EUROPEAN LEAD ZINC EXPLORATION

FERRUM CRESCENT LTD

Ferrum Crescent Limited

A.C.N. 097 532 137

Annual Report

For the year ended

30 June 2017

Contents

Ferrum Crescent Limited
A.C.N. 097 532 137

Corporate Information

Directors:
Mr. Justin Tooth (resigned 26 September 2017)
Mr. Evan Kirby
Mr. Grant Button
Mr. Laurence Read
Mr. Klaus Borowski (resigned 30 January 2017)

Company Secretary:
Mr. Grant Button

Auditor:
BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, WA 6008
Australia
Telephone: (+61 8) 6382 4600
Facsimile: (+61 8) 6382 4601

Banker:
National Australia Bank
Perth Central Business Banking Centre
UB13.03, 100 St Georges Terrace
Perth WA 6000 AUSTRALIA
Telephone: 13 22 65

Lawyer:
Allen & Overy
Level 27, Exchange Plaza
2 The Esplanade
Perth WA 6000 AUSTRALIA
Telephone: (+61 8) 6315 5900
Facsimile: (+61 8) 6315 5999

Share Registry:
Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000 AUSTRALIA
Telephone: (+61 8) 9323 2000
Facsimile: (+61 8) 9323 2033

Registered and Principal Office:
Suite 6, Ground Floor
South Mill Centre
9 Bowman Street
South Perth WA 6151
Telephone: (+61 8) 9474 2995
Facsimile: (+61 8) 9474 2937
Website: www.ferrumcrescent.com
Email: info@ferrumcrescent.com

Stock Exchange Listings:
Ferrum Crescent Limited's ordinary shares are listed on the Australian Securities Exchange (ASX:FCR), and the JSE Limited (JSE:FCR), and quoted on the AIM market of the London Stock Exchange plc (AIM:FCR)

Directors' Report

The Directors of Ferrum Crescent Limited ("Ferrum" or "the Company") (the "Directors") present their report for the financial year ended 30 June 2017.

Directors

The names and details of the Directors in office during the financial year and at the date of this report are set out below:

Each Director was in office for the entire reporting period unless otherwise stated.

<table>
<tr><th colspan="3">Mr Klaus Borowski (Age 77), Dipl.Ing, Non-Executive Director, resigned 30 January 2017</th></tr>
<tr><td>Experience and expertise</td><td colspan="2">Mr Borowski is a metallurgical engineer by background, having studied in his home country of Germany. He first arrived in South Africa in 1966, where he was Technical Director of Dunsward Steel until 1979. After a short period in Europe within the steel industry, he returned to South Africa in 1982 and subsequently held several positions in the iron and steel industry in South Africa, including managing director of Krupp South Africa and as executive director of Industrial Metal Supply Co. In 1998, Mr Borowski formed Applied Metallurgical Technologies (Pty) Ltd, and, amongst other things, he was on the steering committee of Saldhana Steel (Pty) Ltd and Duferco Steel Processing.</td></tr>
<tr><td>Other current directorships</td><td colspan="2">None</td></tr>
<tr><td>Former directorships over the past 3 years</td><td colspan="2">None</td></tr>
<tr><td>Special responsibilities</td><td colspan="2">Non-Executive Director
Chairman of the Remuneration Committee
Member of the Audit Committee
Member of the Nominations Committee
Member of the Risk Management Committee</td></tr>
<tr><td rowspan="2">Interests in shares and options</td><td>Ordinary Shares in Ferrum Crescent Limited</td><td>-</td></tr>
<tr><td>Options held in Ferrum Crescent Limited</td><td>-</td></tr>
</table>

<table>
<tr><th colspan="3">Mr Justin Tooth (Age 52), BSc, Executive Chairman and Managing Director, resigned 26 September 2017</th></tr>
<tr><td>Experience and expertise</td><td colspan="2">Mr Tooth is a financial sector professional with over 21 years' experience in equity sales and corporate broking and he has a comprehensive knowledge of the natural resources sector. Between 1994 and 2009, Mr Tooth held senior roles at SBC Warburg, Lehman Brothers, Paribas and Deutsche Bank, amongst others, primarily in equity sales and management roles. From 2009 to 2014, he was employed by the specialist mining brokerage Ocean Equities Limited (now Pareto Securities Limited) in the role of sales and business development manager.</td></tr>
<tr><td>Other current directorships</td><td colspan="2">None</td></tr>
<tr><td>Former directorships over the past 3 years</td><td colspan="2">None</td></tr>
<tr><td>Special responsibilities</td><td colspan="2">Chairman of the Board
Managing Director</td></tr>
<tr><td rowspan="2">Interests in shares and options</td><td>Ordinary Shares in Ferrum Crescent Limited</td><td>326,650</td></tr>
<tr><td>Options held in Ferrum Crescent Limited</td><td>-</td></tr>
</table>

