



ASX ANNOUNCEMENT

Company Announcements Office
Australian Stock Exchange
Level 8, Exchange Plaza,
2 The Esplanade,
Perth, WA, 6000

Dear Sirs

This is to advise of the despatch today to Mesa Minerals Limited's shareholders of an Annual Report, Notice of Meeting and Proxy Form for the Annual General Meeting to be held on 26th November 2015. A copy of these documents is attached.

Bruce Goulds
Company Secretary
27 October 2015

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Mesa Minerals Limited

ABN 38 009 113 160

Annual Report – 30 June 2015

Mesa Minerals Limited

Contents

30 June 2015

Contents

Corporate directory	2
Directors' report	3
Corporate governance statement	10
Auditor's independence declaration	30
Statement of profit or loss and other comprehensive income	31
Statement of financial position	32
Statement of changes in equity	33
Statement of cash flows	34
Notes to the financial statements	35
Directors' declaration	56
Independent auditor's report to the members of Mesa Minerals Limited	57
Shareholder information	59
Tenement listing	

Mesa Minerals Limited
Corporate directory
30 June 2015

Directors	Non-Executive Chairman: Collis Thorp Non-Executive Directors: Chris Ellison Bruce Goulds
Company Secretary	Bruce Goulds
Registered office	1 Sleat Road Applecross WA 6153 P: + 61 8 9329 3600 F: + 61 8 9329 3601 Postal address: Locked Bag 3, Canning Bridge, Applecross WA 6153
Principal place of business	1 Sleat Road Applecross WA 6153
Share register	Computershare Investor Services Pty Limited Level 11 172 St Georges Terrace Perth WA 6000 P: + 61 8 9323 2000 F: + 61 8 9322 2033 www.computershare.com/au
Auditor	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000 P: + 61 8 9261 9100 F: + 61 8 9261 9111 www.rsmi.com.au
Bankers	National Australia Bank 100 St Georges Terrace Perth WA 6000 www.nab.com.au
Stock exchange listing	Mesa Minerals Limited shares are listed on the Australian Securities Exchange (ASX:MAS)
Website	www.mesaminerals.com.au

Mesa Minerals Limited
Directors' report
30 June 2015

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Mesa Minerals Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the year ended 30 June 2015.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Norman Coldham-Fussell (Resigned on 27 October 2014)
Collis Thorp (Appointed on 27 October 2014)
Chris Ellison
Bruce Goulds

Principal activities

The principal activities of the Group during the financial year were to develop the Group's jointly held Ant Hill and Sunday Hill manganese ore mining tenements in the Pilbara district of Western Australia, and to move towards commercialisation of the Group's mineral processing technologies in order to enable the development of secondary processing facilities utilising low grade manganese ores and wastes.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

Loss for the Group after providing for income tax amounted to \$666,143 (30 June 2014: \$1,520,499).

The Group has continued to invest in exploration and development of both the Ant Hill and Sunday Hill tenements, and to invest in research and development to enhance the Group's patented technologies.

Pending a decision to commence operations at the Ant Hill mine, the Group has continued to focus on keeping operating costs at a minimum and leveraging available assets to generate income. This has included sub-leasing the Group's Port Hedland property facilities and protecting its interests in the Port Hedland Port Rights (Port Rights). Majority shareholder, Mineral Resources Ltd (MRL) have provided a source of income and/or cost recovery to the Group by facilitating use of the Port Hedland property by third parties, and use the Group's Port Rights on an agency basis to export bulk commodities as the opportunity arises. The use of the Port Rights by MRL ensures the Group's entitlement under the Port Rights agreement continues to remain current. In turn, the Group is reimbursed by MRL for the value of Port Rights used.

Activities which will inform a decision to commence operations at Ant Hill continued through the year, with communication and supply of information with various statutory bodies.

Auditor rotation

During the 2015 Financial Year, in accordance with Section 324 DAB of the Corporations Act 2001, the Board has approved that Mr Tutu Phong, a partner of RSM Bird Cameron Partners may continue to play a significant role in the audit of the Company and Group for a further two years, until the Financial Year ended 30 June 2017. The reason for the extension is to ensure the maintenance of audit quality. The Board is satisfied that the extension of the auditor rotation period is consistent with maintaining the quality of the audit and would not give rise to a conflict of interest situation. RSM Bird Cameron Partners has agreed to the extension.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report as the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities. The Directors are not aware of any environmental law that is not being complied with.

Information on Directors

Name:	Norman Coldham-Fussell (resigned on 27 October 2014)
Title:	Non-Executive Chairman
Qualifications:	AO, FCPA, FAusIMM, FCIS, FAIM, FAICD
Experience and expertise:	Norman was appointed a director and Chairman of the Company on 16 August 1999. He has vast experience in the resources industry encompassing general management, finance, marketing and project development. Norman was Chief Executive Officer & Managing Director of MIM Holdings Limited from 1990 to 1995, Chairman of Flight Centre Limited from 1995 to 2005 and was a non-executive director of Namoi Cotton Co-operative Ltd until 1 May 2013.
Other current directorships:	None
Former directorships (last 3 years):	Non-Executive Director of Namoi Cotton Co-operative Ltd
Special responsibilities:	None
Interests in shares:	None
Name:	Collis Thorp (appointed on 27 October 2014)
Title:	Non-Executive Chairman
Experience and expertise:	Collis, with a Mechanical Engineering background, has enjoyed a career of over 45 years in the resources industry; encompassing a broad range of commodities. He is currently Chief Executive Officer of Image Resources NL. His experience includes seven years as Managing Director of Cable Sands RZM Group. His most recent position, prior to joining Image, was as Chief Executive Officer of Moly Mines Limited. Whilst at Moly Mines, Collis oversaw the construction, commissioning and operation of their Iron Ore Project in the Pilbara. Having worked on projects both in Australia and overseas, Collis has played a major role in more than ten feasibility studies for projects, including responsibility for putting in place project finance and off-take arrangements, as well as bringing into production in the order of twenty mines. Collis is a Registered Mine Manager in the NT and a Fellow of the Institute of Company Directors. He is currently a director of the charitable trust, Ladybird Foundation, supporting breast and gynaecological cancer research.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None

Mesa Minerals Limited
Directors' report
30 June 2015

Name: **Chris Ellison**
Title: Non-Executive Director
Experience and expertise: Chris is the founding shareholder of each of the three original subsidiary companies of Mineral Resources Limited (Crushing Services International Pty Ltd, PIHA Pty Ltd and Process Minerals International Pty Ltd) and has over 36 years of experience in the mining contracting, engineering and resource processing industries. In 1979 Chris founded Karratha Rigging and was Managing Director until its acquisition by Walter Wright Industries in 1982. Chris was subsequently appointed as the General Manager, Walter Wright Industries for the Western Australia and Northern Territory regions. In 1986 Chris founded Genco Ltd and following two years of considerable growth, Genco Ltd merged with the Monadelphous Group in 1988. In September 1988 Receivers and Managers were appointed to the Monadelphous Group. At this time, Chris was appointed the Managing Director and under his careful management, the group successfully traded out of its financial difficulties and eventually relisted on the ASX in late 1989. In 1992 Chris founded PIHA Pty Ltd, a company focused on the provision of specialised pipe lining and general infrastructure.
Other current directorships: Managing Director of Mineral Resources Limited (ASX:MIN)
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: None

Name: **Bruce Goulds**
Title: Non-Executive Director
Qualifications: BBus (Accounting), LLB (Hons), Grad Dip Business, FCPA, FCIS, MAICD
Experience and expertise: Bruce has over 30 years of finance and commercial experience in various listed and unlisted corporations including as Commercial Manager within Brambles Industries, Financial Controller and Company Secretary of Cockburn Corporation Limited and Commercial Manager for the Australasian operations of international mining equipment manufacturers Svedala Industrier, Metso Minerals and Sandvik. In 2005, Bruce joined PIHA Pty Ltd, Crushing Services International Pty Ltd and Process Minerals International Pty Ltd as Group Finance Manager. In 2006, he was appointed the inaugural CFO and Company Secretary of Minerals Resources Limited on its listing on ASX. Bruce is a Fellow Certified Practising Accountant (CPA), a Fellow of the Institute of Chartered Secretaries and a Member of the Australian Institute of Company Directors.
Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company Secretary

Mr Bruce Goulds was appointed Company Secretary on 15 April 2011. Details of his work experience are included under Directors' Information.

Mesa Minerals Limited
Directors' report
30 June 2015

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2015, and the number of meetings attended by each Director were:

	Attended	Full Board Held while in office
Norman Coldham-Fussell *	-	1
C Thorp **	2	2
CJ Ellison	3	3
BA Goulds	3	3

Held: represents the number of meetings held during the time the director held office.

* Resigned on 27 October 2014

** Appointed on 27 October 2014

Remuneration Report (audited)

The Remuneration Report sets out the remuneration arrangements for directors and executives, being Key Management Personnel (KMP) of the Group in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The disclosures in the Remuneration Report have been audited.

For the purposes of this report, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the principal activities of the Group, directly or indirectly, including any Director (whether Executive Director or Non-Executive Director) of the Group, and includes executives receiving the highest remuneration.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration,
- Details of remuneration,
- Share-based compensation.

1. Principles used to determine the nature and amount of remuneration

The Group's remuneration policy was developed and approved by the Board to align KMP objectives with shareholder and business objectives. The Directors believe that the remuneration policy is appropriate and effective in its ability to attract and retain those persons required to manage the Group, as well as to align the goals of KMP and shareholders.

Other than where waived, KMP receive a fee or salary that is inclusive of requisite and optional superannuation amounts. The fee component of remuneration paid to the KMP is reviewed on an annual basis as is the salary component of remuneration paid to executives. In each case, performance of the Board and executives is reviewed by reference to the Group's performance and comparable information from industry sectors and other listed entities in similar industries.

As part of this remuneration, KMP receive the superannuation guarantee contribution as required by law, but do not receive any other form of retirement benefit. From time to time, individual KMP have chosen to sacrifice some of their fees or salaries with the amount sacrificed paid to their nominated superannuation funds.

All fees and salaries paid to KMP are expensed as incurred.

