NORTHERN MINING LIMITED

ABN 30 113 654 229

ANNUAL REPORT 2015

CORPORATE DIRECTORY

DIRECTORS

Tony Ong
Non-Executive Chairman

Gerald Woon
Non-Executive Director

Danette Chan
Non-Executive Director

Andrew Nai
Non-Executive Director

COMPANY SECRETARY

Patrick Tan

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Suite 24, Level 3
25 Walters Drive
Osborne Park WA 6017
Tel: +61 8 9244 8499
Email: info@northernmining.com.au

AUDITORS

Stantons International
Level 2, 1 Walker Avenue
West Perth WA 6005

SHARE REGISTRY

Computershare Investor Services
Level 11, 172 St Georges Terrace
Perth WA 6000
Tel: +61 8 9323 2000

AUSTRALIAN SECURITIES EXCHANGE

ASX Limited
Level 40 Central Park
152-158 St Georges Terrace
Perth WA 6000

ASX CODE: **NMI**

WEBSITE

www.northermining.com.au

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REVIEW OF OPERATIONS

The Company is a mineral exploration company based in Western Australian and holds exploration tenements comprising the East Kalgoorlie Gold and Nickel Project, located approximately 23 km east and northeast of Kalgoorlie Boulder, Western Australia.

In July 2015, the Company sold its Georges Reward Project ("the Project") on tenement E25/268 to Metals X Limited for a cash consideration of $4.5m ($3.56m net to the Company).

Tenement E25/268 is 79% owned by NMI with the remaining 21% owned by Balagundi Gold Pty Ltd under a joint venture agreement.

Having considered various options to commercialise the Project under current global economic conditions, the Company believes that the best option was to realise immediate cash returns by selling the Project outright. This will also de-risk the project from uncertainties due to boundary constraints with a neighbouring tenement.

The Company continues to maintain its existing tenements in good standing with the Department of Mining and Petroleum. It is also actively evaluating high potential opportunities in Australia and overseas to enhance the Company's growth.

DIRECTORS' REPORT

Your Directors submit their report for the year ended 30 June 2015.

DIRECTOR

The names of Directors in office during the financial year and until the date of this report are as follows. Directors were in the office for this entire period unless otherwise stated.

Tony Ong	
Danette Chan	
Andrew Nai	
Gerald Woon	(appointed on 19 August 2015)
Adrian Black	(resigned on 29 October 2014)

COMPANY SECRETARY

Patrick Tan B.Acc, FCPA

PRINCIPAL ACTIVITIES

The principal activities of the Group during course of the financial year were the exploration of mineral tenements such as gold, nickel and other minerals.

There were no other significant changes in the nature of the activities of the Group during the year.

OPERATING RESULTS

The loss of the Group amounted to $886,226 (2014: loss of $7,677,227).

DIVIDENDS PAID OR RECOMMENDED

No dividend has been declared or paid by the Group and the Directors do not, at present, recommend a dividend.

REVIEW OF OPERATIONS

For details on Review of Operations, refer to page 2.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than the events stated in the "Review of Operations", there were no other significant changes in the state of affairs of the Group that occurred during the financial year.

EVENTS SUBSEQUENT TO REPORTING DATE

In July 2015, the Company sold Blair North tenement E25/268 to Metals X Limited for $4.5m in cash, of which the Company's share of proceeds was $3.56m.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affair of the Group, in the future financial years.

LIKELY DEVELOPMENT

Other than likely developments contained in the "Review of Operations", further information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION

There were no known significant breaches of the Group's license conditions or any environmental regulations to which it is subject.

DIRECTORS' MEETINGS

The number of director's meetings and the number of meetings attended by each of the directors of the company during the financial year are:

Director	Number eligible to attend	Number attended
Tony Ong	2	2
Danette Chan	2	2
Andrew Nai	2	2
Adrian Black	1	1

INFORMATION ON DIRECTORS

Tony Ong
Non-Executive Chairman

Qualifications
B.Com., M.Ec

Experience
Mr Ong is currently the Chairman of Cogent Financial Group (HK) Limited, an investment company with controlling interests in property development, hotel management, media, publishing and commodities trading businesses.

He is also the Chairman of Hoverwing Industrial Corp, a manufacturer of aerospace components based in China.

He was the founder and largest shareholder of Provenance Capital Pte Ltd, an investment banking business in Singapore. Mr Ong has held previous directorships with 7 public companies listed on both the Australian Securities Exchange and the Singapore Stock Exchange.

Prior to joining the private sector, Mr Ong worked with the Economic Development Board of Singapore, Ministry of Trade and Industry. He also served as an advisory panel member of the Singapore government's feedback unit under the Ministry of Community Development, Youth and Sports from 2005 to 2007. Mr Ong graduated with a Bachelor of Commerce Degree (Banking and Finance) from University of Canberra in 1992 and a Master of Economics Degree from Macquarie University, Australia in 1993.

In his spare time, Mr Ong is passionately engaged in equestrian sports and Kendo.

DIRECTORS' REPORT

Directorships Held in Other Listed Entities

During the past three years Mr Ong has not been a director of any ASX listed companies.

Relevant Interest in Shares and Options

224,589,762 ordinary shares.

Danette Chan
Non-Executive Director

Qualifications
B.Com, LLB, LLM

Experience
Ms Chan is a practising Solicitor of the Supreme Court of NSW.

She is currently a Principal at RSM Bird Cameron, Sydney NSW.

She has previously worked for Balazs Lazanas & Welch LLP, Deloitte Touche Tohmatsu and Alinta Ltd. Her client base has mainly been corporate focused, with particular emphasis in the energy and resource industry. The nature of her practice extends from transaction based advisory with particular emphasis on tax consolidation, to international tax planning, tax compliance and tax related drafting. Her career path included secondment stints to Xstrata Coal, Jemena Ltd, The Mirvac Group, Alinta Ltd and Promina.

Ms Chan graduated from University of New South Wales with both a Bachelor of Laws and a Bachelor of Commerce (Accounting) in year 2000. She graduated from University of Sydney in 2002 with Masters of Law. In 2005, she attained her qualification as a Certified Practising Accountant in Australia. Ms Chan is also a member of the Taxation Institute of Australia and a member of the NSW Law Society.