Directors' Report

Mr Grant Button (Age 55), B Bus, CPA, Company Secretary; Non-Executive Chairman, appointed 26 September 2017		
Experience and expertise	Mr Button is a qualified accountant and has 25 years' financial and other commercial management and transactional experience, including 23 years' experience at a senior management level in the resources industry. He has acted as an executive director, managing director, finance director, CFO and company secretary of a range of publicly listed companies.	
Other current directorships	Executive director of Magnum Mining & Exploration Limited (ASX: MGU). Appointed 06 February 2006	
Former directorships over the past 3 years	Director of Sylvania Platinum Limited (AIM: SLP) until his resignation on 30 April 2015.	
Special responsibilities	Non-Executive Chairman (appointed 26 September 2017) Company Secretary Chairman of the Audit Committee Chairman of the Nominations Committee Chairman of the Risk Management Committee Member of the Remuneration Committee	
Interests in shares and options	Ordinary Shares in Ferrum Crescent Limited	5,356,300
	Options held in Ferrum Crescent Limited	-

Dr Evan Kirby (Age 66), BSc (Hons) Metallurgy, PhD Metallurgy, Non-Executive Director		
Experience and expertise	Dr Kirby is a metallurgist with over 31 years of international experience in the mining sector. He has held senior management positions with Impala Platinum, Rand Mines and Rustenburg Platinum Mines and worked as a director and technical consultant for a number of mining companies.	
Other current directorships	Director of Bezant Resources plc (AIM: BZT)	
Former directorships over the past 3 years	Director of Luiri Gold Limited (ASX: LGM) Director of Nyota Minerals Limited (ASX & AIM: NYO)	
Special responsibilities	Non-Executive Director Chairman of the Remuneration Committee Member of the Audit Committee Member of the Nominations Committee Member of the Risk Management Committee	
Interests in shares and options	Ordinary Shares in Ferrum Crescent Limited	10,900
	Options held in Ferrum Crescent Limited	-

Directors' Report

Mr Laurence Read (Age 40), Non-Executive Director, appointed 30 January 2017; Executive Director appointed 26 September 2017		
Experience and expertise	Laurence Read is a UK resident, and has sixteen years working with public and private companies in particular the natural resources sector.	
Other current directorships	Executive director of Bezant Resources plc (AIM: BZT)	
Former directorships over the past 3 years	Director of Tern plc (AIM: LON)	
Special responsibilities	Executive Director (appointed 26 September 2017) Non-Executive Director (appointed 30 January 2017)	
Interests in shares and options	Ordinary Shares in Ferrum Crescent Limited	-
	Options held in Ferrum Crescent Limited	-

Dividends

No dividend has been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year (2016: Nil).

Principal activities

The principal activity of the entities within the consolidated entity during the financial year was the exploration for minerals.

Review of operations and activities

Information on the operations and activities of the Group is set out in the Company and Project overview section on pages 20 to 24 of this Annual Report.

Lead-Zinc Exploration Projects, Spain

On 30 September 2016 the Company completed the purchase of 100% of the shares of GoldQuest Iberica, S.L. ("GoldQuest"), which owns 100% of the Toral and Lago lead-zinc exploration projects located respectively in the provinces of León and Galicia in Spain.

During the year, the Company undertook operational restructuring which led to the divestment of its South African iron ore operations, and now sees the Company focused on Spanish lead-zinc operations.

In carrying out its operations during the reporting period, the Group has incurred a loss after income tax for the period from 1 July 2016 to 30 June 2017 of $11,286,803 (2016: loss of $1,573,533). The loss includes a loss of $9,262,484 on the sale of Batavia Ltd. The Group had net assets of $1,570,393 (2016: $718,659) as set out in the Statement of Financial Position.