From time to time, KMP may be issued options under the Employee Option Incentive Scheme (Option Incentive Scheme), subject to approval of shareholders at general meetings. Options granted under the Option Incentive Scheme have a performance-based element which sets the exercise price at 125% of the share price at the time the options are granted, to ensure that KMP strive to improve the Company's share price over time. The Board consider that this performance-based hurdle will encourage the attainment of results that are mutually beneficial to shareholders and option holders.

Options over ordinary shares granted to KMP are valued using the Binomial methodology and expensed at the point that the option is granted. The goal of the remuneration policy is to remunerate KMP at market rates for comparable entities for time, commitment and responsibilities. Independent external advice is sought when required.

1.1 Remuneration linked to the performance of the Company

Following the resignation of Alan Scott during the 2014 Financial Year, the Board elected not to fill the position of Managing Director. No performance linked remuneration has been awarded to KMP this financial year.

Executive emoluments and employment contracts

There were no options over ordinary shares issued during the prior financial year, the current financial year or subsequent to the end of the current financial year to any KMP. No KMP, employee or contractor currently has a performance-based element of his or her remuneration and no employment contract contains a termination entitlement exceeding twelve months.

Whilst the remuneration policy for KMP provides for the grant of options over ordinary shares through rewarding KMP with options over ordinary shares under the Option Incentive Scheme, no KMP presently holds any options over ordinary shares.

Options granted under the Option Incentive Scheme vest immediately, have a five year term and have an exercise price equal to 125% of the average of the closing price for the Group's ordinary shares for the five days immediately prior to the date of grant.

Voting and comments made at the company's 2014 Annual General Meeting (AGM)

At the 2014 AGM, 99.99% of the votes received supported the adoption of the Remuneration Report for the year ended 30 June 2014. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

2. Details of remuneration

2.1 Amounts of remuneration

Details of the remuneration of the KMP of the Group are set out in the following tables.

The KMP of the Group consisted of the following Directors of Mesa Minerals Limited:

- Norman Coldham-Fussell (Non-Executive Chairman) (Resigned on 27 October 2014)
- Collis Thorp (Non-Executive Chairman) (Appointed on 27 October 2014)
- Chris Ellison (Non-Executive Director)
- Bruce Goulds (Non-Executive Director)

	Short-term benefits	Post- employment benefits	Other entitlements	
	Cash salary and fees	Super- annuation	Termination benefits	Total
2015	\$	\$	\$	\$
<i>Non-Executive Directors:</i>				
Norman Coldham-Fussell *	16,704	-	-	16,704
Collis Thorp **	34,487	3,276	-	37,763
Chris Ellison ***	-	-	-	-
Bruce Goulds ***	-	-	-	-
	51,191	3,276	-	54,467

* Resigned on 27 October 2014.

** Appointed on 27 October 2014.

*** Neither Chris Ellison nor Bruce Goulds received any remuneration for the 2015 Financial Year.

Mesa Minerals Limited
Directors' report
30 June 2015

	Short-term benefits	Post- employment benefits	Long-term benefits	
	Cash salary and fees \$	Super- annuation \$	Long service leave \$	Total \$
2014				
<i>Non-Executive Directors:</i>				
Norman Coldham-Fussell	50,114	-	-	50,114
Chris Ellison *	-	-	-	-
Bruce Goulds *	-	-	-	-
<i>Executive Directors:</i>				
Alan Scott**	229,428	32,260	192,548	454,236
	<u>279,542</u>	<u>32,260</u>	<u>192,548</u>	<u>504,350</u>

* Neither Chris Ellison nor Bruce Goulds received any remuneration for the 2014 Financial Year.

** Resigned 31 January 2014. Remuneration is for the period 1 July 2013 to 31 January 2014.

3. Share and share-based compensation

Interest in shares

No member of the KMP currently has shares in the Company (2014: nil).

Issue of shares

There were no shares issued to KMP as part of compensation during the year ended 30 June 2015.

Options

There were no options over ordinary shares issued to KMP as part of compensation that were outstanding as at 30 June 2015.

This concludes the Remuneration Report, which has been audited.

Shares under option

There were no unissued ordinary shares of the Company under options outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2015 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith or is otherwise prohibited by law.

The Company has entered into agreements to indemnify the Directors, executives and Company Secretary named in this report against all liabilities to persons (other than the Company) which arise out of the performance of their normal duties as Directors, executives and Company Secretary unless the liability relates to conduct involving a lack of good faith or is otherwise prohibited by law.

Indemnity and insurance of auditor

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

Mesa Minerals Limited
Directors' report
30 June 2015

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 23 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 23 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of RSM Bird Cameron Partners

There are no officers of the Company who are former partners of RSM Bird Cameron Partners.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor

RSM Bird Cameron Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



Collis Thorp
Director

3 September 2015
Perth

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1. Overview

The Company's Board and management consider that an uncompromising commitment to safety, environmental performance, corporate governance, and accountability is essential for the Group to achieve its corporate objectives. As a result, specific corporate governance policies have been issued to detail the expected behaviour required from Group employees and major sub-contractors, to ensure these objectives are met.

The ASX Corporate Governance Council released the third edition of its "Good Corporate Governance Principles and Recommendations" (Recommendations) in 2014. The Board supports the principles laid out in the Recommendations. Although the Recommendations are not prescriptive, the ASX Listing Rules require disclosure of the extent to which the Recommendations have been followed, and for the Group to identify and provide reasons for those Recommendations that have not been followed. The Recommendations are listed below, along with details on how the Group has addressed the Recommendations, whether the Group is compliant with the Recommendations, and the location of relevant documents/reports.

The Group's Governance Policies are available at the Corporate Governance section of the Group's website: www.mesaminerals.com.au. Where evidence of compliance with the Recommendations is included within this Report, the relevant section of the Report has been referenced in the table below.

2. ASX Recommendations and how the Group satisfies the Recommendations

ASX Recommendation	How the Group satisfies the recommendation			
Principle 1 – Lay solid foundations for management and oversight				
Recommendation 1.1: A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved for the board and those delegated to management.	Corporate Governance Document: Board Charter			
	Compliant with ASX Recommendations	√	Document available	√ On the Group’s website
	The Board Charter defines the role of the Board as approving the strategic direction of the Group, overseeing good governance practices and guiding and monitoring KMP performance, which includes the Board itself, for the benefit of all stakeholders.			
	The Board Charter assigns responsibility to the Board for: <ul style="list-style-type: none">• setting the principles for safe and ethical behaviour of all employees (Employees);• establishing the direction, strategies and financial objectives for the Group;• monitoring compliance with regulatory requirements; and• supervision of the implementation of the policies, strategies and financial objectives set out above.			

Executives have responsibility for efficient and effective implementation and delivery of the ground-rules, policies, strategies and financial objectives, as set by the Board.

The following matters are expressly reserved for the Board:

- overseeing management of safety, occupational health and environmental matters;
- appointment, evaluation, rewarding and, if necessary, removal of the Managing Director;
- establishing appropriate levels of delegation to the Managing Director to allow the Managing Director to manage the business efficiently;
- review and approval of plans, new investment proposals, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities exceeding the delegated authority of the Managing Director;
- monitoring actual performance against planned performance and providing guidance and support to ensure planned performance is achieved;
- ensuring that the Group is appropriately positioned to manage significant business risks;
- satisfying itself that the financial reporting of the Group fairly and accurately sets out the financial position and financial performance of the Group;
- satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, and internal control processes are in place and functioning appropriately;
- ensuring that appropriate internal and external audit arrangements are in place and operating effectively;
- having a framework in place to help ensure that the Group acts legally and responsibly on all matters consistent with the Code of Conduct; and
- reporting to shareholders.

Given the current stage of development of the Group's manganese investments and in the interests of minimising overheads, the Board has chosen not to fill the current vacancy for the position of Managing Director. To compensate, the Directors are heavily involved in the day-to-day management of the Group, which is largely effected via Management Contract with MRL.

Management's responsibilities:

Responsibility for the day-to-day operation and administration of the Group is delegated by the Board to MRL via management contract.

Under the guidance and direction of the Board, MRL executives are responsible for day-to-day running of Group by:

- planning the operation and function of areas over which MRL executives have been assigned responsibility,
- organising the resources necessary to accomplish the required outcomes to meet the goals defined by the Board,
- ensuring that the plan to achieve the goals is being carried out in such a way that its accomplishment is assured.

Mesa Minerals Limited
Corporate governance statement
30 June 2015

Recommendation 1.2: A listed entity should: (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) Provide Security Holders with all material information that the company has in its possession relevant to a decision on whether to elect or re-elect a director.	Corporate Governance Document: Procedures for Selection and Appointment of Directors and Shareholders' Communication Policy.			
	Compliant with ASX Recommendations	√	Document available	√ On the Group's website
	The Group's Corporate Governance Document "Procedures for Selection and Appointment of Directors" sets out the primary principle for selection and appointment of Directors as being the assessment of the skills and experience of the proposed appointee having regard to those of existing Directors, and any likely changes to the business.			
	Candidates are assessed on the following basis: <ul style="list-style-type: none">• competencies and qualifications,• the candidates' particular skills and experience and the contribution these will make towards development and execution of business strategy,• contribution to the overall balance of the composition of the Board,• time availability and other roles that may mitigate the capacity to add value to the Group, and• depth of understanding of the role of and legal obligations of a Director.			
	The Group's Corporate Governance Document "Shareholders' Communication Policy" sets out the responsibilities and processes for communication with Shareholders. The Company Secretary is tasked with responsibility for ensuring that Notices of Meetings to Shareholders provide all information relevant to shareholders to assist with the decisions to be made at the meeting. In the case of Board candidates standing for re-election, this would include all material information the Group has in its possession relevant to re-election of the Director.			
Recommendation 1.3: A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Corporate Governance Document: Service Agreements			
	Compliant with ASX Recommendations	√	Document available	√ On the Group's website
	The Directors' Report, included in this Report, includes details of the terms of appointment for Directors.			
Recommendation 1.4: The company secretary of a listed entity should be accountable directly to the board, through the chair, on matters to do with the proper functioning of the board.	Corporate Governance Document: Board Charter			
	Compliant with ASX Recommendations	√	Document available	√ On the Group's website
	The Board Charter confirms that the Company Secretary is accountable directly to the Board, through the Chairman, on matters to do with the proper functioning of the Board.			
	The role of the Company Secretary: The Company Secretary is accountable to the Board through the Chairman to manage the proper functioning of the Board and its Committees. In addition the Company Secretary is responsible for providing advice and support to the Board on			