Directorships Held in Other Listed Entities
In the past three years Ms Chan has not held directorships in any ASX listed companies.

Relevant Interest in Shares and Options
Nil

Andrew Nai
Non-Executive Director

Qualifications
B.Eng (Elect) (Honours), M.Eng (Telecomms), YMP, GMP

Experience
Mr Nai started his career with StarHub Pty Ltd in 1999 as a design and network engineer. In 2002 he joined GLG Corp Limited as a management trainee and became the Group Compliance Manager and Group Strategic Planning Manager before he left in 2006. GLG Corp, listed on the Australian Securities Exchange (ASX), is a global apparel and textile supply chain management company with operations across 8 countries and year 2006 revenue of US$220 million. The company's reputable clients include Fortune 500 companies such as Macy's, Wal-Mart, Target, Footlocker, Eddie Bauer, K-Mart and Aeropostale.

Since 2006, Mr Nai has ventured into private investments in the energy, commodities and food industries.

Mr Nai graduated with a Bachelor of Engineering (Electrical) (Honours) from RMIT University in 1998, and a Master of Telecommunications Engineering from The University of Melbourne in 2001. He is also an alumnus of INSEAD (YMP'05) and Harvard Business School (GMP14). Mr Nai is the Treasurer of The Asian Arts Society of Australia (Victoria Branch).

Relevant Interest in Shares and Options
Nil.

Directorships Held in Other Listed Entities
In the past three years Mr Nai has not held directorships in any ASX listed companies.

Gerald Woon
Non-Executive Director

Qualifications
B.A (Hons), M.Sc. (Marketing)

Experience
Mr Woon has more than 20 years of communications experience. As a co-founder and director of Cogent Communications Pte Ltd, he has been involved in most of its consulting services for IPO launches, Investor Relations and Public Relations since its inception. He also has extensive experience in advising companies on crisis communications, and notably was involved in the corporate recovery of China Aviation Oil (Singapore) Corporation Ltd and a few other listed companies. Mr Woon has also worked at Provenance Capital Pte. Ltd., a boutique Corporate Finance firm, where he was involved in deal origination and fund raising.

Mr Woon started his career in the government sector and was formerly Head, Marketing Communications at the Singapore Economic Development Board (EDB), looking after its corporate communication needs as well as the communication needs of its multinational and local company clients in the electronics, chemicals, biomedical sciences, precision engineering, heavy engineering and services industries. At EDB, Mr Woon was also sole media liaison for several ministerial overseas trips and has worked on several multi-government agency initiatives.

Mr Woon holds a Master of Science (Marketing) degree from National University of Singapore and a Bachelor of Arts (Hons) degree from Monash University. In addition, he has also completed the Capital Markets & Financial Advisory Services (CMFAS) Module 4A – Rules and Regulations For Advising On Corporate Finance, and is a member of the EDB Society.

Directorships Held in Other Listed Entities
In the past three years Mr Woon has not held directorships in any ASX listed companies.

Relevant Interest in Shares and Options
25,473,982 ordinary shares

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration for each Director of the Group and for the Executives receiving the highest remuneration.

Key Management Personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise of the parent Company.

Remuneration Policy

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

The Group's remuneration policy for Executive Directors is designed to promote superior performance and long term commitment to the Group. Executives received a base remuneration which is market related.

The remuneration policy, setting the terms and conditions for the Executive Directors and other Senior Executives, was developed by the Board after seeking professional advice from independent external consultants.

The Board's policy reflects its obligation to align Executives' remuneration with Shareholders' interests and to retain appropriately qualified Executive talent for the benefit of the Group. The main principles of the policy are that:

- the reward reflects the competitive market in which the Group operates;
- the individual reward should be linked to performance criteria; and
- executives should be rewarded for both financial and non-financial performance.

Executives are also entitled to participate in the employee share and option arrangements.

The Executive Director and Executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

Group Performance, Shareholder Wealth and Director and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between Shareholders, Directors and Executives. There have been two methods applied in achieving this aim, the first being a performance based bonus based on key performance indicators, and the second being the issue of options to the majority of Directors and Executives to encourage the alignment of personal and Shareholders' interests.

Non-Executive Directors

Fees to Non-Executives Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' remuneration consists of set fee amounts and statutory superannuation. Directors' base fees are presently up to $25,000 per annum. Mr Tony Ong has elected not to be paid for the director fee during the year.

Non-Executives Directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The total compensation for all Non-Executive Directors, last voted upon by shareholders at the 2007 AGM, is not to exceed $250,000 per annum. There is no provision for retirement allowances for Non-Executive Directors apart from statutory superannuation. Non-Executive Directors are eligible to be granted with options to provide a material additional incentive for their ongoing commitment and dedication to the continued growth of the Group.

Employment Contracts

Remuneration and other terms of employment are formalised in employment agreements.

Danette Chan – Non-Executive Director

- Term of agreement – commenced 9 August 2013.
- Directors fee of $25,000 per annum plus superannuation.
- The Company may immediately terminate the agreement by giving notice upon occurrence of certain non-performance criteria.
- There is no specific remuneration entitlement on resignation or if retirement occurs.

Andrew Nai – Non-Executive Director

- Term of agreement – commenced 9 August 2013.
- Directors fee of $25,000 per annum plus superannuation.
- The Company may immediately terminate the agreement by giving notice upon occurrence of certain non-performance criteria.
- There is no specific remuneration entitlement on resignation or if retirement occurs.

Tony Ong – Non-Executive Chairman

- No employment agreement with Mr Ong.

