



# **LUIRI GOLD LIMITED**

**EXEMPT COMPANY NO. 46884  
ARBN 139 588 926**

Annual Report  
31 December 2015

**LUIRI GOLD LIMITED**  
**EXEMPT COMPANY - 46884**

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**LUIRI GOLD LIMITED**  
**EXEMPT COMPANY - 46884**

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**CORPORATE INFORMATION**

<b>Directors</b>	Rob Brown Stuart Murray (appointed 22 June 2015) Peter Hawkins Angela Pankhurst
<b>Company secretary</b>	Angela Pankhurst
<b>Registered office</b>	Clarendon House 2 Church Street Hamilton, Bermuda
<b>Australian office</b>	c/- Westland Settlements Pty Ltd Suite 5, 9 Bowman Street South Perth, Western Australia 6151 Telephone: +61-8 6102 0399 Facsimile: +61-8 6323 4661
<b>Share registry</b>	Computershare Investor Services Pty Ltd Reserve Bank Building Level 2, 45 St George's Terrace Perth, Western Australia 6000
<b>Auditors</b>	HLB Mann Judd Chartered Accountants Level 4, 130 Stirling Street Perth, Western Australia 6000
<b>Solicitors</b>	HWL Ebsworth Lawyers Level 11, 167 St Georges Terrace Perth, Western Australia 6000
<b>ASX code</b>	Luir Gold Limited is listed on the Australian Securities Exchange (Shares: LGM)
<b>Website</b>	<a href="http://www.luirigold.com">www.luirigold.com</a>

# LUIRI GOLD LIMITED

## DIRECTORS' REPORT

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Your Directors present their financial report for the year ended 31 December 2015. The financial report is prepared in accordance with the Bermudian Companies Act, 1981.

### Directors

The following persons were Directors of LuiRI Gold Limited (the Company or LuiRI) during the whole of the period and up to the date of this report unless otherwise stated:

Robert Brown – *Non-executive Chairman*

Stuart Murray – *Managing Director/ Deputy Chairman (appointed 22 June 2015)*

Peter Hawkins – *Non-Executive Director*

Angela Pankhurst – *Executive Director/ Company Secretary*

### Review of operations

The Company has had no operations since it completed the sale of its subsidiaries which held the LuiRI Hill Gold Project ("Project") on 30 June 2014. During 2015 the board has continued to assess potential projects.

### Corporate

On 12 June 2015 LuiRI's shareholders, at its AGM, approved a reduction in the par value of the Company's shares, share issues and the appointment of Stuart Murray as Managing Director and Deputy Chairman.

The share issues approved included shares to repay loans made to the Company in December 2014 and March 2015, shares in-lieu of director's fees and a placement for \$180,000 in working capital.

Mr Murray's appointment and the raising of working capital gave the Company the resources it needed to progress several potential projects it has been investigating. Although none of the investigations have yet resulted in a transaction or proposed transaction, the Board continues to work toward acquiring a project and funding that will enable it to add value for shareholders and have the suspension of its shares from the ASX lifted.

### Corporate Governance Statement

The Company Corporate Governance Statement is available on its website at <http://lurigold.com/index.php/corporate-governance/>.

This report is signed in accordance with a resolution of Directors.



**Angela Pankhurst**  
**Director/Company Secretary**

**Perth**  
**29 January 2016**

**LUIRI GOLD LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	Consolidated	
		12 months ended	
		31 December 2015	31 December 2014
		\$	\$
<b>Continuing Operations</b>			
Interest income		1,620	4,735
		<u>1,620</u>	<u>4,735</u>
Depreciation		-	2,172
Loss on disposal of fixed assets		-	5,358
Foreign exchange loss		6,277	1,117
Other expenses	2	180,442	339,477
Share-based payment expense		-	108,059
		<u>186,719</u>	<u>456,183</u>
<b>Loss before income tax expense</b>		(185,099)	(451,448)
Income tax expense	3	-	-
<b>Loss after income tax from continuing operations</b>		(185,099)	(451,448)
<b>Discontinued operations</b>			
Loss after tax from discontinued operations	19	-	(1,489,981)
<b>Loss for the period</b>		(185,099)	(1,941,429)
<b>Other comprehensive income</b>			
<i>Items which may be reclassified to profit and loss:</i>			
Reclassification of exchange differences in prior years, on sale of subsidiaries		-	1,665,057
<b>Total comprehensive result for the period</b>		<u>(185,099)</u>	<u>(276,372)</u>
		<b><u>Cents</u></b>	<b><u>Cents</u></b>
Basic loss per share from continuing and discontinued operations (cents per share)	4	(0.05)	(0.60)
Basic loss per share from continuing operations (cents per share)	4	(0.05)	(0.10)
Basic loss per share from discontinued operations (cents per share)	4	-	(0.50)