	governance related matters. The appointment and removal of the Company Secretary is a responsibility of the Board. All Directors have a right of access to information and advice, facilitated through the Company Secretary.		
Recommendation 1.5: A listed entity should: <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose the policy or a summary of it; and</p> <p>(c) disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee or the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity as defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in</p>	Corporate Governance Document: Equal Employment Opportunity and Diversity Policy		
	Compliant with ASX Recommendations	√	Document available
	On the Group's website <p>The Group's Equal Employment Opportunity (EEO) and Diversity Policy provides for diversity of employment opportunities within the Group.</p> <p>The Group has determined a target for gender diversity. Taking account of industry norms, the Group's target for the percentage of female to male employees is 20%. As at 30 June 2015, 50% (30 June 2014: 50%) of Group employees were female. There are currently no females serving on the Board.</p> <p>The Group is committed to creating a working environment that values and utilises the contribution of its employees from diverse backgrounds and experience. The Equal Employment Opportunity (EEO) and Diversity Policy is a commitment by the Group to create a workplace that is fair and inclusive, applies fair and equitable employment practices and provides a working environment that will allow all employees to reach their full potential.</p> <p>It is the Group's intention that all matters related to employment and career development will be free from discriminatory practices by ensuring that selection for jobs and career progression will be determined by personal merit, competency, qualifications and ability to effectively perform the role. The Group will not treat any person less favourably than another on the basis of:</p> <ul style="list-style-type: none"> • gender, • marital Status, • sexual orientation, • age, • race/cultural background, • religious or political opinions, • family responsibilities, • disability. <p>This policy applies to all Group employees and contractors. Each person has an obligation to support and respect equality, workplace diversity and ethical practices in their workplace. The following legislative requirements are considered in conjunction with this policy:</p> <ul style="list-style-type: none"> • Fair Work Act 2009, • Anti-Discrimination Act 1998, • Equal Employment Opportunity Act 1984, • Sex Discrimination Act 1984, 		

Mesa Minerals Limited
Corporate governance statement
30 June 2015

<p>and published under that Act.</p>	<ul style="list-style-type: none"> • Racial Discrimination Act 1975, • Human Rights and Equal Opportunity Act 1986, • Disability Discrimination Act 1992. 			
<p>Recommendation 1.6: A listed entity should :</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>Corporate Governance Document: Nominations Committee Charter</p>			
	<p>Compliant with ASX Recommendations</p>	<p>√</p>	<p>Document available</p>	<p>√ On the Group's website</p>
	<p>The Board has in place a process for evaluating the performance of Directors.</p> <p><i>Managing Director</i> Given the current stage of development of the Group's manganese investments and in the interests of minimising overheads, the Board has chosen not to fill the current vacancy for the position of Managing Director. To compensate, Directors are heavily involved in the day-to-day management of the Group, which is largely effected via Management Contract with the Group's holding Company, MRL.</p> <p><i>Executives</i> MRL executives currently assist and support the Group in development of its manganese investments. Performance is monitored via the Group's Management Contract with MRL, with MRL required to deliver specific targets and outputs over the year.</p> <p><i>Board and Board Committees</i> The Chairman conducted a formal review of the Board's performance in May 2015, comparing its performance against the requirements of the Board Charter, corporate strategies, operating plans and the annual budget.</p> <p>The annual review included consideration of the following measures:</p> <ul style="list-style-type: none"> • assessment of the performance of the Board over the previous twelve months; • identification of any particular goals and objectives of the Board for the next year; • review of the type and timing of information provided to the Directors; and • identification of any necessary or desirable improvements to Board Charter. <p>Due to the current stage of development of the Group and size of the Board, the Board has chosen not to appoint a formal Audit Committee, Remunerations Committee and Nominations Committee, with these functions currently undertaken by the full Board.</p>			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

Recommendation 1.7: A listed entity should: (a) have and disclose a process for periodically evaluating the performance of senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Corporate Governance Document: N/A			
	Compliant with ASX Recommendations	X	Document available	N/A
	Given the size and stage of development of the Group, the Group does not currently directly employ any executives. Instead, MRL executives currently assist and support the Group in development of its manganese investments via a Management Agreement.			
	Under the terms of the Management Agreement MRL is required to deliver specific targets and outputs over the year. The Board takes direct responsibility for this evaluation, which is performed on an ongoing basis at each Board meeting.			
Principle 2 – Structure the Board to add value				
Recommendation 2.1: The board of a listed entity should: (a) have a nominations committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	Corporate Governance Document: N/A			
	Compliant with ASX Recommendations	X	Document available	N/A
	Given the current stage of development of the Group, the Board has elected not to establish a Nominations Committee. Instead, the Board takes direct responsibility for ensuring that the board has the appropriate balance of skills, knowledge, experience and diversity to enable it to discharge its duties and responsibilities effectively.			
	Evaluation of this processes was last conducted by the Chairman in June 2015.			
	In addition to the above, on at least an annual basis, the full Board specifically addresses and considers issues that would otherwise be considered by a nominations committee, including: <ul style="list-style-type: none">conducting searches for new Board members and recommending preferred candidates to the Board;assessing the extent to which the necessary and desirable competencies are represented on the Board;recommending required Board competencies, number and profiles of Board members;ensuring that Board succession plans are in place to maintain the required competencies, number and profiles of Board members;reviewing nominations received from members who wish to be appointed to the Board in accordance with preferred criteria/identified weaknesses;continually monitoring Board membership and structure to ensure that there is appropriate representation on the Board from across the membership;maintaining a process for evaluating performance of the Board;conducting searches for the Managing Director and executives and recommending preferred candidates to the Board.			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

if it does not have a nominations committee, disclose that fact and the process it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience and diversity to enable it to discharge its duties and responsibilities effectively.

Recommendation 2.2:

A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

Corporate Governance Document: Board Skills Matrix – set out below

Compliant with ASX Recommendations

✓

Document available

✓
Refer below

	Accounting	Finance	Audit	Operations	Governance	Human Resources	IT	Legal	Management	OH&S	Risk	Leadership	Strategy
Norman Coldham-Fussell ¹													
Collis Thorp ²													
Chris Ellison													
Bruce Goulds													

¹ Resigned 27 October 2014.

² Appointed 27 October 2014

 Board member experience

Recommendation 2.3:

A listed entity should disclose:

(a) the names of the directors considered by the board to be independent directors;

(b) if a director has an interest, position, association or relationship

Corporate Governance Document: Directors' Report

Compliant with ASX Recommendations

✓

Document available

✓
Directors' Report section of this Report

Each Director's skills, experience and expertise relevant to the position of Director, and period of office of each Director in office at the date of this Report, is contained in the Directors' Report section of this Report.

Mesa Minerals Limited
Corporate governance statement
30 June 2015

<p>of the type described in Box 2.3 [of the ASX Corporate Governance Council's 2014 Corporate Governance Principles and Recommendations] but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>the length of service of each director.</p>				
<p>Recommendation 2.4: A majority of the board of a listed entity should be independent directors.</p>	Corporate Governance Document: Directors' Report			
	Compliant with ASX Recommendations	X	Document available	Directors' Report section of this Report ✓
	<p>One of the Group's three Directors are considered to be independent.</p> <p>Norman Coldham-Fussell (resigned 27th October 2014) and Collis Thorp (appointed 27th October 2014) satisfy the Recommendation's tests and are considered independent. Chris Ellison and Bruce Goulds are associated with the Company's majority shareholder and do not satisfy the Recommendation's tests for independence.</p> <p>The overall composition of the Board is considered by Directors to be the most appropriate structure, created after due consideration of the strategy of the Company, to effectively discharge the duties imposed by law, and add value in a way that is appropriate to the Group's circumstances. Each Director has the right to seek independent professional advice on matters relating to their position as a Director of the Company at the Company's expense.</p>			
<p>Recommendation 2.5: The chair of the board of a listed entity should be an independent director, and in particular, should not be the same person as the CEO of the entity.</p>	Corporate Governance Document: Directors' Report			
	Compliant with ASX Recommendations	✓	Document available	Directors' Report section of this Report ✓
	<p>The Chairman of the Company, Collis Thorp, and his predecessor Normal Coldham-Fussell, are considered independent.</p>			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

Recommendation 2.6: A listed entity should have a program for inducting new director and provide appropriate professional development opportunities for director to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Corporate Governance Document: Board Charter			
	Compliant with ASX Recommendations	√	Document available	√ On Group website
	As part of the process for appointing new Directors to the Board, a new Director receives an induction appropriate to their experience. The Board regularly reviews the composition, performance and working relationships to ensure that the Board continues to have the mix of skills and experience necessary for the conduct of the Group's activities. Where deficiencies are identified, these are addressed either by seeking new appointments to the Board, or by arranging appropriate professional development for existing Board members.			
Principle 3 – Act ethically and responsibly				
Recommendation 3.1: A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it	Corporate Governance Document: Code of Conduct			
	Compliant with ASX Recommendations	√	Document available	√ On Group website
	The Group has established a Code of Conduct (Code) which aims to encourage appropriate standards of conduct and behavior of the Directors, employees and contractors (collectively called Employees) of the Company. Employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. The Code requires Employees to: <ul style="list-style-type: none">• act honestly, in good faith and in the best interests of the Group;• exercise due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment;• recognise that their primary responsibility is to the Company's shareholders as a whole;• not take advantage of their position for personal gain, or the gain of their associates;• be independent in exercising judgment. In addition, the Code advises Employees: <ul style="list-style-type: none">• that confidential information received in the course of the exercise of their duties remains the property of the Group;• confidential information can only be released or used with specific permission from the Company; and that• Employees have an obligation to comply with the spirit and principles of the Code.			