Gerald Woon – Non-Executive Director

- Term of agreement – commenced 19 August 2015.
- Directors fee of $25,000 per annum.
- The Company may immediately terminate the agreement by giving notice upon occurrence of certain non-performance criteria.
- There is no specific remuneration entitlement on resignation or if retirement occurs.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Details of Remuneration for the year ended 30 June 2015 and 30 June 2014

		Short Term		Post-employment	Share-based payments		S300A(1)(e)(i) Proportion of remuneration performance related
	Year	**Salary & Fees** $	**Non-monetary benefits** $	**Superannuation Contribution** $	**Options** $	**Total** $	%
Key Management Person (Directors)							
Tony Ong	2015	-	3,035	-	-	3,035	-
	2014	-	5,690	-	-	5,690	-
Danette Chan	2015	25,000	3,035	2,391	-	30,426	-
	2014	22,910	5,690	2,119	-	30,719	-
Andrew Nai	2015	25,000	3,035	2,390	-	30,425	-
	2014	22,910	5,690	2,119	-	30,719	-
Adrian Black[(1)]	2015	-	3,035	-	-	3,035	-
	2014	26,250	5,690	-	-	31,940	-
Rae Townsend-Hick[(2)]	2015	-	-	-	-	-	-
	2014	132,913	-	4,864	-	137,777	-
Total	**2015**	**50,000**	**12,140**	**4,781**	**-**	**66,921**	
Total	**2014**	**204,983**	**22,760**	**9,102**	**-**	**236,845**	

(1) Resigned 29 October 2014.
(2) Resigned 9 August 2013. Ms Townsend-Hick continued as Office Administrator and resigned on 7 February 2014.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options and rights over equity instruments

The movement during the reporting period in the number of options over ordinary shares in Northern Mining Limited held, directly, indirectly or beneficially, by key management person, including their related parties, is as follows:

	Balance 1 July 2014	Granted as compen-sation	Exercised	Net change Others[(1)]	Held at 30 June 2015	Vested during the year	Vested and exercisable at 30 June 2015
Directors							
T Ong	-	-	-	-	-	-	-
D Chan	-	-	-	-	-	-	-
A Nai	-	-	-	-	-	-	-
A Black[(2)]	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**-**

	Balance 1 July 2013	Granted as compen-sation	Exercised	Net change Others[(1)]	Held at 30 June 2014	Vested during the year	Vested and exercisable at 30 June 2014
Directors							
T Ong	-	-	-	-	-	-	-
D Chan	-	-	-	-	-	-	-
A Nai	-	-	-	-	-	-	-
A Black[(2)]	-	-	-	-	-	-	-
A Lockett[(3)]	3,206,558	-	-	(3,206,558)	-	-	-
R Townsend-Hick[(3)]	383,334	-	-	(383,334)	-	-	-
	3,589,892	**-**	**-**	**(3,589,892)**	**-**	**-**	**-**

(1) Other changes represent options that expired, transferred or were forfeited during the year.
(2) Resigned 29 October 2014
(3) Resigned 9 August 2013

Shareholdings of key management personnel

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

	Held at 1 July 2014	Acquired	On exercise of options	Other change[(1)]	Held at 30 June 2015 or date of resignation
Directors					
T Ong	224,589,762	-	-	-	224,589,762
D Chan	-	-	-	-	-
A Nai	-	-	-	-	-
A Black[(2)]	4,650,000	-	-	-	4,650,000[(2)]
	229,239,762	**-**	**-**	**-**	**229,239,762**

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

	Held at 1 July 2013	Acquired	On exercise of options	Other change[1]	Held at 30 June 2014 or date of resignation
Directors					
T Ong	-	224,589,762	-	-	224,589,762
D Chan	-	-	-	-	-
A Nai	-	-	-	-	-
A Lockett[3]	30,065,567	-	-	-	30,065,567[3]
A Black[2]	26,862,017	-	-	(22,212,017)	4,650,000
R Townsend-Hick[3]	1,650,001	-	-	-	1,650,001[3]
	58,577,585	**224,589,762**	**-**	**(22,212,017)**	**260,955,330**

[1] Other change represents off-market trade
[2] Held at resigned 29 October 2014
[3] Held at resignation date 9 August 2013

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options awarded and vested during the year

No options were awarded or vested during the year.

Value of options awarded, exercised, lapsed or expired during the year

No options were exercised, lapsed or expired during the year.

Shares issued on exercise of Options

No shares were issued on exercise of options during the year.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

The Group has agreed to indemnify the following current directors of the Group, Mr Tony Ong, Ms Danette Chan, Mr Andrew Nai and Mr Gerald Woon against all liabilities to another person (other than the Group or a related body corporate) that may arise from their position as directors of the Group and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Group will meet the full amount of any such liabilities, including costs and expenses.

Insurance premium

Since the end of the previous financial year the Group has paid insurance premiums of $12,140 in respect of directors' and officers' liability insurance for current directors, including senior executives of the Group. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a willful beach of duty or improper use of information or position to gain a personal advantage.

PROCEEDINGS ON BEHALF OF GROUP

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 those proceedings.

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

NON-AUDIT SERVICES

During the year there were no non-audit services provided by the Group's auditor, Stantons International.

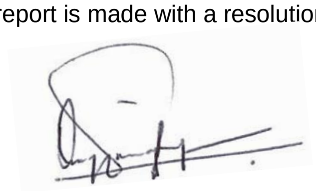
LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 10 and forms part of the Director's Report for the financial year ended 30 June 2015.

CORPORATE GOVERNANCE

The Directors of the Group support and adhere to the principles of corporate governance, recognizing the need for the highest standard of corporate behavior and accountability. Please refer to the corporate governance statement dated 17 September 2015 released to ASX and posted on the Company's website at www.northernmining.com.au/coprorate/governance.

This report is made with a resolution of the Directors.



Tony Ong
Chairman

17 September 2015

AUDITOR'S INDEPENDENCE DECLARATION

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

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www.stantons.com.au

17 September 2015

Board of Directors
Northern Mining Limited
Suite 24, Level 3
25 Walters Drive
Osborne Park, WA 6017

Dear Directors

RE: NORTHERN MINING LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Northern Mining Limited.