Significant changes in the Group's state of affairs

There have been no significant changes in the state of affairs of the consolidated entity to the date of this report that have not otherwise been disclosed elsewhere in the Annual Report.

Significant events after the reporting date

There are subsequent events to report, as follows:

On 8 September 2017, the Company announced that it had conditionally raised in aggregate, GBP193,304 (approximately AU$321,590) before expenses through a placement via Peterhouse Corporate Finance Limited, as agent to the Company, of 214,782,526 new ordinary shares of no par value each in the capital of the Company at a price of 0.09 pence per new ordinary share. Following admission, the total issued ordinary share capital of the Company was 2,684,781,581 ordinary shares.

On 26 September 2017, the Company announced that Mr Justin Tooth, Executive Chairman has resigned from the Board of Directors of the Company with immediate effect, in order to pursue his other business interests. Mr Grant Button, currently a non-executive director of the Company and the Company secretary will assume the role of non-executive Chairman, also with immediate effect. Mr Laurence Read, previously a non-executive director will become an executive director.

Likely developments and expected results

The Group will continue to carry out its business plans, by:

- Conducting its planned initial zinc exploration work programme on the Iberian Projects in Spain;
- Seeking further strategic acquisition opportunities within the exploration and mining industry to enter potentially into additional advanced projects that will add value to the Group; and
- Continuing to meet its statutory commitments relating to its exploration tenements and carrying out exploration of its exploration tenements in accordance with its stated strategy, whilst carefully conserving the Group's cash reserves in order to be able to take advantage of value adding opportunities.

There can be no guarantee either that further exploration of the Group's tenements will result in exploration success or that any potential additional strategic acquisition considered by the Directors to be likely to add value to the Group will become available to the Group.

Environmental regulation and performance

The Group's activities are subject to Spanish legislation relating to the protection of the environment. The Group is subject to significant environmental legal regulations in respect to its exploration and evaluation activities.

There have been no known breaches of these regulations and principles.

Indemnification and Insurance of Directors and officers

The Group has entered into deeds of access and indemnity with the officers of the Group, indemnifying them against liability incurred, including costs and expenses in defending any legal proceedings. The indemnity applies to a liability for costs and expenses incurred by the Director or officer acting in their capacity as a director or officer.

Except in the case of a liability for legal costs and expenses, it does not extend to a liability that is:

(a) owed to the Group or a related body corporate of the Group;

(b) for a pecuniary penalty order under section 1317G or a compensation order under section 1317H or section 1317HA of the Corporations Act 2001; or

(c) owed to someone other than the Group or a related body corporate of the Company where the liability did not arise out of conduct in good faith.

Similarly, the indemnity does not extend to liability for legal costs and expenses:

(d) in defending proceedings in which the officer is found to have a liability described in paragraph (a), (b) or (c) above;

(e) in proceedings successfully brought by the Australian Securities and Investments Commission or a liquidator; or

(f) in connection with proceedings for relief under the Corporations Act 2001 in which the court denies the relief.

During or since the financial year end, the Company has paid premiums in respect of a contract insuring all the Directors and officers. The terms of the contract prohibit the disclosure of the details of the insurance contract and premiums paid.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, BDO Audit (WA) Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO Audit (WA) Pty Ltd during or since the financial year end.

Non-audit services

The Group may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the Groups auditors, BDO International for audit and non-audit services provided during the financial year are set out below.

	2017 $	2016 $
Remuneration of the auditor, BDO International for Group and subsidiary statutory reporting:		
- other assurance related services	**4,717**	1,803
	4,717	1,803

Directors' meetings

Meetings of directors held and their attendance during the financial year were as follows:

Meetings of Board and Committees

	Board	Audit	Risk	Remuneration	Nomination
Number of Meetings held:	**8**	**2**	**-**	**1**	**-**
Number of Meetings attended:					
Klaus Borowski	7	1	-	1	-
Grant Button	8	2	-	1	-
Justin Tooth	8	2	-	-	-
Evan Kirby	8	2	-	1	-
Laurence Read	1	1	-	-	-

Remuneration Report (audited)

This Remuneration Report outlines the Director and executive remuneration arrangements of the Company and the consolidated entity in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the consolidated entity are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, and includes Directors of the Company.