	<p>The Group views breaches of the Code as serious misconduct. Breaches of the code must be reported immediately to the Company Secretary. The Company Secretary considers appropriate action and will advise Employees of the outcome and actions implemented to address the breach.</p> <p>Anyone, acting in good faith, that reports a breach or a suspected breach, will not be subject to retaliation or recrimination for making that report.</p> <p>Any Employee who breaches the policies outlined in the Code may be subject to disciplinary action, including in the case of serious breaches, dismissal. For serious breaches, the Group reserves the right to pursue claims for damages and/or to pass the matter to relevant authorities to pursue charges under the criminal code.</p>			
Principle 4 – Safeguard integrity in financial reporting				
Recommendation 4.1: The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and the majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meeting; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the	Corporate Governance Document: N/A			
	Compliant with ASX Recommendations	X	Document available	√ On Group website
	<p>Given the current stage of development of the Group, the Board has elected not to establish an Audit Committee. Instead, the Board takes direct responsibility for ensuring the independence, and verifying and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> <p>Board undertakes specific meetings to consider and fulfil its responsibilities relating to accounting and reporting practices of the Group. This includes:</p> <ul style="list-style-type: none">• Overseeing, co-ordinating and appraising the quality of audits conducted by the Group’s external auditors;• determining the independence and effectiveness of the external auditor;• maintaining open lines of communications among the Board and the external auditors to exchange views and information, as well as confirm their respective authority and responsibilities;• serving as an independent and objective party to review financial information submitted by executives to the Board for issue to shareholders, regulatory authorities and the general public; and• reviewing the adequacy of the Group’s reporting and accounting controls. <p>The Board does not personally conduct accounting reviews or audits, and relies on external professional advisers and corporate and financial services provided under Management Agreement by MRL, where appropriate.</p>			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

external auditor and the rotation of the audit engagement partner.				
Recommendation 4.2: The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Corporate Governance Document: CFO Representation and Directors' Declaration			
	Compliant with ASX Recommendations	√	Document available	√ The Directors' Declaration section of this Report
	<p>The Board ensures that the Chief Financial Officer provides a written statement to the Board certifying that the Group's annual and half yearly Financial Reports present a true and fair view, in all material respects, of the financial position of the Group as at the reporting date and its financial performance to the reporting date, and are in accordance with relevant accounting standards.</p> <p>The statement is presented to the Board prior to the approval and sign-off of the respective annual and half yearly Financial Reports. Confirmation is provided by the Chief Financial Officer that the assurance provided to the Board is founded on a sound system of risk management and internal control and that the system is considered to operate effectively in all material respects in relation to reporting financial risk.</p> <p>Directors' Declaration: The Directors' Declaration, included in this Financial Report, confirm that the Chief Financial Officer has provided the declarations required by section 295A of the Corporations Act 2001 with regard to this financial period.</p>			
Recommendation 4.3: A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Corporate Governance Document: Shareholders Communication Policy			
	Compliant with ASX Recommendations	√	Document available	√ On Group's website
	<p>It is both the Group's policy and the policy of the Group's auditor for the lead engagement partner to be present at the Annual General Meeting (AGM) and to answer any questions regarding the conduct of the audit and the preparation and content of the auditors' report.</p> <p>To assist with this process, shareholders are encouraged to provide relevant questions at least five business days prior to the AGM to allow the external auditors adequate time to give consideration, and prepare responses to, shareholder questions.</p>			

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1: A listed entity should:	Corporate Governance Document: Continuous Disclosure Policy			
	Compliant with ASX Recommendations	√	Document available	√ On Company website
<p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Group has a Continuous Disclosure Policy which demonstrates its commitment to:</p> <ul style="list-style-type: none"> • complying with the general and continuous disclosure principles contained in the Corporations Act and the ASX Listing rules; • preventing selective or inadvertent disclosure of material price sensitive information; • ensuring shareholders and the market are provided with full and timely information about the Group's activities; • ensuring that all market participants have equal opportunity to receive externally available information issued by the Group. <p><i>Disclosure officers</i> The Chairman and Chief Financial Officer/Company Secretary have been appointed as the Group's Disclosure Officers responsible for implementing and administering this policy. Disclosure Officers are responsible for all communication with ASX and the Chairman is responsible for making decisions on what should be disclosed publicly under this policy.</p> <p><i>Material information</i> In accordance with the ASX Listing Rules, the Group must immediately notify the market (via an announcement to the ASX) once it becomes aware of any information concerning the Group which a reasonable person would expect to have a material effect on the price or value of the Company's securities. ASX announcements are placed on the Investors and Media section of the Group website as soon as practicable after the ASX confirms receipt of that information.</p> <p>The Group is also required to disclose information, if asked to do so by the ASX, to correct or prevent a false market.</p> <p>The Group is aware of the Corporations Act's requirements that it is deemed to have become aware of information where a Director or senior manager (or an MRL senior manager under the operation of the Group's Management Agreement with MRL) has, or ought to have, come into possession of the information in the course of the performance of his duties as a Director or Senior Manager (or an MRL senior manager under the operation of the Group's Management Agreement with MRL); and that the Corporations Act defines a material effect on price or value as being where a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.</p>			

Principle 6 – Respect the rights of security holders			
Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website.	Corporate Governance Document: Continuous Disclosure Policy and Shareholders Communication Policy		
	Compliant with ASX Recommendations	√	Documents available <div>√</div> On Group's website
	<p>The Group's Disclosure Officers (refer Recommendation 5.1 above) ensure that relevant information about the Group is disclosed via the Group website on an ongoing basis, in compliance with the Group's Continuous Disclosure Policy and Shareholders Communication Policy.</p> <p>The Group's website features a discrete section (Investors and Media) for shareholders and investors to ensure that information can be accessed by interested parties. Such information includes:</p> <ul style="list-style-type: none"> • annual reports and results announcements, • all Company announcements made to the ASX, • speeches and support material given at investor conferences or presentations, • Group profile and Group contact details. <p>Announcements lodged with the ASX are placed on the Group's website as soon as practicable after the ASX confirms receipt of that information.</p> <p>The Group believes that communicating with shareholders by electronic means, particularly through its website, is an efficient way of distributing information in a timely and convenient manner.</p> <p>The Group's website includes the following pages, which contain information relevant to shareholders:</p> <ul style="list-style-type: none"> • a <i>Corporate Governance</i> section on the Company's corporate governance policies and practices; • <i>Annual Reports</i> section, which contains copies of current and prior year Annual Reports; • <i>Latest News</i> section, containing sections on newsletters, media clippings and other relevant presentations. <p>All website information is continuously reviewed and updated to ensure that information is current, or appropriately dated and archived.</p> <p>The Group places the full text of notices of shareholder meetings and explanatory material on the website.</p>		
Recommendation 6.2: A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Corporate Governance Document: Shareholders Communication Policy		
	Compliant with ASX Recommendations	√	Document available <div>√</div> On Company website
	<p>The Group recognises the value of providing current and relevant information to its shareholders.</p> <p>The Chairman and Chief Financial Officer/Company Secretary have the primary responsibility for communication with shareholders.</p>		

Mesa Minerals Limited
Corporate governance statement
30 June 2015

	<p>Information is communicated to shareholders through:</p> <ul style="list-style-type: none">• continuous disclosure to the ASX of all material information;• periodic disclosure through the Annual Report, Half Year Financial Report and quarterly reporting of exploration, production and corporate activities;• notices of meetings and explanatory material;• the Annual General Meeting;• periodic newsletters or letters from the Chairman or Managing Director; and• the Group’s website. <p>The Group’s website contains a “Contact” section that enables questions relating to the Group to be lodged with the Group. Requests and responses are tracked to ensure appropriate consideration is provided to all queries and communications with the Group.</p>												
<p>Recommendation 6.3: A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	<table><tr><th colspan="4">Corporate Governance Document: Shareholders Communication Policy</th></tr><tr><th>Compliant with ASX Recommendations</th><td>√</td><th>Document available</th><th>√ On Group website</th></tr><tr><td colspan="4"><p>The Shareholders Communication Policy provides for the following with regard to shareholder meetings:</p><ul style="list-style-type: none">• notices of meetings are distributed to shareholders in accordance with the provisions of the Corporations Act;• notices of meeting and other meeting material are drafted in concise and clear language;• shareholders are encouraged to use their attendance at meetings to ask questions on any relevant matter, with time being specifically set aside for shareholder questions;• notices of meetings encourage participation in voting on proposed resolutions by lodgement of proxies, if shareholders are unable to attend the meeting;• it is general practice for a presentation on the Company’s activities to be made to shareholders at each AGM; and• as noted at Recommendation 4.3 above, it is both the Group’s policy and the policy of the Group’s auditor for the lead engagement partner to be present at the AGM to answer any questions regarding the conduct of the audit and the preparation and content of the auditors’ report.</td></tr></table>	Corporate Governance Document: Shareholders Communication Policy				Compliant with ASX Recommendations	√	Document available	√ On Group website	<p>The Shareholders Communication Policy provides for the following with regard to shareholder meetings:</p> <ul style="list-style-type: none">• notices of meetings are distributed to shareholders in accordance with the provisions of the Corporations Act;• notices of meeting and other meeting material are drafted in concise and clear language;• shareholders are encouraged to use their attendance at meetings to ask questions on any relevant matter, with time being specifically set aside for shareholder questions;• notices of meetings encourage participation in voting on proposed resolutions by lodgement of proxies, if shareholders are unable to attend the meeting;• it is general practice for a presentation on the Company’s activities to be made to shareholders at each AGM; and• as noted at Recommendation 4.3 above, it is both the Group’s policy and the policy of the Group’s auditor for the lead engagement partner to be present at the AGM to answer any questions regarding the conduct of the audit and the preparation and content of the auditors’ report.			
Corporate Governance Document: Shareholders Communication Policy													
Compliant with ASX Recommendations	√	Document available	√ On Group website										
<p>The Shareholders Communication Policy provides for the following with regard to shareholder meetings:</p> <ul style="list-style-type: none">• notices of meetings are distributed to shareholders in accordance with the provisions of the Corporations Act;• notices of meeting and other meeting material are drafted in concise and clear language;• shareholders are encouraged to use their attendance at meetings to ask questions on any relevant matter, with time being specifically set aside for shareholder questions;• notices of meetings encourage participation in voting on proposed resolutions by lodgement of proxies, if shareholders are unable to attend the meeting;• it is general practice for a presentation on the Company’s activities to be made to shareholders at each AGM; and• as noted at Recommendation 4.3 above, it is both the Group’s policy and the policy of the Group’s auditor for the lead engagement partner to be present at the AGM to answer any questions regarding the conduct of the audit and the preparation and content of the auditors’ report.													
<p>Recommendation 6.4: A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<table><tr><th colspan="4">Corporate Governance Document: Shareholders Communication Policy</th></tr><tr><th>Compliant with ASX Recommendations</th><td>√</td><th>Document available</th><th>√ On Group’s website</th></tr><tr><td colspan="4"><p>As noted at Recommendation 6.1 above, the Group’s website contains a “Contact” section that enables questions relating to the Group to be lodged with the Company. Responses are tracked to ensure appropriate consideration is provided to all queries and communication with the Group.</p></td></tr></table>	Corporate Governance Document: Shareholders Communication Policy				Compliant with ASX Recommendations	√	Document available	√ On Group’s website	<p>As noted at Recommendation 6.1 above, the Group’s website contains a “Contact” section that enables questions relating to the Group to be lodged with the Company. Responses are tracked to ensure appropriate consideration is provided to all queries and communication with the Group.</p>			
Corporate Governance Document: Shareholders Communication Policy													
Compliant with ASX Recommendations	√	Document available	√ On Group’s website										
<p>As noted at Recommendation 6.1 above, the Group’s website contains a “Contact” section that enables questions relating to the Group to be lodged with the Company. Responses are tracked to ensure appropriate consideration is provided to all queries and communication with the Group.</p>													