As Audit Director for the audit of the financial statements of Northern Mining Limited for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

West Perth, Western Australia
17 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Note	2015 $	2014 $
Other income	4	70,313	56,223
Administration expense		(790,155)	(548,881)
Exploration expense write-off		-	(348,540)
Impairment of capitalised exploration costs		(125,124)	(6,833,670)
Impairment of option fee		(40,000)	-
Depreciation expense		(1,260)	(2,359)
Loss before income tax		**(886,226)**	**(7,677,227)**
Income tax	6	-	-
Loss for the year		**(886,226)**	**(7,677,227)**
Other comprehensive income			
Item that may be classified to profit to loss			
Foreign operations-foreign currency translation differences		(13)	(2,039)
		(13)	(2,039)
Other comprehensive loss for the year, net of tax		**(13)**	**(2,039)**
Total comprehensive loss for the year		**(886,239)**	**(7,679,266)**
Net loss attributable to:			
Owners of the Company		(889,407)	(7,680,327)
Non-controlling interests		3,181	3,100
Net loss for the year		**(886,226)**	**(7,677,227)**
Total comprehensive (loss)/ income attributable to:			
Owners of the Company		(889,417)	(7,681,218)
Non-controlling interests		3,178	1,952
Total comprehensive loss for the year		**(886,239)**	**(7,679,266)**
Earnings per share			
Basic loss per share (cents)	8	(0.09)	(1.00)
Diluted loss per share (cents)	8	(0.09)	(1.00)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	2015 $	2014 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	5,241,596	6,132,851
Trade and other receivables	10	56,452	48,308
Prepayments		4,443	17,773
Assets classified held for sale	22	-	-
TOTAL CURRENT ASSETS		**5,302,491**	**6,198,932**
NON-CURRENT ASSETS			
Other asset	11	-	40,000
Property, plant and equipment	12	4,215	5,475
Deferred exploration and evaluation expenditure	20	-	-
TOTAL NON-CURRENT ASSETS		**4,215**	**45,475**
TOTAL ASSETS		**5,306,706**	**6,244,407**
CURRENT LIABILITIES			
Trade and other payables	13	253,405	304,867
TOTAL CURRENT LIABILITIES		**253,405**	**304,867**
TOTAL LIABILITIES		**253,405**	**304,867**
NET ASSETS		**5,053,301**	**5,939,540**
EQUITY			
Share capital	14	24,915,988	24,915,988
Reserves	14	716,619	716,629
Accumulated losses		(20,482,071)	(19,592,664)
Parent entity interest		**5,150,536**	**6,039,953**
Non-controlling interest		**(97,235)**	**(100,413)**
TOTAL EQUITY		**5,053,301**	**5,939,540**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Share Capital	Accumulated Losses	Share Based Payments Reserve	Foreign Currency Translation Reserve	Non-Controlling Interest	Total
	$	$	$	$	$	$
Balance as at 1 July 2013	**18,494,491**	**(11,912,337)**	**774,807**	**(57,287)**	**(102,365)**	**7,197,309**
(Loss) / profit for the year	-	(7,680,327)	-	-	3,100	(7,677,227)
Exchange differences arising from translation of foreign operations	-	-	-	(891)	(1,148)	(2,039)
Total comprehensive (loss)/ income for the period	**-**	**(7,680,327)**	**-**	**(891)**	**1,952**	**(7,679,266)**
Issue of share capital (net of issue costs)	6,421,497	-	-	-	-	6,421,497
Balance at 30 June 2014	**24,915,988**	**(19,592,664)**	**774,807**	**(58,178)**	**(100,413)**	**5,939,540**
Balance as at 1 July 2014	**24,915,988**	**(19,592,664)**	**774,807**	**(58,178)**	**(100,413)**	**5,939,540**
(Loss) / profit for the year	-	(889,407)	-	-	3,181	(886,226)
Exchange differences arising from translation of foreign operations	-	-	-	(10)	(3)	(13)
Total comprehensive (loss) / income for the period	**-**	**(889,407)**	**-**	**(10)**	**3,178**	**(886,239)**
Issue of share capital (net of issue costs)	-	-	-	-	-	-
Balance at 30 June 2015	**24,915,988**	**(20,482,071)**	**774,807**	**(58,188)**	**(97,235)**	**5,053,301**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Payments to suppliers and employees		**(857,031)**	(524,172)
Interest received		**57,056**	56,168
Other income		**13,853**	89
Net cash (used in) operating activities	9	**(786,122)**	(467,915)
Cash flows from investing activities			
Exploration expenditure		**(105,107)**	(107,088)
Payments for plant and equipment		**-**	(359)
Proceeds from sale of fixed assets		**-**	1,300
Proceeds from equity investments		**-**	95,813
Proceeds from sale of tenements		**-**	39,500
Option fee paid		**-**	(40,000)
Net cash from (used in) investing activities		**(105,107)**	(10,834)
Cash flows from financing activities			
Proceeds from issue of shares and options		**-**	6,547,827
Costs associated with shares issue		**-**	(126,330)
Net cash provided by financing activities		**-**	6,421,497
Net (decrease)/ increase in cash held		**(891,229)**	5,942,748
Cash and cash equivalents at the beginning of the year		**6,132,851**	191,295
Effect of exchange rate fluctuations on cash held		**(26)**	(1,192)
Cash and cash equivalents at 30 June 2015		**5,241,596**	6,132,851

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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

Note 1 Reporting entity

Northern Mining Limited (the "Company") is a company domiciled in Australia. The Company's registered address is Level 3, 25 Walters Drive, Osborne Park, WA 6017. The consolidated financial statements of the Group as at and for the year ended 30 June 2015 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group Entities") and the Group's interest in associates and jointly controlled entities. The Group is a for-profit entity and primarily is involved in exploration for gold, nickel and other minerals.

Note 2 Summaries of significant accounting policies

(a) Basis of Preparation

The consolidated financial statements are a general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001.* The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board of Directors on 17 September 2015.

(b) Going concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

(c) New Accounting Standards and Interpretations

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

- *AASB 9 Financial Instruments and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)*

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

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

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

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

  When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

  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 the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

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

Note 2 Summaries of significant accounting policies (continued)

(c) New Accounting Standards and Interpretations (continued)

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- *Other standards not yet applicable*

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

The Group has applied the following standards and amendments for first time in their annual reporting period commencing 1 July 2015:

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

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

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

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

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

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

- **Interpretation 21 *Accounting for Levies***

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

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

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

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

Note 2 Summaries of significant accounting policies (continued)

(d) Principal of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Northern Mining Limited) and all of the subsidiaries. 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 the subsidiaries is provided in Note 16.

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.

(e) Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

(f) Property, plant and equipment

(i) Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour,
- Any other costs directly attributable to bringing the assets to a working condition for their intended use,
- When the Group has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and
- Capitalised borrowing costs.