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The Remuneration Report is presented under the following sections:

1. Individual KMP disclosures
2. Remuneration at a glance
3. Board of Directors (the "Board") oversight of remuneration
4. Non-executive director remuneration arrangements
5. Executive remuneration arrangements
6. Directors and KMP contractual arrangements
7. Equity instruments disclosures
8. Loans to KMP and their related parties
9. Transactions with KMP and their related parties

1. Individual key management personnel disclosures

(i) Directors:

		Appointed	Resigned
Justin Tooth	Executive Chairman and Managing Director	31 March 2016	26 September 2017
Klaus Borowski	Non-Executive Director	1 September 2010	30 January 2017
Evan Kirby	Non-Executive Director	31 March 2016	
Grant Button	Non-Executive Director Company Secretary Non-Executive Chairman	15 October 2010 31 March 2016 26 September 2017	
Laurence Read	Non-Executive Director Executive Director	30 January 2017 26 September 2017	

(ii) Executives:

		Appointed	Resigned/ Terminated
Ed Aylmer	BFS Study Manager	22 October 2014	15 February 2017
Scott Huntly	Strategic Development Manager	1 July 2009	30 June 2017
Beverley Gardner	Financial Controller	1 July 2011	30 June 2017
Merlin Marr-Johnson	Advisor to the board	31 March 2016	30 June 2017

Remuneration Report (audited) continued

2. Remuneration at a glance

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Link executive rewards to shareholder value; and
- Provide significant portions of executive remuneration "at risk" through participation in incentive plans

Shares and options issued under incentive plans provide an incentive to stay with the Group. At this stage, shares and options issued do not have performance criteria attached. This policy is considered to be appropriate for the Group, having regard to the current state of its development.

The Company has established a directors' and executives' salary sacrifice plan, pursuant to which individuals may elect for a nominated fixed period to sacrifice all or an agreed percentage of their salary or fees to be applied in the subscription for or on-market purchase of shares in the Company. As such shares may not be purchased or subscribed for during periods that are close periods or when individuals are in possession of inside information, the entitlement to subscribe for shares is determined by calculating the number of shares using the market price for the month concerned. The plan was established to allow for the subsequent settlement of salary or fees from 1 April 2012. Directors and executives have previously elected to participate in the plan with effect from that date. During the period to 30 June 2017 no Directors or executives participated (2016: Nil) in the salary sacrifice plan. Shares listed under the plan are not subject to performance conditions. Shareholder approval for the plan and for the issue of shares under the plan was obtained on 8 August 2012.

The Company also recognised that, at this stage in its development, it is most economical to have only a few employees and to draw, as appropriate, upon a pool of consultants selected by the Directors on the basis of their known management, geoscientific, engineering and other professional and technical expertise and experience. The Company will nevertheless seek to apply the principles described above to its Directors and executives, whether they are employees of or consultants to the Company.

3. Board oversight of remuneration

<u>Remuneration Committee Responsibilities</u>

A Remuneration Committee was established on 14 January 2010 and reconstituted on 15 October 2010 and again on 9 March 2015.

The Committee assesses the appropriateness of the nature and amount of remuneration of Directors and senior executives on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

<u>Remuneration Structure</u>

In accordance with best practice corporate governance, the structure of non-executive and executive director remuneration is separate and distinct.

Remuneration Report (audited) continued

4. Non-Executive Director remuneration arrangements

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Company's constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors must be determined from time to time by shareholders of the Company in a general meeting. An amount not exceeding the amount determined is then divided between the Non-Executive Directors as agreed. The current aggregate limit of remuneration for non-executive directors is $250,000 as approved at the 2010 Annual General Meeting of Shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Non-Executive Directors is reviewed annually. The Board may consider advice from external consultants, as well as the fees paid to Non-Executive Directors of comparable companies, when undertaking the annual review process. No remuneration or external consultants were used during the financial year.

Each Non-Executive Director receives a fee for being a Director of the Company. No additional fee is paid for participating in Board Committees.

Non-Executive Directors are encouraged by the Board to hold shares in the Company (purchased on market and in accordance with the Company's approved policies to ensure that there is no insider trading). It is considered good governance for directors of a company to have a stake in that company. Non-Executive Directors may also participate in the Company's share and option plans as described in this report.