	Likewise, the Contacts section of the Group’s website contains the contact details of the Group’s Share Registry (Computershare) and a hyperlink to Computershare’s website. Via this link, shareholders are able to lodge queries related to the share registry on Computershare’s website.			
Principle 7 – Recognise and manage risk				
Recommendation 7.1: The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director. and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework.	Corporate Governance Documents: <ul style="list-style-type: none">• MRL Management Agreement,• Code of Conduct.			
	Compliant with ASX Recommendations	√	Documents available	√ On Group website
	MRL executive’s responsibility: Primary responsibility for undertaking and assessing risk management and internal control effectiveness is delegated by the Board to the CFO. The CFO has engaged MRL senior management, via the Group’s Management Agreement with MRL, to assist in this regard. The CFO is required by the Board to report to the Board on the efficiency and effectiveness of the risk management system. The Board discusses risk management issues with the CFO and MRL senior management on an ongoing basis. MRL senior management have standing instructions from the CFO to apprise the CFO of changing circumstances within the Company and within the business environment. In addition to the above, the Group’s Governance framework provides the following controls: Via the Board’s audit review process: The Board addresses risk within the Group via: <ul style="list-style-type: none">• overseeing, co-ordinating and appraising the quality of audits conducted by both the Group’s external auditors and the internal audit review process (refer Recommendation 7.2 below);• determining the independence and effectiveness of the external auditors and the internal audit process;• maintaining open lines of communications among the Board and external auditors to exchange views and information, as well as confirm the external auditors’ authority and responsibilities;• serving as an independent and objective party to review the financial information submitted by management to the Board for issue to shareholders, regulatory authorities and the general public; and• reviewing the adequacy of the reporting and accounting controls of the Company. Via the Board’s review of overall Board composition by: <ul style="list-style-type: none">• providing assurance that the Board has the effective composition, size and commitment to adequately discharge its responsibilities and duties.			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

	<ul style="list-style-type: none">• assessing the extent to which the necessary and desirable competencies are represented on the Board,• recommend required Board competencies, number and profiles of Board members,• ensuring that Board succession plans are in place to maintain the required competencies, number and profiles of Board members. <p>The Group's Code of Conduct addresses risk by requiring Directors, and Employees of the Group to act honestly, in good faith and in the best interests of the Group, as detailed under Recommendation 3.1 above.</p>			
Recommendation 7.2: The board or a committee of the board should: <ul style="list-style-type: none">(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and(b) disclose, in relation to each reporting period, whether such a review has taken place.	Corporate Governance Documents: <ul style="list-style-type: none">• Board Charter,• Risk Management and Internal Compliance and Control.			
	Compliant with ASX Recommendations	√	Documents available	√ On Group website
	Risk management remains a primary function of the Board in fulfilling its responsibilities relating to the Group's accounting and reporting practices. As such, the Board reviews the adequacy of reporting and accounting controls within the Company. As noted at Recommendation 7.1 above, primary responsibility for undertaking and assessing risk management and internal control effectiveness is delegated via Management Agreement, through the CFO, to senior management within MRL. MRL senior management are required by the Board to report back to the CFO on the efficiency and effectiveness of risk management within their areas of responsibility. The Board discuss risk management issues with MRL senior management on an ongoing basis, and MRL senior management have standing instructions from the Board to apprise the Board of changing circumstances within the Group and within the international business environment.			
Recommendation 7.3: A listed entity should disclose: <ul style="list-style-type: none">(a) if it has an internal audit function, how the function is structured and what role it performs; or(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Corporate Governance Documents: <ul style="list-style-type: none">• Board Charter,• Code of Conduct,• Risk Management and Internal Compliance and Control.			
	Compliant with ASX Recommendations	√	Documents available	√ On Group website
	The Group does not currently have a formal internal audit function. Procedures for continually improving both risk management and internal control processes are managed by the Group as follows: <ul style="list-style-type: none">(a) Via the Risk Management and Internal Compliance and Control Procedure, which:<ul style="list-style-type: none">• Assigns primary responsibility for undertaking and assessing risk management and internal control effectiveness via a Management Agreement to MRL senior management;			

- Requires MRL senior management to report back to the Board, via the CFO, on the efficiency and effectiveness of risk management;
 - Requires the Board to discuss risk management issues with MRL senior management on an ongoing basis.
- (b) Via the Board Charter, which requires the Board to ensure processes are in place to fulfil its responsibilities relating to accounting and reporting practices of the Group, by:
- overseeing, co-ordinating and appraising the quality of audits conducted by the Group's external auditors, including reports from the auditors on, and Management's response to, control weaknesses observed during the external audit process;
 - ensuring the Chief Financial Officer provides the Board with the declaration required by s295A of the Corporations Act – i.e. that a sound system of risk management and internal control is in place and operating effectively in material respects in relation to financial reporting risks;
 - maintaining open lines of communication among the Board and the external auditors to exchange views and information; and
 - reviewing, through formal enquiry, the adequacy of the reporting and accounting controls within the Group.
- (c) Via Corporate Finance reviews:
- MRL Corporate Finance, as a requirement under the Mesa Management Agreement, undertakes regular (minimum six monthly) reviews of the efficiency and effectiveness of management reports and reconciliations. Deficiencies are reported to the Chief Financial Officer with a recommendation of the corrective action to be undertaken, recommended revisions to the Group's financial and operational systems and timetable for rectification. Once corrective action has been completed, the Chief Financial Officer signs off that the issue has been resolved.
- (d) Via Independent Expert Reports:
- Where an item has a material impact on the accuracy and reliability of financial performance to, and financial position as at, a period end (e.g. resource stockpiles) independent experts are commissioned to assess quantities included in carrying value calculations. Variances are thoroughly investigated and where deficiencies are identified, appropriate amendments made to measuring processes/systems.
 - Risks associated with IT system changes are managed by ensuring independent experts are commissioned to review change processes and to provide a report on the adequacy and efficacy of internal controls inherent in the new systems, as well as to verify that all risks associated with transition from previous to new systems have been appropriately managed.
- (e) Via Risk Surveyor Reports:
- The Group arranges major property insurance based risk management audits through its insurance brokers on at least an annual basis. These comprehensive risk reviews are conducted by independent risk management companies, who provide a report to executives on the adequacy of property insurance and associated control risks, for major property and processes within the Group's supply chain. Issues identified are logged and followed up by periodic updates on corrective actions to the Chief Operating Officer and Chief Financial Officer, until both

Mesa Minerals Limited
Corporate governance statement
30 June 2015

	sign off that they are satisfied that any weaknesses in process controls and/or operating systems have been adequately remediated.			
	The Board is satisfied that the processes summarised above achieve the objective of ensuring the effectiveness of the Group's risk management and internal control processes are continually monitored and improved.			
Recommendation 7.4: A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Corporate Governance Documents: <ul style="list-style-type: none">• Risk Management and Internal Compliance and Control,• This Report.			
	Compliant with ASX Recommendations	√	Documents available	√ On Group website
	The Risk Management and Internal Compliance and Control Procedure: <ul style="list-style-type: none">• assigns primary responsibility for undertaking and assessing risk management and internal control effectiveness via a Management Agreement to MRL senior management;• requires MRL senior management to report back to the Board, via the CFO, on the efficiency and effectiveness of risk management;• requires the Board to discuss risk management issues with MRL senior management on an ongoing basis.			
	Any unmitigated risk issues identified by MRL senior management, and reported to the Board, are disclosed within the Directors Report section of this Report (refer below).			
	The Directors Report, within this Report: <ul style="list-style-type: none">• Discloses material exposure to economic, environmental and social sustainability risks, along with remedial action being taken to manage and/or mitigate these risks.			
Principle 8 – Remunerate fairly and responsibly				
Recommendation 8.1: The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director,	Corporate Governance Documents: Remuneration Charter			
	Compliant with ASX Recommendations	√	Documents available	√ On Group website
	Due to the current stage of development of the Group and size of the Board, the Board has chosen not to appoint a formal Remunerations Committee, with these functions currently undertaken by the full Board. The Group's policy regarding remuneration is set out in the Remuneration Charter, available on the Group's website.			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

and disclose: <div><div>(3) the charter of the committee;</div><div>(4) the members of the committee; and</div><div>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</div></div> <div>(b) if it does not have a remunerations committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</div>				
Recommendation 8.2: A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and other senior executives.	Corporate Governance Documents: Remuneration Report – included in this Report			
	Compliant with ASX Recommendations	√	Documents available	√ Via this Report on the Group website
	Details of Non-Executive Director and executive remuneration policies and practices are provided in the Remuneration Report section of this Report, and is audited by the Group’s external auditors.			