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

Note 2 Summaries of significant accounting policies (continued)

(f) Property, plant and equipment (continued)

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

Any gain or loss on disposal of an item of property, plant and equipment (calculated as difference between the net proceeds from the disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date the asset is completed and ready for use.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a reducing balance basis over their useful lives to the 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
Office equipment and improvements	13% - 67%
Plant and equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position 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 of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

(g) Exploration and development expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

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

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

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

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

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

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

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

Note 2 Summaries of significant accounting policies (continued)

(g) Exploration and development expenditure (continued)

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

(h) Financial instruments

(i) Non-derivative financial assets

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

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

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

Loans and receivables

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

Loans and receivables comprise cash and cash equivalents and, trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

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

Note 2 Summaries of significant accounting policies (continued)

(i) Revenue recognition

(i) Interest Income

Interest income is recognised on a proportional basis taking into account the interest rate applicable to the financial assets. All revenue is stated net of the amount of goods and services tax (GST).

(j) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are generally paid within 30 days of recognition.

(l) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is determined by dividing net profits after income tax attributable to members of the Company, 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 during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking 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.

(m) Critical accounting estimates and judgments

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

(i) Key Estimates – Impairment

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

(ii) Acquisition Costs

The Group is required to estimate whether there has been an impairment of mineral acquisition costs capitalised.

(iii) Option Valuations

The Group, in arriving at the fair value of options granted under the share based payment standard needs to estimate the volatility factor.

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

Note 2 Summaries of significant accounting policies (continued)

(n) Financial risk management objectives and policies

The Group's principal financial instruments comprise cash, short term deposits and commercial bills.

The main risks arise from the Group's financial instruments are fair value interest rate risks. The Board reviews and agrees policies for managing this risk are summarised below.

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

(i) Fair Value Interest Risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market rates.

(ii) Credit Risk

The Group does not have any material credit risk exposure to any single debtor under financial instruments.

(iii) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows.

(o) Interest in joint ventures

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

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a "joint venture" and accounted for using the equity method.

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

Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

Details of the Group's interests in joint arrangements are provided in Note 21.

(p) Provisions

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

(q) Employees benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit and loss in the periods during which services are rendered by employees.

(ii) Share-based payment transactions

The grant-date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

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

Note 2 Summaries of significant accounting policies (continued)

(r) Fair value of assets and liabilities

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

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

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

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

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

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

Valuation techniques

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

-Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

-Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

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

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

Fair value hierarchy

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

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

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

Note 2 Summaries of significant accounting policies (continued)

(r) Fair value of assets and liabilities (continued)

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

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

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

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

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

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

Note 3 Segment reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Northern Mining Limited.

During the period the Group operated in two geographical areas, being Australia and Poland. The geographical areas are regarded as being the operating segments of the Group and this is the format of the information provided to the chief operating decision-maker.

	Australia	Poland	Total
	$	$	$
30 June 2015			
Segment revenue	**70,313**	**-**	**70,313**
Segment results	**(918,033)**	**31,807**	**(886,226)**
Other Segment Information:			
Impairment of capitalised exploration costs	**(125,124)**	**-**	**(125,124)**
Depreciation	**1,260**	**-**	**1,260**
Segment assets	**5,306,528**	**178**	**5,306,706**
Segment liabilities	**(208,804)**	**(44,601)**	**(253,405)**
30 June 2014			
Segment revenue	56,223	-	56,223
Segment results	(7,708,228)	31,001	(7,677,227)
Other Segment Information:			
Impairment of capitalised exploration costs	(6,833,670)	-	(6,833,670)
Depreciation	2,359	-	2,359
Segment assets	6,244,229	178	6,244,407
Segment liabilities	(260,080)	(44,787)	(304,867)

Note 4 Revenue

	2015	2014
	$	$
Interest income	60,025	56,134
Other income	10,288	89
	70,313	**56,223**

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

Note 5 Employee benefits expenses

	2015 $	2014 $
Wages and salaries	50,000	212,351
Compulsory social security contributions	4,781	9,102
	54,781	**221,453**

Note 6 Income tax

(a) Numerical reconciliation of income tax expense to prima facie tax payable

	2015 $	2014 $
Loss from continuing operations before income tax expense	(886,226)	(7,677,227)
Prima facie tax benefit from ordinary activities at 30% (2014: 30%)	(265,868)	(2,303,168)
Temporary differences	356	1,084
Exploration expenditure	(45,407)	(61,523)
Non-deductible expenses	43,666	2,161,107
Other deductible expenses	(22,137)	(42,633)
Non-assessable income	179	10
	(289,211)	(245,123)
Deferred tax asset not brought to account	289,211	245,123
Income tax benefit	**-**	**-**

(b) Tax losses

Tax losses	18,571,814	18,025,919
Potential tax benefit	5,571,544	5,407,776

The tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is probable that future profit will be available against which the Group can utilise the benefit, subject to the Continuing Ownership Test.

(c) Unrecognised net deferred tax assets

	2015 $	2014 $
Deferred tax assets		
Unused tax losses for which no deferred tax assets has been recognised	5,571,544	5,407,776
Deferred tax liabilities		
Exploration, evaluation and development expenditure	(1,918,874)	(2,050,101)
Net deferred tax assets	**3,652,670**	**3,357,675**

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

Note 7 Related party disclosures

Key management personnel compensation

	2015	2014
	$	$
Short-term employee benefits	50,000	204,983
Post-employment benefits	4,781	9,102
Other costs	12,140	22,760
	66,921	**236,845**

Information regarding individual directors' and executives' compensation and some equity instruments disclosures as required by Corporate Regulation 2M.3.03 is provided in the remuneration report section of the Directors' Report.

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

Transactions with related parties

Transaction between each parent company and its subsidiaries which are related parties of that Company are eliminated on consolidation and are not disclosed in this note.

Loan to key management personnel and their related parties

There are no loans made to directors or other key management personnel of the Company or the Group.

A $40,000 option fee was paid by the Director Mr Tony Ong on behalf of NMI Limited to PT Bintang Cipta Persada. The option fee is non-interest bearing (Note 11) and has been fully impaired and provided for.

Key management personnel and director transaction

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

A number of these entities transacted with the Group in the reporting period. The terms and conditions of the transactions with management persons and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

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

	Transaction	Transactions value		Balance Outstanding	
Consolidated		2015 $	2014 $	2015 $	2014 $
Key management person					
A Black[(1)]	Geological services	15,815	71,563	90,868	75,053
A Black[(2)]	Reimbursement of JV exploration expenses	26,250	35,235	52,042	30,915
A Lockett[(3)]	Consultancy services	-	-	-	(1,124)

(1) Through Newexco Pty Ltd, a company controlled by A Black.
(2) Through Balagundi Gold Pty Ltd, a related company owned by A Black.
(3) Through Lockett Consulting Pty Ltd, a company controlled by A Lockett.