5. Executive remuneration arrangements

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- reward executives for Group, business team and individual performance;
- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure

- At this time, the cash component of remuneration paid to executive Directors, the Company Secretary and other senior managers is not dependent upon the satisfaction of performance conditions.
- It is current policy that some executives be engaged by way of consultancy agreements with the Company, under which they receive a contract rate based upon the number of hours of service supplied to the Company. There is provision for yearly review and adjustment based on consumer price indices. Such remuneration is hence not dependent upon the achievement of specific performance conditions. This policy is considered to be appropriate for the Company, having regard to the current state of its development.
- Executive Directors are encouraged by the Board to hold shares in the Company (purchased on market or in accordance with the Company's salary sacrifice share plan and in accordance with the Company's approved policies to ensure that there is no insider trading). It is considered good governance for directors of a company to have a stake in that company.

Remuneration Report (audited) continued

5. Executive remuneration arrangements (continued)

Structure (continued)

- The Executive Directors may also participate in the Company's share and option plans as described in this report, including the salary sacrifice share plan. Refer to page 15 and 16 for details of options previously granted.

Performance table

The following table details the net profit / (loss) of the Company from continuing operations after income tax, together with the basic earnings / (loss) per share since the incorporation of the parent:

	2017 $	2016 $	2015 $	2014 $	2013 $
Net profit / (loss) from continuing operations after income tax	**(11,286,803)**	(1,573,533)	(2,345,860)	(2,549,782)	(1,901,288)
Basic earnings / (loss) per share in cents	**(0.91)**	(0.22)	(0.50)	(0.75)	(0.60)
Share Price in Cents	**0.10**	0.40	0.10	0.16	0.14

6. Executive contractual arrangements

Mr Justin Tooth was appointed as Non-Executive Chairman pursuant to a contract dated 16 December 2015. Under this contract, he was entitled to fees of $50,000 per annum and the reimbursement of expenses. On 31 March 2016 upon his appointment as Executive Chairman and Managing Director his contract was amended to a salary of GBP 75,000 per annum. On 1 October 2016 his contract was further amended to a salary of GBP 100,000 (approx. $163,688 at an exchange rate of 1.636878). This contract was cancelled on 26 September 2017 upon his resignation.

Agreement with BFS Study Manager
Mr Ed Aylmer was appointed as BFS Study Manager on 22 October 2014. Mr Aylmer was appointed as a contractor and is responsible to the Managing Director for management of the Moonlight Project, Feasibility Study and any other management work related thereto. His contract contains standard terms and conditions, and he receives a contract fee that is in accordance with his seniority and responsibilities. This contract was cancelled on 15 February 2017 upon the termination of Moonlight Project.

Agreement with Strategic Development Manager
Mr Scott Huntly was appointed as Strategic Development Manager, effective from 4 March 2011. His employment is subject to a standard form of employment contract, and he receives an annual salary that is in accordance with his seniority and responsibilities. This contract was cancelled on 30 June 2017 upon his termination.

Agreement with Financial Controller
Mrs Beverley Gardner was appointed as Project Accountant, effective 1 July 2011 and as Financial Controller effective from 1 December 2011. Her employment is subject to a standard form employment contract and she receives an annual salary that is in accordance with her seniority and responsibilities. This contract was cancelled on 30 June 2017 upon her termination.

Directors' Report (continued)

Remuneration report (audited) continued

Remuneration of key management personnel of the Company and the Consolidated Entity

Table 1: Remuneration for the years ended 30 June 2016 and 30 June 2017

		Short-term benefits				Post-employment		Long - term benefits		Share-based payments		Termination payments	Total	Performance related	Options
		Salary & fees	Cash bonus	Non Monetary Benefits	Other	Superannuation	Retirement benefits	Cash Incentives	Long Service Leave	Options	Share Rights (Salary Sacrifice)				
		$	$	$	$	$	$	$	$	$	$	$	$	%	%
Non-executive directors															
Klaus Borowski	2017	17,500	-	-	-	-	-	-	-	-	-	-	17,500	-	-
	2016	30,000	-	-	-	-	-	-	-	-	-	-	30,000	-	-
Grant Button	2017	54,795	-	-	-	5,205	-	-	-	-	-	-	60,000	-	-
	2016	34,247	-	-	-	2,603	-	-	-	-	-	-	36,850	-	-
Ed Nealon	2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2016	18,387	-	-	-	1,746	-	-	-	-	-	-	20,133	-	-
Evan Kirby	2017	30,000	-	-	-	-	-	-	-	-	-	-	30,000	-	-
	2016	7,500	-	-	-	-	-	-	-	-	-	-	7,500	-	-
Executive directors															
Justin Tooth	2017	202,463	-	-	-	-	-	-	-	-	-	-	202,463	-	-
	2016	46,858	-	-	-	-	-	-	-	-	-	-	46,858	-	-
Tom Revy	2017	-	-	-	-	-	-	-	-	10,118	-	-	10,118	-	100%
	2016	250,002	-	-	-	22,500	-	-	-	31,327	-	-	303,829	-	10.31%
Subtotal	**2017**	**304,758**	**-**	**-**	**-**	**5,205**	**-**	**-**	**-**	**10,118**	**-**	**-**	**320,081**		
Subtotal	**2016**	**386,994**	**-**	**-**	**-**	**26,849**	**-**	**-**	**-**	**31,327**	**-**	**-**	**445,170**		