Mesa Minerals Limited
Corporate governance statement
30 June 2015

<p>Recommendation 8.3: A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limits the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Corporate Governance Documents: Remuneration Report – included in this Report			
	Compliant with ASX Recommendations	√	Documents available	√ Via this Report on the Group website
	<p>The Company has a LTI plan which entitles participants to equity based remuneration, provided minimum thresholds are achieved.</p> <p>Details and entitlements under the LTI are included in the Remuneration Report section of this Report (audited by the external auditors).</p> <p>LTI participants who are awarded equity based remuneration via the scheme are prohibited from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p>			

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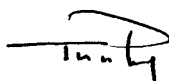
AUDITOR'S INDEPENDENCE DECLARATION

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

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 3 September 2015

Mesa Minerals Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

	Note	Group 2015 \$	2014 \$
Revenue	5	1,722,811	1,357,262
Expenses			
Research and development		(144,910)	(165,395)
Administration		(951,803)	(938,210)
Secretarial and listing costs		(37,611)	(49,136)
Employee costs		(172,543)	(690,017)
Depreciation and amortisation	6	(402,407)	(495,878)
Marketing		(222,096)	(226,139)
Trade marks and patents		(58,496)	(38,667)
Finance costs	6	(399,088)	(274,319)
Loss before income tax expense		(666,143)	(1,520,499)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of Mesa Minerals Limited	18	(666,143)	(1,520,499)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Mesa Minerals Limited		<u>(666,143)</u>	<u>(1,520,499)</u>
		Cents	Cents
Basic earnings per share	31	(0.09)	(0.22)
Diluted earnings per share	31	(0.09)	(0.22)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mesa Minerals Limited
Statement of financial position
As at 30 June 2015

	Note	Group 2015 \$	2014 \$
Assets			
Current assets			
Cash and cash equivalents	8	41,195	7,812
Trade and other receivables	9	325,365	241,102
Total current assets		<u>366,560</u>	<u>248,914</u>
Non-current assets			
Receivables	10	-	54,500
Property, plant and equipment	11	965,228	1,153,434
Intangibles	12	1,075,694	1,193,381
Exploration and evaluation	13	1,770,798	825,893
Total non-current assets		<u>3,811,720</u>	<u>3,227,208</u>
Total assets		<u>4,178,280</u>	<u>3,476,122</u>
Liabilities			
Current liabilities			
Trade and other payables	14	7,253,150	5,911,067
Employee benefits	15	35,129	8,911
Total current liabilities		<u>7,288,279</u>	<u>5,919,978</u>
Total liabilities		<u>7,288,279</u>	<u>5,919,978</u>
Net liabilities		<u>(3,109,999)</u>	<u>(2,443,856)</u>
Equity			
Issued capital	16	36,453,162	36,453,162
Reserves	17	280,750	280,750
Accumulated losses	18	(39,843,911)	(39,177,768)
Total deficiency in equity		<u>(3,109,999)</u>	<u>(2,443,856)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Mesa Minerals Limited
Statement of changes in equity
For the year ended 30 June 2015

Group	Issued capital \$	Reserves \$	Retained profits \$	Total deficiency \$
Balance at 1 July 2013	35,157,578	280,750	(37,657,269)	(2,218,941)
Loss after income tax expense for the year	-	-	(1,520,499)	(1,520,499)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,520,499)	(1,520,499)
<i>Transactions with owners in their capacity as owners:</i>				
Placement of shares	1,295,584	-	-	1,295,584
Balance at 30 June 2014	<u>36,453,162</u>	<u>280,750</u>	<u>(39,177,768)</u>	<u>(2,443,856)</u>
Group	Issued capital \$	Reserves \$	Retained profits \$	Total deficiency \$
Balance at 1 July 2014	36,453,162	280,750	(39,177,768)	(2,443,856)
Loss after income tax expense for the year	-	-	(666,143)	(666,143)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(666,143)	(666,143)
Balance at 30 June 2015	<u>36,453,162</u>	<u>280,750</u>	<u>(39,843,911)</u>	<u>(3,109,999)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Mesa Minerals Limited
Statement of cash flows
For the year ended 30 June 2015

	Note	Consolidated Entity	
		2015	2014
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,849,522	1,118,870
Payments to suppliers (inclusive of GST)		<u>(815,737)</u>	<u>(1,592,190)</u>
Net cash from/(used in) operating activities	30	<u>1,033,785</u>	<u>(473,320)</u>
Cash flows from investing activities			
(Payments)/proceeds for (purchase)/sale of property, plant and equipment		(55,497)	832
(Payments) for exploration and evaluation		<u>(944,905)</u>	<u>(825,893)</u>
Net cash used in investing activities		<u>(1,000,402)</u>	<u>(825,061)</u>
Cash flows from financing activities			
Proceeds from issue of shares (net of share issue costs)		-	<u>1,295,584</u>
Net cash from financing activities		<u>-</u>	<u>1,295,584</u>
Net increase/(decrease) in cash and cash equivalents		33,383	(2,797)
Cash and cash equivalents at the beginning of the financial year		<u>7,812</u>	<u>10,609</u>
Cash and cash equivalents at the end of the financial year	8	<u><u>41,195</u></u>	<u><u>7,812</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Mesa Minerals Limited
Notes to the financial statements
30 June 2015

Note 1. General information

The financial statements cover Mesa Minerals Limited as a Group consisting of Mesa Minerals Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Mesa Minerals Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the Directors' declaration.

Mesa Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

1 Sleat Road
Applecross WA 6153

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 3 September 2015. The Directors do not have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

The following Accounting Standards and Interpretations are most relevant to the Group:

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities
- AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Company and Group incurred a loss before tax of \$666,143 for the year ending 30 June 2015. As at 30 June 2015, the Company and Group had net current liabilities of \$6,921,719 and net liabilities of \$3,109,999.

In considering whether the going concern basis is appropriate for preparing this financial report, the Directors recognise that current levels of working capital may be insufficient to meet its planned and proposed levels of expenditure for the forthcoming year. However, the Directors believe that it is reasonably foreseeable that the Company and Group will continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Directors believe they will be able to access capital markets for further funds if necessary; and
- The Directors expect that major shareholders of the Group will support fundraising activities; and
- As at 30 June 2015, the Company's parent entity, Mineral Resources Limited and its controlled entities have provided \$6,834,130 in loan funding to the Group, which is disclosed as a current liability in the statement of financial position. Consequently, the directors of the Company reasonably believe the Company will continue to receive financial support from Mineral Resources Limited, for a period of 12 months from the date of this financial report.

Note 2. Significant accounting policies (continued)

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

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

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present only the results of the Group. Supplementary information about the Company is disclosed in note 27.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Group as at 30 June 2015.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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

Operating segments

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

Accounting for jointly controlled assets

The Group accounts for its interest in jointly controlled assets on a proportionate basis by incorporating in the financial statements its ownership interest in the assets, liabilities and expenses of joint venture activity under appropriate headings.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured and at the point where it is probable that future economic benefits will flow to the entity. Revenue is recognised as follows:

Note 2. Significant accounting policies (continued)

Goods sold

Revenue from the sale of goods and/or disposal of other assets is recognised when persuasive evidence, usually in the form of an executed sales agreement, or an arrangement exists, indicating there has been a transfer of risks and rewards to the customer, no further work or processing is required by the Group, the quantity and quality of the goods has been determined with reasonable accuracy, the price is fixed or determinable, and collectability is reasonably assured. This is generally when title passes.

Rental income

Rental income is recognised in the accounting period over the lease term.

Interest income

Interest income is recognised using the effective rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest, accruing to the Group on prepaid Port Access Rights (refer intangible assets below) is included in revenue and increases the value of unused Port Access Rights.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

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

An asset is classified as current when; it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when; it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

Note 2. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

Note 2. Significant accounting policies (continued)

Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Repair and maintenance costs are expensed during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Plant and equipment	20%
---------------------	-----

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial period.

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 carrying amount. These are included in profit or loss.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Port access rights

Port access rights (Rights) are stated at historical cost plus accrued interest less shipping charges. Interest, accruing to the Group on prepaid Rights, is included in revenue and increases the value of unused Rights. Historical cost of the Rights includes expenditure directly attributable to the acquisition of the Rights.

Subsequent costs are included in the Rights' carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the Rights will flow to the Group and the costs can be reliably measured.

Amortisation of the Rights is calculated based on tonnages shipped under the access agreement. The Rights' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial period.

Research and development

The Group's policy with respect to expenditure on intangible assets is to write off all costs as incurred.

Exploration and evaluation expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through successful development and exploitation of an area of interest, or by its sale; or where exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred is written off in the financial period in which the decision is made.

Note 2. Significant accounting policies (continued)

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. Value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Note 2. Significant accounting policies (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2015. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

Note 2. Significant accounting policies (continued)

AASB 9 Financial Instruments

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

AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation

These amendments are applicable to annual reporting periods beginning on or after 1 January 2016. AASB 2014-4 amends AASB 116 and AASB 138 to clarify that depreciation and amortisation should be based on the expected pattern of consumption of an asset, that the use of revenue based methods to calculate depreciation is not appropriate, and that there is a rebuttable presumption that revenue is an inappropriate basis for measuring the consumption of the economic benefit embodied in an intangible asset. The adoption of these amendments from 1 July 2016 will not have a material impact on the Group.

Note 3. Critical accounting judgements, estimates and assumptions

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

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Exploration and evaluation costs

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

Note 4. Operating segments

Business segment

The Group operates in one geographical area being Australia and one industry, being the exploration, mining, processing and export of manganese products. The Chief Operating Decision Makers are the Board of Directors of the Group. There is only one operating segment identified being the exploration, mining, processing and export of manganese products in Australia based on internal reports reviewed by the Chief Operating Decision Makers in assessing performance and allocation of resources.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements. All the assets are located in Australia. Segment assets are allocated to countries based on where the assets are located. Revenues from construction charges and lease premiums have been recognised from transactions with a single external customer.

Note 5. Revenue

	Group	
	2015	2014
	\$	\$
Rental income	1,522,680	1,091,245
Recoveries of port rights usage	158,704	205,296
Interest on port access rights	41,016	60,300
Other interest	411	421
	<hr/>	<hr/>
Revenue	<u><u>1,722,811</u></u>	<u><u>1,357,262</u></u>

Note 6. Expenses

	Group	
	2015	2014
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	<u>243,703</u>	<u>290,582</u>
<i>Amortisation</i>		
Port rights	<u>158,704</u>	<u>205,296</u>
Total depreciation and amortisation	<u><u>402,407</u></u>	<u><u>495,878</u></u>
<i>Finance costs</i>		
Finance costs	<u>399,088</u>	<u>274,319</u>

Note 7. Income tax expense

	Group	
	2015	2014
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(666,143)	(1,520,499)
Tax at the statutory tax rate of 30%	(199,843)	(456,150)
Tax losses for the current year for which no deferred tax asset is recognised	199,843	456,150
Income tax expense	-	-
	Group	
	2015	2014
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	25,113,000	23,965,900
Potential tax benefit @ 30%	7,533,900	7,189,770

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can be utilised in the future only if the continuity of ownership test is passed, or failing that, the same business test is passed.