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

**LUIRI GOLD LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	Consolidated	
		31 December 2015	31 December 2014
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents		188,129	19,294
Trade and other receivables	6	22,039	167,219
<b>Total current assets</b>		210,168	186,513
<b>Non-current assets</b>			
Plant and equipment	7	-	-
Mining properties	8	-	-
<b>Total non-current assets</b>		-	-
<b>Total assets</b>		210,168	186,513
<b>Current liabilities</b>			
Trade and other payables	9	28,058	66,676
<b>Total current liabilities</b>		28,058	66,676
<b>Total liabilities</b>		28,058	66,676
<b>Net assets</b>		182,110	119,837
<b>Equity</b>			
Issued capital	10	594,262	3,211,065
Shares to be issued	10	7,421	189,426
Reserves	11	4,622,805	32,077,449
Accumulated losses		(5,042,378)	(35,358,103)
<b>Total equity</b>		182,110	119,837

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

**LUIRI GOLD LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Issued capital	Shares to be issued	Consolidated Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$	\$
<b>Balance as at 31 December 2013</b>	27,588,627	448,000	(33,416,674)	5,397,297	17,250
Loss for the period	-	-	(1,941,429)	-	(1,941,429)
Other comprehensive income	-	-	-	1,665,057	1,665,057
Total comprehensive result for period	-	-	(1,941,429)	1,665,057	(276,372)
Shares issued during the period	623,040	(448,000)	-	64,960	240,000
Shares to be issued	-	189,426	-	(158,526)	30,900
Re-categorization of equity (refer note10(b))	(25,000,602)	-	-	25,000,602	-
Share-based compensation	-	-	-	108,059	108,059
<b>Balance at 31 December 2014</b>	3,211,065	189,426	(35,358,103)	32,077,449	119,837
Loss for the period	-	-	(185,099)	-	(185,099)
Total comprehensive result for period	-	-	(185,099)	-	(185,099)
Shares issued during the period	172,274	(189,426)	-	253,691	236,539
Shares to be issued	-	7,421	-	3,412	10,833
Transfer reserves (refer note 11)	-	-	30,500,824	(30,500,824)	-
Change of par value (refer note 10)	(2,789,077)	-	-	2,789,077	-
<b>Balance at 31 December 2015</b>	594,262	7,421	(5,042,378)	4,622,805	182,110

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

**LUIRI GOLD LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	Consolidated 12 months ended	
		31 December 2015	31 December 2014
		\$	\$
<b>Cash flows from operating activities</b>			
R&D tax incentive		138,913	365,232
Payments to suppliers and employees		(201,698)	(743,136)
Interest received		1,620	4,735
<b>Net cash outflow from operating activities</b>	13	(61,165)	(373,169)
<b>Cash flows from investing activities</b>			
Cash in sold subsidiary		-	(26)
<b>Net cash outflow from investing activities</b>		-	(26)
<b>Cash flows from financing activities</b>			
Proceeds from the issue of securities		230,000	140,000
Proceeds from shareholder loan		-	25,000
<b>Net cash inflow from financing activities</b>		230,000	165,000
<b>Net increase/(decrease) in cash held</b>		168,835	(208,195)
<b>Cash at the beginning of the period</b>		19,294	228,606
Effect of exchange rate changes on cash and cash equivalents		-	(1,117)
<b>Cash at the end of the period</b>		188,129	19,294

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



**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of Preparation**

This general purpose financial report for the reporting period ended 31 December 2015 has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial report is presented in Australian dollars. The Company is listed on the Australian Securities Exchange (ASX: LGM). The Company is a Bermudian incorporated company subject to the Bermudian Companies Act, 1981 as amended from time to time. The Company is not subject to the Australian Corporations Act, 2001 with regards to financial report presentation and disclosure.

The financial report has been prepared on a historical cost basis. The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

**(b) Going Concern**

During the year ended 31 December 2015, the Group incurred a loss of \$185,099 and at 31 December 2015 had cash and cash equivalents of \$188,129 and positive working capital of \$182,110. In addition, the Group recorded a net cash inflow from operating and financing activities of \$168,835 after receipt of an R&D tax incentive of \$138,913.