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

Note 8 Earnings (Loss) per share

The calculation of basic and diluted earnings per share at 30 June 2015 was based on the loss attributable to ordinary shareholders of $889,407 (2014: $7,680,327) and weighted average number of ordinary shares outstanding of 938,441,594 (2014: 734,965,218), calculated as follows:

	2015	**2014**
	$	**$**
Net loss attributable to ordinary equity holders of the Group	(889,407)	(7,680,327)
Net loss attributable to ordinary shareholders for basic earnings	**(889,407)**	**(7,680,327)**
Net loss attributable to ordinary shareholders (diluted)	**(889,407)**	**(7,680,327)**

	2015	**2014**
	No.	**No.**
Weighted average number of ordinary shares at 30 June	**938,441,594**	**734,965,218**
Effect of dilution:		
Share options	-	-
Weighted average number of ordinary shares (diluted) at 30 June	**938,441,594**	**734,965,218**

Potential ordinary shares were not considered to be dilutive as the consolidated entity made a loss for the year ended 30 June 2015 and the exercise of potential ordinary shares would not increase that loss.

Note 9 Cash and cash equivalents

(a) Cash and cash equivalents

	2015	**2014**
	$	**$**
Cash at bank and on hand	193,791	6,020,456
Short-term deposits	5,047,805	112,395
	5,241,596	**6,132,851**

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of one and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

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

Note 9 Cash and cash equivalents (continued)

(b) Reconciliation of cash flow from operating activities

	2015 $	2014 $
Loss for the year	(886,226)	(7,677,227)
Non-cash adjustments to reconcile loss before tax to net cash flow:		
Depreciation	1,260	2,359
Impairment of capitalised exploration expenses	-	6,833,670
Impairment of option fee	40,000	-
Exploration expenses written off	125,124	348,540
Loss on disposal of PPE	-	14,405
Loss on sale of equity investments	-	3,727
Working capital adjustments:		
(Increase) in trade, other receivables and other assets	(14,818)	(9,681)
(Decrease) / increase in trade payables and accruals	(51,462)	16,292
Net cash (used in) operating activities	**(786,122)**	**(467,915)**

Note 10 Trade and other receivables

	2015 $	2014 $
Receivables from related parties	52,042	32,039
Interest accrued receivable	-	596
Other receivables	4,410	15,673
	56,452	**48,308**

Trade and other receivables are non-interest bearing. No receivables are considered impaired.

Note 11 Other asset

	2015 $	2014 $
Option fee	-	40,000
	-	**40,000**

The option fee of was paid in consideration of proposed acquisition of 90% of PT Bintang Cipta Persada, an Indonesia company that holds mining concessions such as gold, coal and nickel in Sumatra and Balikpapan in Kalimantan Province. It has now been fully impaired.

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

Note 12 Property, plant and equipment

	Office equipment and improvements $	Plant and equipment $	Total $
Cost			
Balance 1 July 2014	30,981	22,507	53,488
Additions	-	-	-
Disposals	-	-	-
Balance at 30 June 2015	**30,981**	**22,507**	**53,488**
Balance 1 July 2013	62,198	22,507	84,705
Additions	359	-	359
Disposals	(31,576)	-	(31,576)
Balance at 30 June 2014	**30,981**	**22,507**	**53,488**
Accumulated depreciation			
Balance 1 July 2014	30,181	17,832	48,013
Depreciation charge for the year	324	936	1,260
Disposals	-	-	-
Balance at 30 June 2015	**30,505**	**18,768**	**49,273**
Balance 1 July 2013	44,857	16,668	61,525
Depreciation charge for the year	1,195	1,164	2,359
Disposals	(15,871)	-	(15,871)
Balance at 30 June 2014	**30,181**	**17,832**	**48,013**
Carrying amounts			
At 1 July 2013	17,341	5,839	23,180
At 30 June 2014	**800**	**4,675**	**5,475**
At 1 July 2014	800	4,675	5,475
At 30 June 2015	**476**	**3,739**	**4,215**

Note 13 Trade and other payables

	2015 $	2014 $
Trade payables	133,849	192,056
Accrued expenses	28,688	27,500
Other payables due to related parties	90,868	85,311
	253,405	**304,867**

The Group's exposure to liquidity risk related to trade and other payables is disclosed in Note 18.

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

Note 14 Capital and reserves

Share capital

	2015 No.	2014 No.
On issue at 1 July	938,441,594	349,179,525
Fully paid shares issued for cash	-	589,252,669
Shares issued on exercise of options	-	9,400
On issue at 30 June	**938,441,594**	**938,441,594**

	$	$
On issue at 1 July	24,915,988	18,494,491
Fully paid shares issued for cash	-	6,547,263
Shares issued on exercise of options	-	564
Share issue costs	-	(126,330)
On issue at 30 June	**24,915,988**	**24,915,988**

Ordinary shares

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the Company's residue assets.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries.

Share-based payment reserve

The share-based payment reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration.

Note 15 Share-based payment arrangements

There were no share-based payments in the year ended 30 June 2015 (2014: nil).

Note 16 Group entities

	Country of incorporation	Ownership interest 2015	Ownership interest 2014
Parent entity			
Northern Mining Limited			
Subsidiary			
Durack Energy Ltd	Australia	100%	100%
Camel Manganese Pty Ltd	Australia	100%	100%
NMI Minerals Limited	Mauritius	100%	100%
Gepco Geologia i Ochrona Srodowiska Sp. z.o.o	Poland	90%	90%
NMI Limited	Seychelles	100%	100%

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

Note 17 Commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure specified by Department of Mines and Petroleum.