The future income tax benefit in respect of these unrecognised deferred tax assets will be obtained only if:

- a) future assessable income is derived of a nature and amount sufficient to enable the benefit to be realised;
- b) the Group continues to comply with conditions for deductibility imposed by tax legislation; and
- c) no changes in tax legislation adversely affect the Group in realising the benefit.

Note 8. Current assets - cash and cash equivalents

	Group	
	2015	2014
	\$	\$
Cash at bank and on hand	41,195	2,576
Deposits at call	-	5,236
	41,195	7,812

Note 9. Current assets - trade and other receivables

	Group	
	2015	2014
	\$	\$
Trade receivables	325,365	241,102

The carrying amounts set out above are assumed to approximate their fair value. There are no balances that are impaired or past due. The maximum exposure of the Group to credit risk is the fair value of the receivables.

Note 10. Non-current assets - receivables

	Group	
	2015	2014
	\$	\$
Security deposits	-	54,500

Receivables are not past due or impaired. The carrying amount is equivalent to fair value.

Note 11. Non-current assets - property, plant and equipment

	Group	
	2015	2014
	\$	\$
Plant and equipment	1,943,751	1,888,254
Less: Accumulated depreciation	(978,523)	(734,820)
	<u>965,228</u>	<u>1,153,434</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Group	Plant and Equipment	Total
	\$	\$
Balance at 1 July 2013	1,444,848	1,444,848
Disposals	(832)	(832)
Depreciation expense	(290,582)	(290,582)
Balance at 30 June 2014	1,153,434	1,153,434
Additions	55,497	55,497
Depreciation expense	(243,703)	(243,703)
Balance at 30 June 2015	<u>965,228</u>	<u>965,228</u>

Note 12. Non-current assets - intangibles

	Group	
	2015	2014
	\$	\$
Port access rights	<u>1,075,694</u>	<u>1,193,381</u>

Mesa Minerals Limited
Notes to the financial statements
30 June 2015

Note 12. Non-current assets - intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Group	Port access rights \$	Total \$
Balance at 1 July 2013	1,338,377	1,338,377
Additions	60,300	60,300
Amortisation	(205,296)	(205,296)
Balance at 30 June 2014	1,193,381	1,193,381
Additions	41,017	41,017
Amortisation	(158,704)	(158,704)
Balance at 30 June 2015	<u>1,075,694</u>	<u>1,075,694</u>

The Group and the Port Hedland Port Authority have executed the Utah Point Facility Agreement ("Agreement"). Under the terms and conditions of the Agreement the Group acquired rights to stockpile ore at the Utah Point ore stockyard and to export the stockpiled ore through the ore loader.

The access rights accrue interest, currently 5.88% (2014 Financial Year 6.98%) on the unused portion.

Note 13. Non-current assets - exploration and evaluation

	Group	
	2015 \$	2014 \$
Exploration and evaluation	<u>1,770,798</u>	<u>825,893</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Group	Exploration and Evaluation \$	Total \$
Balance at 1 July 2013	-	-
Additions	825,893	825,893
Balance at 30 June 2014	825,893	825,893
Additions	944,905	944,905
Balance at 30 June 2015	<u>1,770,798</u>	<u>1,770,798</u>

The Board anticipates that exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale.

Note 14. Current liabilities - trade and other payables

	Group	
	2015	2014
	\$	\$
Trade payables and accruals	<u>7,253,150</u>	<u>5,911,067</u>

Refer to note 21 for further information on financial instruments.

Trade payables are non-interest bearing and are normally settled on 30 day terms. Other payables are also non-interest bearing and have an average term of 30 days. Due to the short-term nature of these payables, the carrying amounts recorded in the financial statements for trade payables and other payables are the fair values.

Note 15. Current liabilities - employee benefits

	Group	
	2015	2014
	\$	\$
Employee benefits	<u>35,129</u>	<u>8,911</u>

Note 16. Equity - issued capital

	Group			
	2015	2014	2015	2014
	Shares	Shares	\$	\$
Ordinary shares	<u>704,416,960</u>	<u>704,416,960</u>	<u>36,453,162</u>	<u>36,453,162</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2013	612,536,487		35,157,578
Placement of shares	9 September 2013	91,880,473	\$0.015	1,378,207
Capital raising costs		-		(82,623)
Balance	30 June 2014	<u>704,416,960</u>		<u>36,453,162</u>
Balance	30 June 2015	<u>704,416,960</u>		<u>36,453,162</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Note 16. Equity - issued capital (continued)

In the current stage of its development, the Group has invested its available capital heavily in assets such as acquiring and exploring mining tenements, as well as researching and patenting process know-how as a means of achieving this end. As is appropriate at this stage, the Group is funded primarily by its parent entity and where deemed appropriate, through equity.

As it moves forward to commercialise these assets, the Group will adjust its capital structure to support its operational and strategic objectives, by raising additional capital or taking on debt, as is seen to be appropriate from time to time given the overriding objective of creating shareholder value. In this regard, the Board will consider each step forward in the development of the Group on its merits and in the context of the then capital markets, in deciding how to structure capital raisings.

Note 17. Equity - reserves

	Group	
	2015	2014
	\$	\$
Revaluation reserve	<u>280,750</u>	<u>280,750</u>

Revaluation reserve

The reserves represents the expensed cost of options issued in connection with an equity raising.

Note 18. Equity - accumulated losses

	Group	
	2015	2014
	\$	\$
Accumulated losses at the beginning of the financial year	(39,177,768)	(37,657,269)
Loss after income tax expense for the year	<u>(666,143)</u>	<u>(1,520,499)</u>
Accumulated losses at the end of the financial year	<u><u>(39,843,911)</u></u>	<u><u>(39,177,768)</u></u>

Note 19. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 20. Jointly controlled assets

On 28 April 2008, the Group entered into a Farm-in & Joint Venture Agreement with Auvex Resources Limited (Auvex) to mine and ship manganese product. Under the arrangements Auvex was required to expend \$7,250,000 on exploration and evaluation to enable the Company and Auvex to make a joint decision to mine manganese at Mesa's Ant Hill and Sunday Hill Mining Leases.

On the basis that the Group and Auvex agreed that Auvex had earned its interest in the tenements, the Group assigned an undivided 50% interest in the Ant Hill Mining Lease 46/238 and the Sunday Hill Mining Lease 46/237.

The Group accounted for its interest in the Joint Venture under a contractual arrangement that did not give rise to a jointly controlled entity. Under the contractual arrangements, the Group derives benefits of operation of the jointly owned assets rather than from an interest in a jointly controlled entity.

Note 21. Financial instruments

Financial risk management objectives

Risk management is carried out by senior finance executives (Finance) under policies approved by the Board of Directors (the Board). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units where/when appropriate. Finance reports to the Board on a monthly basis.

Interest rate risk

The Group is exposed to market interest rates on moneys it has deposited with Australian banking institutions, in the form of short-term deposits and operating accounts.

As at the reporting date, the Group is exposed to interest rate risk as follows:

Group	2015		2014	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Cash and cash equivalents	1.68%	41,195	1.83%	7,812
Net exposure to cash flow interest rate risk		<u>41,195</u>		<u>7,812</u>

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

The Group has considered the sensitivity relating to its exposure to interest rate risk at reporting date. This analysis considers the effect on current year results and equity which could result in a change in this risk. Management processes employed to control these factors and the potential impact on the profit and equity would not be a material amount.

Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and other receivables. The Group invests only in short-term deposits with institutions that have AA/Stable/A-1+ ratings for short-term credit.

Current receivables are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Liquidity risk

Financing arrangements

Liquidity risk arises from the Group's financial liabilities and the ability of the Group to meet these obligations as and when they fall due.

The maturity analysis of financial assets and financial liabilities is as follows:

Note 21. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows, disclosed as remaining contractual maturities, and these totals may therefore differ from their carrying amount in the statement of financial position.

Group - 2015	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-%	7,288,279	-	-	-	7,288,279
Total non-derivatives		7,288,279	-	-	-	7,288,279

Group - 2014	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-%	5,919,978	-	-	-	5,919,978
Total non-derivatives		5,919,978	-	-	-	5,919,978

Cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 22. Key management personnel disclosures

Directors

The following persons were the Group's KMP during the financial year:

Norman Coldham-Fussell	Non-Executive Chairman (resigned on 27 October 2014)
Collis Thorp	Non-Executive Chairman (appointed on 27 October 2014)
Chris Ellison	Non-Executive Director
Bruce Goulds	Non-Executive Director

Compensation

The aggregate compensation made to Group KMP is set out below:

	Group 2015 \$	2014 \$
Short-term employee benefits	51,191	279,542
Post-employment benefits	3,276	32,260
Termination benefits	-	192,548
	<u>54,467</u>	<u>504,350</u>

Mesa Minerals Limited
Notes to the financial statements
30 June 2015

Note 22. Key management personnel disclosures (continued)

There were no shares or options that were held by Directors and other KMP during the year ended 30 June 2015.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Bird Cameron Partners, the auditor of the Company:

	Group	
	2015	2014
	\$	\$
<i>Audit services - RSM Bird Cameron Partners</i>		
Audit or review of the financial statements	32,000	38,550
<i>Other services - RSM Bird Cameron Partners</i>		
Taxation services	2,682	2,500
	<u>34,682</u>	<u>41,050</u>

Note 24. Contingent liabilities

The Group has a contingent liability in the amount of \$206,000 (2014: \$83,000) in respect of performance bonds issued in favour of the Department of Mines & Petroleum.

Note 25. Commitments

Operating lease commitments

The Group has no operating lease commitments.

Exploration and evaluation expenditure commitments

The Group has expenditure commitments in respect of its tenement interests of approximately \$ 642,000 (2014: \$287,100) pa. There is no annual work programme and budget for advancing the jointly held manganese tenements through exploration and evaluation. As at 30 June 2015, there were no significant expenditure commitment in addition to those pertaining to the issue of the tenements.

Note 26. Related party transactions

Parent entity

Mesa Minerals Limited is the parent entity.