The Directors have considered the appropriateness of the going concern assertion in the preparation of these financial statements. The Group has taken steps to reduce its cash burn rate significantly and based upon current cash flow projections the Directors believe the Group has sufficient cash on hand to fund its current level of activity for a period of at least twelve months from the date of approval of these financial statements. Should activity levels change, the Directors will undertake a capital raising in order to fund any necessary outflows.

Based upon their assessment, the Directors believe it is appropriate to adopt the going concern basis of preparation in these financial statements.

**(c) Adoption of new and revised standards***Changes in accounting policies on initial application of Accounting Standards*

In the year ended 31 December 2015, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the IASB that are relevant to the Group's operations and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

*New standards and interpretations not yet adopted*

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 31 December 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change necessary to Group accounting policies.

**(d) Statement of compliance**

The financial report complies with International Financial Reporting Standards (IFRS) and was authorised by the Board of Directors for issue on 29 January 2016.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(e) Basis of consolidation**

The consolidated financial statements comprise the financial statements of LuiRI Gold Limited (“Company” or “parent entity”) and its controlled entity as at 31 December 2015 (the “Group”).

The financial statements of the controlled entity are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

**(f) Significant accounting judgements estimates and assumptions**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

*Exploration and evaluation costs carried forward*

The Group’s main activity was exploration for and evaluation of mineral deposits. The nature of exploration activities are such that it requires interpretation of complex and difficult geological models in order to make an assessment of the size, shape, depth and quality of resources and their anticipated recoveries. The economic, geological and technical factors used to estimate mining viability may change from period to period. In addition, exploration activities by their nature are inherently uncertain. Changes in all these factors can impact exploration asset carrying values.

*Share-based payment transactions*

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model.

**(g) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Interest income*

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(h) Income tax**

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of 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 profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(i) Cash and cash equivalents**

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Temporary bank overdrafts are included in cash at bank and in hand. Permanent bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**(j) Plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Office equipment – 10-30%
- Plant and equipment – 15%
- Motor vehicles – 25%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, for each reporting period.

**(k) Exploration and evaluation expenditure**

Exploration costs are expensed as incurred. Acquisition costs are accumulated in respect of each separate area of interest. Acquisition costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through the sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial year and accumulated acquisition costs written off to the extent that they will not be recovered in the future. Amortisation is not charged on acquisition costs carried forward in respect of areas of interest in the development phase until production commences.

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

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

**(l) Segment reporting**

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

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(m) Impairment of assets**

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value-in-use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating-unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating-unit is considered impaired and is written down to its recoverable amount.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior financial periods.

Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**(n) Trade and other payables**

Trade and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

**(o) Provisions**

Where applicable, provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not made for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. Provisions are measured at the net present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(p) Issued capital**

Ordinary shares are classified as equity. LuiRI Gold Limited is a Bermuda Registered company and its shares have a par value of US\$0.001 (2014: US\$0.01). Prior to 2014, any amount paid for shares in excess of the par value was accounted for as issued capital. From 2014, any amount paid for shares in excess of the par value is accounted for in the share premium reserve, any discount to par value is accounted for in the capital reserve. Share issue costs are offset against the share premium reserve or capital reserve as appropriate. Par value is recorded in A\$ at the exchange rate on the date of issue of the shares.

**(q) Foreign currency translation**

Both the functional and presentation currency of the Company and its Australian subsidiary is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currency of the foreign operating subsidiary in 2014, LuiRI Gold Mines Limited was Zambian Kwacha (ZMW).

As at the balance date the assets and liabilities of subsidiaries are translated into Australian dollars at the rate of exchange ruling at the balance date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(r) Earnings per share**

Basic earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

**(s) Share-based payment transactions***Equity settled transactions*

The Group provides benefits to employees and consultants of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black and Scholes model.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Group's best estimate of the number of equity instruments that will ultimately vest.

The statement of comprehensive income charge or credit for a year represents the movement in cumulative expense recognised as at the beginning and end of that year.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 4).