	2015	2014
	$	$
Contracted for but not provided and payable		
Less than one year	296,621	408,293
Between one and five years	621,072	873,983
More than five years	730,082	778,892
	1,647,775	**2,061,168**

Note 18 Financial instruments

Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- interest rate risk
- foreign currency risk

The note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishing and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies. The policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at end of the reporting period was as follows:

	Carrying amount	
	2015	2014
	$	$
Cash and cash equivalents	5,241,596	6,132,851
Other receivables	56,452	48,308
	5,298,048	**6,181,159**

Trade and other receivables

The maximum exposure to credit risk for other receivables at the end of the reporting period by geographic region was as follows:

	Carrying amount	
	2015	2014
	$	$
Australia	56,452	48,308

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

Note 18 Financial instruments (continued)

Impairment losses

At the 30 June 2015 $30,914 (2014: $32,039) other receivables were past due but not impaired. The Group believes that no impairment is necessary in respect of other receivables not past due. As at 30 June 2015 the Group impaired an option fee of $40,000 (2014: $nil).

Cash and cash equivalents

The Group held cash and cash equivalents of $5,241,596 as at 30 June 2015 (2014: $6,132,851), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with banks which are rated AA-, based on Standard and Poor's rating agency.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	2 mths or less	2-12 mths	1-2 years	2-5 years	More than 5 years
30 June 2015							
Trade and other payables	253,405	(253,405)	(253,405)	-	-	-	-
	253,405	**(253,405)**	**(253,405)**	**-**	**-**	**-**	**-**
30 June 2014							
Trade and other payables	304,867	(304,867)	(304,867)	-	-	-	-
	304,867	**(304,867)**	**(304,867)**	**-**	**-**	**-**	**-**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Interest rate risk

Profile

At the end of the reporting period the interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group was as follows:

	2015 $	2014 $
Variable rate instruments		
Financial assets	193,791	6,020,456
Financial liabilities	-	-
	193,791	**6,020,456**

	2015 $	2014 $
Fixed rate instruments		
Financial assets	5,047,805	112,395
Financial liabilities	-	-
	5,047,805	**112,395**

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

Note 18 Financial instruments (continued)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the end of reporting period would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	100bp increase	100bp decrease	100bp increase	100bp decrease
30 June 2015				
Variable rate instruments	1,937	(1,937)	-	-
Fixed rate instruments	50,478	(50,478)		
Cash flow sensitivity (net)	52,415	(52,415)	-	-

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	Profit or loss		Equity	
	100bp increase	100bp decrease	100bp increase	100bp decrease
30 June 2014				
Variable rate instruments	60,205	(60,205)	-	-
Fixed rate instruments	1,124	(1,124)	-	-
Cash flow sensitivity (net)	61,329	(61,329)	-	-

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arise.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Assets		Liabilities	
	2015	2014	2015	2014
	$	$	$	$
30 June 2015				
Polish Zloty	178	178	44,601	44,747
Singapore Dollar	13,022	-	-	-
	13,200	178	44,601	44,747

Foreign currency sensitivity analysis

As at 30 June 2015, there would have been immaterial change in the loss for the year and equity as a result of a 10% change in the Australian Dollar to the Polish Zloty and Singapore Dollar. The impact on equity would be the same.

Fair values

Fair value versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position are as follows:

	30 June 2015		30 June 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets carried at fair value				
Cash and cash equivalents	5,241,596	5,241,596	6,132,851	6,132,851
Other receivables	56,452	56,452	48,308	48,308
	5,298,048	5,298,048	6,181,159	6,181,159
Liabilities carried at fair value				
Trade and other payables	253,405	253,405	304,867	304,867
	253,405	253,405	304,867	304,867

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

Note 19 Contingent liabilities

Royalties payable under the Blair North (E26/268) and Blair (E26/112) tenements:

As part of the agreement entered into on 11 November 2009 to acquire the Blair North (E26/0268) and Blair (E26/0112) tenements, the Company is required to pay to Hayes Mining Pty Ltd a royalty of $1.00 per dry tonne mined and milled on any future production from the tenements. In July 2015, tenement E26/268 was sold to Metals X Limited and the relevant royalty liability was assigned to Metals X Limited.

There are no other contingent liabilities that require disclosure.

Note 20 Deferred exploration and evaluation expenditure

	2015 $	2014 $
Cost		
Balance at 1 July	6,833,670	7,045,210
Expenditure incurred	125,124	137,000
Expenditure written off during the year	(437,424)	(348,540)
Assets held for sale	(4,061,598)	-
Balance at 30 June	**2,459,772**	**6,833,670**
Impairment losses		
Balance at 1 July	6,833,670	-
Expenditure incurred	125,124	6,833,670
Expenditure written off	(437,424)	-
Assets held for sale	(4,061,598)	-
Balance at 30 June	**2,459,772**	**6,833,670**
Carrying amounts	**-**	**-**

The exploration and evaluation costs of the tenements held which were capitalised have now been fully impaired.

Note 21 Joint venture

The Company has a 79% interest in the East Kalgoorlie Joint Venture, an unincorporated joint venture whose principal activity is to jointly explore the tenements in East Kalgoorlie, Western Australia with the other 21% joint venture holder, Balagundi Gold Pty Ltd ("Balagundi"), for the purpose of conducting exploration and if warranted, development and exploitation of any minerals within the tenements.

The following amounts are included in the Group's consolidated financial statements as a result of the proportionate consolidation of the joint venture above:

	2015 $	2014 $
Current assets	52,113	31,817
Current liabilities	-	-
Expenses for the year	-	-

During the year the Group capitalised net $98,684 (2014: $88,105) in relation to tenements covered in its joint venture. However, at the 30 June 2015, the carrying value of these assets is nil as they have been fully impaired.

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

Note 22 Assets and liabilities classified as held for sale

On the 10 July 2015, the Company entered into an agreement with HBJ Minerals Pty Ltd, a wholly subsidiary of Metals X Limited (ASX: MLX), to sell its Blair North tenement E25/268 and the relevant mining lease M25/357. The Company (79%) and its joint venture partner Balagundi Gold Pty Ltd (21%) received a total cash consideration of $4.5m (the Company's share at $3.56m). All assets in relation to these tenements had previously been fully impaired. Therefore assets held for sale at 30 June 2015 were nil (2014:nil).

Note 23 Subsequent events

In July 2015, the Company sold its Blair North tenement E25/268 to Metals X Limited for $4.5m in cash (refer to Note 22).

