RSM

RSM AUSTRALIA PARTNERS

David Wall

Perth, WA
Dated: 28 August 2017

DAVID WALL
Partner