**LUIRI GOLD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)**

	Consolidated	
	12 months ended	
	31 December 2015	31 December 2014
	\$	\$
<b>NOTE 2: REVENUE AND EXPENSES</b>		
<b>Expenses</b>		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
Auditor's remuneration	20,527	23,620
Employee costs	-	34,859
	-	34,859

**NOTE 3: INCOME TAX**

**(a) Income tax benefit**

The prima facie income tax expense on pre-tax accounting result from operations reconciles to the income tax benefit in the financial statements as follows:

Accounting loss before tax from continuing operations	(185,099)	(451,448)
Tax expense/(benefit) calculated at 30%	(55,530)	(135,434)
<i>Non-deductible expenses</i>		
Unused tax losses and tax offset not recognized as deferred tax assets	4,293	63,868
Deferred tax assets and tax liabilities not recognized in relation to foreign expenses	51,237	71,566
Income tax expense/(benefit) reported in the statement of comprehensive income	-	-

**(b) Unrecognized deferred tax balances**

The following deferred tax assets have not been brought to account:

Accruals	-	-
Losses available for offset against future income	4,293	302,308
Net unrecognized deferred tax assets	4,293	302,308

**NOTE 4: LOSS PER SHARE**

Total basic loss per share (cents)	(0.05)	(0.60)
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The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

Net loss for the period	(185,099)	(1,941,429)
The weighted average number of ordinary shares	397,042,786	302,724,489

The diluted loss per share is not reported as the result is anti-dilutive.



**LUIRI GOLD LIMITED****NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)****NOTE 5: SEGMENT INFORMATION**

For management purposes, the Board of Directors of the Company has been defined as the Chief Operating Decision Maker. Segment information is presented in respect of the Group's business segments based on the Group's management and internal reporting structure.

Until June 2014 the group operated predominantly in one business segment that consisted of mineral exploration in Zambia. Since June 2014 the group has had no operations, only administration in Australia.

	<b>Consolidated</b>	
	<b>31 December 2015</b>	<b>31 December 2014</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6: TRADE AND OTHER RECEIVABLES</b>		
GST/VAT receivable	1,117	3,447
R&D incentive receivable	-	153,868
Prepayments	20,922	9,904
	<u>22,039</u>	<u>167,219</u>

**NOTE 7: PLANT AND EQUIPMENT**

Opening balance	-	119,202
Disposals	-	(111,672)
Depreciation charge	-	(2,172)
Loss on disposal	-	(5,358)
Closing net book value	<u>-</u>	<u>-</u>
Cost or fair value	-	-
Accumulated depreciation	<u>-</u>	<u>-</u>
Net carrying amount	<u>-</u>	<u>-</u>

**NOTE 8: MINING PROPERTIES**

Opening balance	-	250,000
Mining property disposal	-	(250,000)
Impairment of mining properties	-	-
Closing balance	<u>-</u>	<u>-</u>

**NOTE 9: TRADE AND OTHER PAYABLES**

Trade payables (i)	2,910	5,678
Other accruals	18,000	60,998
Related party payables (ii)	7,148	-
	<u>28,058</u>	<u>66,676</u>

- (i) Trade payables are non-interest bearing and are normally paid on 30 day terms.
- (ii) Related party payables are expenses incurred on behalf of the company by directors to be reimbursed at a future date and are non-interest bearing.

**LUIRI GOLD LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)**

<b>NOTE 10: ISSUED CAPITAL</b>	<b>Consolidated</b>	
	<b>31 December 2015</b>	<b>31 December 2014</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Ordinary shares</b>		
Ordinary shares on issue:		
460,422,251 (2014: 326,702,571)	594,262	3,211,065
Ordinary shares to be issued:		
5,416,667 (2014: 12,500,000)	7,421	189,426
	601,683	3,400,491

Holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the parent entity, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

**(b) Re-categorization of equity**

Luri Gold Limited is a Bermuda Registered company and its shares have a par value of US\$0.001 (2014: US\$0.01). Prior years to 2014, any amount paid for shares in excess of the par value was accounted for as issued capital. From 2014, any amount paid for shares in excess of the par value is accounted for in the share premium reserve, any discount to par value is accounted for in the capital reserve. Share issue costs are offset against the share premium reserve or capital reserve as appropriate. The Company became a Bermudan company in September 2012, the excess of issued capital over par value at that date is accounted for in the capital reserve. Par value is recorded in A\$ at the exchange rate on the date of issue of the shares.

The balance of issued capital as at 31 December 2013 was \$27,588,627, of this \$25,000,602 was re-categorized to reserves to conform to this treatment.