Other than the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Note 24 Auditor's remuneration

	2015 $	2014 $
Audit services		
Auditors of the Group		
Stantons International		
Audit and review of financial statements	25,071	25,000
HLB Mann Judd[(1)]		
Audit and review of financial statements	-	1,250

[(1)] Resigned on 25 November 2013

Note 25 Parent entity disclosures

As at and throughout the financial year ended 30 June 2015, the parent entity of the Group was Northern Mining Limited.

	2015 $	2014 $
Result of parent entity		
Loss for the year	(900,394)	(7,662,065)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(900,394)**	**(7,662,065)**

	2015 $	2014 $
Financial position of parent entity at year end		
Current assets	202,284	6,198,570
Non-current assets	5,105,499	6,730
Total assets	**5,307,783**	**6,205,300**

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

Note 25 Parent entity disclosures (continued)

Financial position of parent entity at year end (continued)

	2015 $	2014 $
Current liabilities	208,803	205,927
Non-current liabilities	-	-
Total liabilities	**208,803**	**205,927**
Net assets	**5,098,980**	**5,999,373**

Total equity of the parent entity comprising of:

Share capital	24,915,988	24,915,988
Reserves	774,807	774,807
Accumulated losses	(20,591,815)	(19,691,422)
Total equity	**5,098,979**	**5,999,373**

Parent entity contingencies and commitments

Other than those disclosed in Note 19, the parent entity has no other contingent liabilities or commitments as at 30 June 2015 (2014: nil).

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Northern Mining Limited (the "Company"):

(a) The consolidated financial statements and notes, and the Remuneration Report in the Directors' Report are in accordance with the *Corporation Act 2001*, including:

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

  (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporation Regulations 2001*;

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

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

3. The financial report also complies with International Financial Reporting Standards as disclosed in note 2(a) to the consolidated financial statements.

Signed in accordance with a resolution of the Directors.

Tony Ong
Chairman

17 September 2015

INDEPENDENT AUDITOR'S REPORT

Stantons International Audit and Consulting Pty Ltd
trading as
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Chartered Accountants and Consultants

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
NORTHERN MINING LIMITED**

Report on the Financial Report

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

Directors' responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 2, the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

INDEPENDENT AUDITOR'S REPORT

Stantons International

Independence

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

Auditor's opinion

In our opinion:

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

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

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

(b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in note 2.

Report on the Remuneration Report

We have audited the remuneration report included in pages 5 to 8 of the directors' report for the year ended 30 June 2015. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards

Auditor's opinion

In our opinion the remuneration report of Northern Mining Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001.*

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

West Perth, Western Australia
17 September 2015

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 9 September 2015.

1. Distribution of Equity Securities

Ordinary Share Capital:

938,441,594 fully paid ordinary shares are held by 687 individual shareholders.

All issued ordinary shares carry one vote per share and carry the right to dividends.

2. Substantial Shareholders

Substantial shareholders as disclosed in substantial holding notices given to the Company.

Ordinary Shareholder	Fully paid Number	Percentage
Provenance Finance Ltd	224,589,762	23.93%
Melvin Boon Kher Poh	50,000,000	5.33%

3. Distribution of Equity Security Holders

Category	Fully paid ordinary shares
1 – 1,000	76
1,001 – 5,000	27
5,001 – 10,000	80
10,001 – 100,000	344
100,001 and over	160
Total Holders	**687**

The number of shareholders holding less than a marketable parcel of ordinary shares is 362.

4. Twenty Largest Holders of Quoted Equity Securities

Ordinary Shareholders	Number	Percentage
Provenance Finance Ltd	224,589,762	23.93%
Citicorp Nominees	206,049,288	21.96%
HSBC Custody Nominees	170,548,975	18.17%
UOB Kay Hian Private	67,244,76	7.17%
Melvin Boon Kher Poh	50,000,000	5.33%
Gerald Woon Tai Hwee	25,473,982	2.71%
Daso Investments	24,437,017	2.60%
Kuik Pte Ltd	15,000,000	1.6%
JP Morgan Nominees	14,727,960	1.57%
Sanmin Holdings Limited	9,437,017	1.01%
Pershing Australia Nominees	8,761,469	0.93%
Handoko Austy	6,800,000	0.72%
KGI Fraser Securities	5,650,000	0.60%
Adrian Black	4,650,000	0.50%
Super Pals <PF& LD Di Prinzio>	4,000,000	0.43%
Rag Superannuation<Allocated>	3,960,000	0.42%
ABN Amro Clearing Sydney	3,400,135	0.36%
DBS Vikers Securities	2,945,000	0.31%
Xiao Luo	2,826,271	0.30%
Stephen Gordan Pattrick	2,514,440	0.27%
Top 20 Total	**853,016,032**	**90.90%**

5. On-Market Buy-Back

There is currently no on-market-buy back.

ASX ADDITIONAL INFORMATION

6. Schedule of Tenements

Location	Tenement	Date of Grant	NMI Interest
Blair North	P25/2051	04/05/2009	100%
Blair	P26/3488	18/06/2008	79%*
Blair	P25/2207	26/08/2011	100%
Kanowna Lights	M27/0177	28/10/1993	79%*
Kanowna Lights	M27/0236	18/11/2009	79%*
Golden Ridge	P26/3736	24/08/2010	100%
Golden Ridge	E26/0144	19/08/2010	100%
Golden Ridge	E25/0424	19/08/2010	100%
Golden Ridge	P25/2100	22/06/2010	100%
Golden Ridge	P25/2101	22/06/2010	100%
Snake Hill	P26/3705	05/02/2010	79%*
Snake Hill	P26/3706	05/02/2010	79%*
Snake Hill	P26/3707	05/02/2010	79%*
Snake Hill	P26/3708	05/02/2010	79%*
Snake Hill	P26/3709	05/02/2010	79%*
Snake Hill	P26/3710	05/02/2010	79%*
Snake Hill	P25/2071	05/02/2010	79%*
Snake Hill	P25/2113	24/03/2011	79%*
Mt Monger	E26/0152	29/02/2012	100%
Bulong	P25/2179	04/07/2011	100%
Bulong	P25/2180	04/07/2011	100%
Hampton Hill	E25/0447	14/03/2011	100%
Hampton Hill	E26/0151	14/03/2011	100%

**21% held by Balagundi Gold Pty Ltd under joint venture.*