Controlled entities

Interests in controlled entities are set out in note 28.

Key management personnel

Disclosures relating to KMP are set out in note 22 and the Remuneration Report in the Directors' Report.

Note 26. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2015 \$	Group 2014 \$
Payment for goods and services:		
Payment for services from MRL and its controlled entities	<u>1,294,295</u>	<u>1,123,592</u>

Receivable from and payable to related parties

There were no related party transactions involving Directors in the financial years ended 30 June 2015 (2014: Nil).

Ultimate parent entity

MRL is the ultimate parent entity, holding at 30 June 2015 and the date of these financial statements respectively approximately 59.40% of the ordinary shares of the Company (2014: 56.44%).

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	2015 \$	Group 2014 \$
Current borrowings:		
Loan from MRL and its controlled entities	<u>6,834,130</u>	<u>5,779,856</u>

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Mesa Minerals Limited
Notes to the financial statements
30 June 2015

Note 27. Parent entity information

Set out below is supplementary information about the Company.

Statement of profit or loss and other comprehensive income

	Company	
	2015	2014
	\$	\$
Loss after income tax	(666,143)	(1,520,499)
Total comprehensive income	(666,143)	(1,520,499)

Statement of financial position

	Company	
	2015	2014
	\$	\$
Total current assets	366,560	248,914
Total assets	4,178,280	3,476,122
Total current liabilities	7,288,279	5,919,978
Total liabilities	7,288,279	5,919,978
Net liabilities	(3,109,999)	(2,443,856)
Equity		
Issued capital	36,453,162	36,453,162
Reserves	280,750	280,750
Accumulated losses	(39,843,911)	(39,177,768)
Total deficiency in equity	(3,109,999)	(2,443,856)

Guarantees entered into by the Company in relation to the debts of its subsidiaries

The Company had no guarantees in relation to the debts of its subsidiaries as at 30 June 2015 and 30 June 2014.

Contingent liabilities

The Company has a contingent liability in the amount of \$103,000 (2014: \$83,000) in respect of a performance bond issued in favour of the Department of Mines & Petroleum.

Capital commitments - Property, plant and equipment

The Company had no capital commitments for property, plant and equipment at as 30 June 2015 and 30 June 2014.

Significant accounting policies

The accounting policies of the Company are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the Company.
- Investments in associates are accounted for at cost, less any impairment, in the Company.
- Dividends received from subsidiaries are recognised as other income by the Company.

Note 28. Controlled entities

Name	Principal place of business / Country of incorporation	Ownership interest	
		2015 %	2014 %
HiTec Energy Pty Ltd	Small Proprietary	100.00%	100.00%

Note 29. Events after the reporting period

No matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 30. Reconciliation of loss after income tax to net cash from/(used in) operating activities

	Group	
	2015 \$	2014 \$
Loss after income tax expense for the year	(666,143)	(1,520,499)
Adjustments for:		
Depreciation and amortisation	402,407	495,878
Capitalised interest	(41,017)	(60,300)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(84,261)	(238,392)
Increase in trade and other payables	1,396,581	953,335
Increase/(decrease) in other provisions	26,218	(103,342)
Net cash from/(used in) operating activities	<u>1,033,785</u>	<u>(473,320)</u>

Note 31. Earnings per share

	Group	
	2015 \$	2014 \$
Loss after income tax attributable to the owners of Mesa Minerals Limited	<u>(666,143)</u>	<u>(1,520,499)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>704,416,960</u>	<u>686,796,047</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>704,416,960</u>	<u>686,796,047</u>
	Cents	Cents
Basic earnings per share	(0.09)	(0.22)
Diluted earnings per share	(0.09)	(0.22)

There are no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the date of the financial year end and the date of completion of this annual report.

Note 32. Share-based payments

No share based payment arrangements were in place during or at the end of the year ended 30 June 2015 (2014: Nil).

Mesa Minerals Limited
Directors' declaration
30 June 2015

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors



Collis Thorp

3 September 2015
Perth

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MESA MINERALS LIMITED**

Report on the Financial Report

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

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Opinion

In our opinion:

- (a) the financial report of Mesa Minerals Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the Remuneration Report

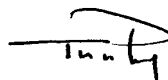
We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility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

Opinion

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

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 3 September 2015

Mesa Minerals Limited
Shareholder information
30 June 2015

The shareholder information set out below was applicable as at 30 September 2015.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	10
1,001 to 5,000	13
5,001 to 10,000	16
10,001 to 100,000	324
100,001 and over	100
	<hr/>
	463
	<hr/>
Holding less than a marketable parcel	154
	<hr/>

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares Number held	% of total shares issued
Mineral Resources Limited	418,431,417	59.40
Mighty River International Limited	95,313,622	13.53
Argonaut Securities Pty Ltd <ASPL Client No 4 A/C>	30,000,000	4.26
HSBC Custody Nominees (Australia) Limited	29,549,916	4.19
Carjay Investments Pty Ltd	16,200,000	2.30
Katana Asset Management Ltd	12,000,000	1.70
BS Capital Pty Ltd	10,005,810	1.42
James Howard Nigel Smalley	10,000,000	1.42
Coolah Holdings Pty Ltd <Lambert Family A/C>	6,000,000	0.85
Classic Capital Pty Ltd <BRL Unit A/C>	5,000,000	0.71
Pabu Pty Limited <The Jade Unit A/C>	3,995,000	0.57
Mr Weidong Song	3,739,580	0.53
Blue Crystal Pty Ltd	3,495,000	0.50
UBS Wealth Management Australia Nominees Pty Ltd	3,333,334	0.47
Beaumy Pty Ltd <Robert Frost Family A/C>	3,300,000	0.47
Katana Equity Pty Ltd <Sala Tenna Family A/C>	3,000,000	0.43
Halib Holdings Pty Ltd <Halib S/F A/C>	2,966,667	0.42
Basildene Pty Ltd <Warren Brown Super Fund A/C>	2,189,611	0.31
Mr Robert Frost	2,000,000	0.28
Kefir Pty Ltd <Snowball Super Fund A/c>	1,866,666	0.26
	<hr/>	
	662,386,623	94.03
	<hr/>	

Mesa Minerals Limited
Shareholder information
30 June 2015

Schedule of interests in approved tenements at 30 June 2015

Tenement	Approval Date	Owner	Project Title	Area	Agreement	Equity
ML 46/238	6 Nov 2000	Mesa	Ant Hill	800.1 Ha	Joint Venture	50%
ML 46/237	6 Nov 2000	Mesa	Sunday Hill	729.1 Ha	Joint Venture	50%
EL 46/772	22 July 2011	Mesa	Gunstock	10 BL	Joint Venture	50%
ML 46/67	27 April 2012	Auvex		220.0 Ha	Joint Venture	50%
EL 46/771	18 April 2013	Mesa	Wickham	2BL	Joint Venture	50%
G 45/265	6 Jun 2000	Mesa	Boodarie	49.9 Ha	Lease	100%
*EL 46/831-I	6 Sept 2010	Mesa	Cooke Creek	12 BL	Lease	100%
EL 46/816	13 July 2011	Mesa	Eastern Creek	69 BL	Lease	100%
EL 46/847	30 July 2012	Mesa	Lucy Bore	1BL	Lease	100%
EL 46/846	14 Oct 2014	Mesa	Davis River	4BL	Lease	100%
EL 46/1001	14 April 2015	Mesa	Oakover River	139 BL	Lease	100%

**EL46/831-I was surrendered on 4/9/2015*

MESA MINERALS LIMITED

ACN 009 113 160

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00 am (WST)

DATE: Thursday 26th November 2015

PLACE: 1 Sleat Road, Applecross WA 6153

A Proxy Form is enclosed

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9329 3750.

CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	5
Glossary	7
Proxy Form	Enclosed

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10:00am on 26th November 2015 at:

1 Sleat Road, Applecross, WA 6153

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (WST) on Tuesday 24th November 2015.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

The Corporations Act specifies that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on the Corporations Act requirements are set out below:

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-Chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the Chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 together with the Declaration of the Directors, the Director's report, the Remuneration Report and the Auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR CHRIS ELLISON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 7.3 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Chris Ellison, a Director, retires by rotation and, being eligible, is hereby re-elected as a Director."

Dated: 27th October 2015

By order of the Board
Bruce Goulds
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.mesaminerals.com.au>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The Chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy, you must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member); you do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

If you appoint any other person as your proxy, you do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

3. RESOLUTIONS 2 - RE-ELECTION OF DIRECTOR – MR CHRIS ELLISON

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 7.3(a) of the Constitution provides that if the Company has 3 or more directors, one third of the Directors (rounded down to the nearest whole number) must retire at each annual general meeting.

Clause 7.3(b) of the Constitution provides that if the Company has less than 3 Directors, one Director must retire at each annual general meeting.

Clause 7.3(c) of the Constitution provides that the Directors to retire under Rules 7.3(a) and 7.3(b) shall be:

- (a) those who have held their office as Director the longest period of time since their last appointment at that office; and
- (b) if 2 or more Directors have held office for the same period of time, those Directors determined by the drawing of lots, unless those Directors agree otherwise.

Clause 7.3(d) of the Constitution provides that a Director who retires under rule 7.3(a) or 7.3(b) is eligible for re-election.

The Company currently has 3 Directors. Chris Ellison, the Director longest in office since his last election, retires by rotation and, being eligible, seeks re-election.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the Chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Mesa Minerals Limited (ACN 009 113 160).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

APPOINTMENT OF PROXY FORM
ANNUAL GENERAL MEETING

Address 1
Address 2
Address 3
Address 4
Address 5

SRN/HIN:

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00am, on 26th November 2015 at 1 Sleaford Road, Applecross, WA 6153, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly with the remuneration of a member of the key management personnel, which includes the Chairman.

Important note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman how to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box below.

Voting on business of the Meeting

Resolution 1 Adoption of Remuneration Report
Resolution 2 Re-election of Director – Mr Chris Ellison

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact ph (daytime):

E-mail address:

Consent for contact by e-mail: YES ☐ NO ☐

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Mesa Minerals Limited, Locked Bag 3, Canning Bridge LPO, Applecross, WA 6153; or
 - (b) facsimile to the Company on facsimile number +61 8 9329 3751; or
 - (c) email to info@mesaminerals.com.au

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.