**(c) Movements in ordinary shares issued**

<b>Date</b>	<b>Details</b>	<b>Shares issued #</b>	<b>Issue Price ¢</b>	<b>Par Value ¢</b>	<b>Share premium/ capital reserve \$</b>	<b>Issued capital \$</b>
01/01/2014	Balance	268,702,571				27,588,627
	Re-categorization to reserves (Note 10(b))					
	Share premium reserve					(1,235,086)
	Capital reserve					(23,765,516)
04/04/2014	Placement	28,000,000	0.50	1.08	(163,660)	303,660
23/07/2014	Contracted share issue	10,000,000	4.48	1.06	341,540	106,460
23/07/2014	In-lieu directors fees	20,000,000	0.50	1.06	(112,920)	212,920
31/12/2014	Balance	326,702,571				3,211,065
12/06/2015	Change in par value <sup>(1)</sup>			0.13	2,789,077	(2,789,077)
22/06/2015	Repayment of loans	37,500,500	0.20	0.13	26,688	48,313
22/06/2015	In-lieu directors fees	6,219,180	0.20	0.13	4,427	8,012
30/06/2015	Placement	90,000,000	0.20	0.13	64,050	115,949
31/12/2015	Balance	460,422,251				594,262

- On 12 June 2015 shareholders approved a change in par value from US\$0.01 to US\$0.001, the excess of issued capital over the new par value of shares on issue was transferred to the capital reserve.

**LUIRI GOLD LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)**
**NOTE 10: ISSUED CAPITAL (CONTINUED)**
**(d) Movements in ordinary shares to be issued**

Ordinary shares to be issued are accounted for at par value plus/minus the share premium/discount which is reflected in the share premium/capital reserve (refer (b) above). A\$ par value is calculated using the exchange rate at balance date.

Date	Details	Shares to be issued #	Issue Price ¢	Par Value ¢	Share premium/ capital reserve \$	Shares to be issued \$
01/01/2014	Balance	10,000,000				448,000
23/07/2014	Shares issued	(10,000,000)				(448,000)
31/12/2014	Shares to be issued	15,450,000	0.20	1.23	(158,526)	189,426
31/12/2014	Balance	15,450,000				189,426
22/06/2015	Shares issued	(15,450,000)			158,526	(189,426)
31/12/2015	In-lieu directors fees	5,416,667	0.20	0.14	3,412	7,421
31/12/2015	Balance	5,416,667				7,421

**(e) Share options**

	Number of options	
	2015	2014
Unlisted options exercisable at \$0.45 on or before 1 April 2015	-	100,000
Unlisted options exercisable at \$0.60 on or before 1 April 2015	-	100,000
Unlisted options exercisable at \$0.85 on or before 1 April 2015	-	100,000
Employee Options exercisable at \$0.17 on or before 30 June 2015	-	8,800,000
Employee Options exercisable at \$0.10 on or before 30 June 2015	-	12,000,000
Unlisted options exercisable at \$0.08 on or before 30 June 2015	-	2,000,000
	-	23,100,000

**NOTE 11: RESERVES**

Balances of reserve accounts have been impacted by the re-categorization of issued capital (refer Note 10(b)) and other transfers between reserve accounts as detailed below.

	Consolidated	
	31 December 2015 \$	31 December 2014 \$
Share-based payment reserve (a)	-	3,736,564
Share premium reserve (b)	98,577	1,576,626
Capital reserve (c)	4,524,228	26,764,259
	4,622,805	32,077,449

**NOTE 11: RESERVES (CONTINUED)**

**(a) Share-based payment reserve**

The share-based payment reserve records the value of equity benefits provided to employees, consultants and directors as part of their remuneration. The opening balance for 2014 included payments in shares that were not related to remuneration, the treatment of these was corrected to the capital reserve. As at 30 June 2015 the balance of the share-based payments reserve was transferred to accumulated losses as permitted under Bermudan law. The movements in the share-based payment reserve for the period are as follows:

<b>Date</b>	<b>Details</b>	<b>Share-based payment reserve \$</b>
01/01/2014	Balance	7,062,354
	Transfer to capital reserve	(3,433,849)
	Share-based payment for the period	108,059
31/12/2014	Balance	3,736,564
30/06/2015	Transfer to accumulated losses	(3,736,564)
31/12/2015	Balance	-

**(b) Share premium reserve**

The share premium reserve is used to record the excess of the market price paid over par value US\$0.001 (2014: US\$0.01) for shares issued, net of share issue costs (refer Note 10(b)). Movements in the share premium reserve are as follows:

<b>Date</b>	<b>Details</b>	<b>Share premium reserve \$</b>
01/01/2014	Balance	-
	Transfer from ordinary shares issued (Note 10(b))	1,235,086
23/07/2014	10,000,000 shares issued above par	341,540
31/12/2014	Balance	1,576,626
12/06/2015	Transfer to capital reserve <sup>(1)</sup>	(1,576,626)
22/06/2015	43,719,680 shares issued above par	31,115
30/06/2015	90,000,000 shares issued above par	64,050
31/12/2015	5,416,667 shares to be issued above par	3,412
31/12/2015	Balance	98,577

1. On 12 June 2015 shareholders approved a change in par value resulting in the balance of the share premium reserve being transferred to the capital reserve.

**NOTE 11: RESERVES (CONTINUED)**

**(c) Capital reserve**

The capital reserve is used to record amounts which are equity but are not properly classified as issued capital or in other reserves, this includes amounts that were issued capital prior to the Company's continuance to Bermuda (refer Note 10(b)). The capital reserve is also used to record any discount to par value of shares issued. As at 30 June 2015 the portion of the capital reserve representing pre continuance capital was transferred to accumulated losses as permitted under Bermudan law. Movements in the capital reserve are as follows:

Date	Details	Capital reserve \$
01/01/2014	Balance	-
	Transfer from ordinary shares issued (Note 10(b))	23,765,516
	Transfer from share-based payment reserve ((a) above)	3,433,849
04/04/2014	28,000,000 shares issued below par	(163,660)
23/07/2014	20,000,000 shares issued below par	(112,920)
24/12/2014	15,450,000 shares to be issued below par	(158,526)
31/12/2014	Balance	26,764,259
12/06/2015	Transfer from ordinary shares issued (Note 10(c))	2,789,077
12/06/2015	Transfer from share premium reserve ((b) above)	1,576,626
12/06/2015	Issue of shares to be issued 31/12/2014	158,526
30/06/2015	Transfer to accumulated losses	(26,764,260)
		4,524,228

**NOTE 12: SHARE-BASED PAYMENTS**

Share based payments consists of unlisted options issued to Directors, employees and consultants. The expense is recognised in the Statement of Comprehensive Income and Statement of Financial Position over the vesting periods of the options. The following share-based payment arrangements were in place during the current and prior years, all options have expired unexercised.

Number	Grant date	Expiry Date	Exercise price \$	Fair value at grant date \$
100,000	01/04/2010	01/04/2015	0.45	18,267
100,000	01/04/2010	01/04/2015	0.65	17,192
100,000	01/04/2010	01/04/2015	0.85	16,118
8,000,000	17/06/2011	30/06/2015	0.17	1,072,988
800,000	31/08/2011	30/06/2015	0.17	84,221
12,000,000	17/04/2012	30/06/2015	0.10	960,000
2,000,000	19/06/2013	30/06/2015	0.08	2,654

*Fair value of options granted*

The fair value of the equity-settled share options granted under the Employee Share Option Plan is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted. The actual value of these options may be materially different to this accounting estimation.

**LUIRI GOLD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)**

**NOTE 13: RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	<b>Consolidated</b>	
	<b>12 months ended</b>	
<i>Reconciliation of loss from ordinary activities after income tax to net cash outflow from operating activities</i>	<b>31 December 2015</b>	<b>31 December 2014</b>
	<b>\$</b>	<b>\$</b>
Loss from ordinary activities after income tax	(185,099)	(1,941,429)
Add/(less) non-cash items:		
Depreciation	-	2,172
Share based payment expense	-	108,059
Re-classification of prior year foreign exchange	-	1,665,057
Profit on sale of discontinued operations	-	(145,653)
Net assets on sale of subsidiary	-	389,459
Loss/(profit) on sale of plant	-	5,358
Foreign exchange loss	-	1,117
Non-cash payment directors' fees	17,372	105,900
Changes in operating assets and liabilities		
(Increase) / decrease in receivables	156,198	(72,078)
(Increase) / decrease in prepayments	(11,018)	(7,481)
Increase / (decrease) in payables	(38,618)	(483,650)
Net cash outflow from operating activities	(61,165)	(373,169)

**NOTE 14: KEY MANAGEMENT PERSONNEL DISCLOSURES**

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	<b>Consolidated</b>	
	<b>12 months ended</b>	
	<b>31 December 2015</b>	<b>31 December 2014</b>
	<b>\$</b>	<b>\$</b>
Short-Term	40,705	186,242
Share-based payments	-	108,059
	40,705	294,301

**NOTE 15: FINANCIAL INSTRUMENTS****(a) Capital risk management**

Prudent capital risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. The Board monitors its future capital requirements on a regular basis and will, when appropriate, consider the need for raising additional equity capital or to farm-out exploration projects as a means of preserving capital.

**(b) Categories of financial instruments**

The Group's principal financial instruments comprise of cash and short-term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its administration. It is, and has been throughout the year, the Group's policy that no trading in financial instruments shall be undertaken.

**(c) Financial risk management objectives**

The Group is exposed to market risk, credit risk and liquidity risk.

The main risks arising from the Group's financial instruments are interest rate risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

*Market risk**Interest rate risk management*

All cash balances attract a floating rate of interest. Excess funds that are not required in the short term are placed on deposit for a period of no more than 3 months. The Group's exposure to interest rate risk and the effective interest rate by maturity periods is set out below. As the Group has no interest bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits.

*Foreign currency risk management*

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's exposure to foreign currency risk (in prior year) primarily related to its operations in Zambia where expenses were incurred in USD and Zambian Kawcha.

*Credit risk management*

Credit risk relates to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from any defaults.

*Liquidity risk management*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. Cash deposits are only held with major financial institutions.

**LUIRI GOLD LIMITED****NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)****NOTE 15: FINANCIAL INSTRUMENTS (CONTINUED)**

The following table summarises the maturity profile of the Group's financial liabilities:

Financial liabilities	Weighted Average Interest Rate	Less than	1-3 months	3 months	1-5 years
		1 month		- 1 year	
<b>2015</b>					
Trade and other payables	n/a	10,058	-	-	-
		10,058	-	-	-
<b>2014</b>					
Trade and other payables	n/a	5,678	-	60,998	-
		5,678	-	60,998	-

**NOTE 16: COMMITMENTS AND CONTINGENCIES**

The Company has given standard warranties in relation to the sale of its Mauritian and Zambian subsidiaries, and with regards to the Zambian tenements owned by those companies. These warranties expire in June 2016. The Company has given no warranty as to the continued good standing of the relevant Zambian tenements.

The Group has no other commitments or contingencies at balance date.

**NOTE 17: RELATED PARTY DISCLOSURE**

The ultimate parent entity in the wholly-owned group and the ultimate Bermudian parent entity is LuiRI Gold Limited. There were no transactions between LuiRI Gold Limited and its controlled entities during the financial year (2014: nil). The consolidated financial statements include the financial statements of LuiRI Gold Limited and the controlled entities listed in the following table:

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2015 %	2014 %
LuiRI Gold Australia Pty Ltd	Australia	Ordinary	100	100
LG Holdings Ltd <sup>(1)</sup>	Mauritius	Ordinary	-	-
ZIO Holdings Ltd <sup>(1)</sup>	Mauritius	Ordinary	-	-
LuiRI Gold Mines Ltd <sup>(1)</sup>	Zambia	Ordinary	-	-

1. Discontinued operations, subsidiaries sold at 30 June 2014 refer note 19.

**NOTE 18: EVENTS AFTER THE BALANCE DATE**

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.



**LUIRI GOLD LIMITED****NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015 (CONTINUED)****NOTE 19: DISCONTINUED OPERATIONS**

On 30 June 2014 the Company completed the sale of various subsidiaries that owned all the Group's Zambian located assets. These subsidiaries are reported in these financial statements as a discontinued operation.

The Company received no consideration other than it was relieved of existing liabilities and contingent liabilities of approximately US\$520,000 as all existing liabilities and contingent liabilities owed by the discontinued operations were absorbed by the purchaser (subject to standard business sale warranties).

The carrying amount of assets and liabilities of the discontinued operations at the date of sale were:

	<b>Consolidated 30 June 2014 \$</b>
Property, plant and equipment	72,242
Deferred exploration and evaluation	-
Other receivables	5,814
Cash	26
<b>Total assets</b>	<b>78,082</b>
Creditors	(467,541)
<b>Net (liabilities)/assets</b>	<b>(389,459)</b>

*Financial performance and cashflow information*

The financial performance and cashflow information for the discontinued operations are presented for the 12 months ended 31 December 2014.

	<b>Consolidated 12 months ended 31 December 2014 \$</b>
<b>Financial performance from discontinued operations</b>	
Revenue	-
Expenses	(489,677)
Profit/(loss) before tax from discontinued operations	(489,677)
R&D tax incentive	519,100
Profit/(loss) after tax from discontinued operations	29,423
Profit on sale of discontinued operations	145,653
Reclassification of exchange differences recognised in prior years	(1,665,057)
Loss for the period from discontinued operations	(1,489,981)
<b>Cash flows from discontinued operations</b>	
Net cash (inflows)/outflows from operating activities	(199,267)
Net cash outflows/(inflows) from investing activities	26
Net cash outflows from financing activities	-
Net cash (inflows)/outflows	(199,241)

**LUIRI GOLD LIMITED**  
**DIRECTORS' DECLARATION**

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In the Directors' opinion:

- (a) the financial statements and notes set out on pages 4 to 23:
  - (i) are in accordance with International Accounting Standards; and
  - (ii) give a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the year then ended; and
- (b) there are reasonable grounds to believe that Luri Gold Limited will be able to pay its debts as and when they become due and payable.

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



**Angela Pankhurst**  
**Director/Company Secretary**

**Perth, Western Australia**  
**29 January 2016**

## INDEPENDENT AUDITOR'S REPORT

To the members of Luiiri Gold Limited

### Report on the Financial Report

We have audited the accompanying financial report of Luiiri Gold Limited ("the company"), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, the statement of changes in equity and the 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 for the consolidated entity. The consolidated entity comprises 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 International Financial Reporting Standards and the Bermudian Companies Act 1981 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1(d), the directors state that the financial report complies with International Financial Reporting Standards.

#### ***Auditor's responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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

#### ***Independence***

In conducting our audit, we have complied with the independence requirements of the Australian Professional accounting bodies.

***Auditor's opinion***

In our opinion, the financial report of Luiiri Gold Limited:

- (i) gives a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
- (ii) complies with International Financial Reporting Standards.

*HLB Mann Judd*

**HLB Mann Judd  
Chartered Accountants**



**M R Ohm  
Partner**

**Perth, Western Australia  
29 January 2016**

## LUIRI GOLD LIMITED

### ADDITIONAL ASX INFORMATION

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The shareholder information set out below was applicable as at 12 January 2016.

#### A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	<b>Class of equity Ordinary shares</b>
1 – 5,000	10
1,001 – 5,000	26
5,001 – 10,000	33
10,001 – 100,000	118
100,000 and over	178
	365

There were 227 holders of less than a marketable parcel of ordinary shares.

#### B. Equity security holders

Twenty largest quoted equity security holders – ordinary shares

<b>Name</b>	<b>Ordinary shares held</b>	<b>% issued shares</b>
Zero Nominees Pty Ltd	113,257,739	24.60
Jutland Nominees Pty Ltd <Robert Brown Family A/C>	23,398,115	5.08
Beach Corporation Pty Ltd	20,833,500	4.52
Laguna Bay Capital Pty Ltd	20,826,667	4.52
Palace Trading Investments Ltd	14,641,667	3.18
Croesus mining Pty Ltd <Steinepreis Super Fund A/C>	14,274,600	3.10
Portico Investments Ltd	13,250,000	2.88
Shukran GMBH	13,250,000	2.88
HSBC Custody Nominees (Australia) Ltd	10,137,066	2.20
Mr Jay Evan Dale Hughes <Inkese Family A/C>	10,000,000	2.17
Zambian Iron Ore Limited	10,000,000	2.17
Citicorp Nominees Pty Limited	8,467,962	1.84
N & J Mitchell Holdings Pty Ltd <The Mitchell Unit A/C>	8,333,500	1.81
Mr Peter Cahal Tanham	8,000,000	1.74
Boronia investments Pty Ltd	6,219,180	1.35
JP Morgan Nominees Australia Limited	6,151,805	1.34
N & J Mitchell Holdings Pty Ltd <Ord St Properties A/C>	6,000,000	1.30
Ascent Capital Holdings Pty Ltd	5,697,144	1.24
Lanza Holdings	5,610,000	1.22
Kirby Gold Pty Ltd <E & A Kirby S/F A/C>	5,500,000	1.19
	323,848,945	70.34

## LUIRI GOLD LIMITED

### ADDITIONAL ASX INFORMATION

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#### C. Substantial shareholders

Substantial shareholders in the Company are:

Name	Ordinary shares held	% of issued shares
Stuart Murray	90,300,000	19.61
Jutland Nominees Pty Ltd <Robert Brown Family A/C>	44,231,615	9.61
NJ Mitchell Holdings Pty Ltd & associated holders	32,338,410	8.83

#### D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

##### *Ordinary shares*

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.