Refer to Page 9 for all appointment and resignation dates

Directors' Report (continued)

Remuneration report (audited) continued

Remuneration of key management personnel of the Company and the Consolidated Entity (continued)

Table 1: Remuneration for the years ended 30 June 2016 and 30 June 2017 (continued)

		Short-term benefits				Post-employment		Long - term benefits		Share-based payments		Termination payments	Total	Performance related	
		Salary & fees	Cash bonus	Non Monetary Benefits	Other	Superannuation	Retirement benefits	Cash Incentives	Long Service Leave	Options	Salary Sacrifice				
		$	$	$	$	$	$	$	$	$	$	$	$	%	%
Other key management personnel															
Scott Huntly	2017	112,204	-	-	-	-	-	-	-	-	-	51,511	163,715	-	-
	2016	90,007	-	-	-	-	-	-	-	-	-	-	90,007	-	-
Dave Richards	2017	-	-	-	-	-	-	-	-	469	-	-	469	-	100%
	2016	2,329	-	-	-	-	-	-	-	1,385	-	-	3,714	-	37.29%
Beverley Gardner	2017	102,078	-	-	-	-	-	-	-	470	-	46,752	149,300	-	0.31%
	2016	106,508	-	-	-	-	-	-	-	1,385	-	-	107,893	-	1.28%
Ed Aylmer	2017	18,479	-	-	-	-	-	-	-	-	-	-	18,479	-	-
	2016	55,293	-	-	-	-	-	-	-	-	-	-	55,293	-	-
Subtotal	**2017**	**232,761**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**939**	**-**	**98,263**	**331,963**		
Subtotal	**2016**	**254,137**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,770**	**-**	**-**	**256,907**		
Total KMP	**2017**	**537,519**	**-**	**-**	**-**	**5,205**	**-**	**-**	**-**	**11,057**	**-**	**98,263**	**652,044**		
Total KMP	**2016**	**641,131**	**-**	**-**	**-**	**26,849**	**-**	**-**	**-**	**34,097**	**-**	**-**	**702,077**		

Refer to Page 9 for all appointment and resignation dates

Directors' Report (continued)

Remuneration report (audited) continued

7. Equity Instruments disclosures

Table 2: Share options awarded and vested during prior years

30 June 2017	Options awarded up to 30 June 2017 No.	Terms and Conditions for each Grant during the year						Options vested during the year	
		Award date	Fair value per option at award date ($)	Exercise price ($)	Expiry date	First exercise date	Last exercise date	No.	%
Executive directors									
Tom Revy	2,500,000	20 Feb 2014	$0.04195	$0.08	20 Feb 2017	20 Feb 2014	20 Feb 2017	Nil	Nil
Other key management personnel									
Beverley Gardner	250,000	21 Nov 2013	$0.01659	$0.03	21 Nov 2016	21 Nov 2013	21 Nov 2016	Nil	Nil
Dave Richards	250,000	21 Nov 2013	$0.01659	$0.03	21 Nov 2016	21 Nov 2013	21 Nov 2016	Nil	Nil
Totals	**3,000,000**							**Nil**	**Nil**

Incentive options granted to key management personnel will generally only be of benefit if the executives perform to the level whereby the value of the consolidated entity increases sufficiently to warrant the exercising of the incentive options granted. Other than service based vesting conditions, there are no additional performance criteria on the incentive options granted to executives

Refer to Page 10 for performance conditions attached to options issued to Tom Revy
Refer to Page 9 for all appointment and resignation dates

Directors' Report (continued)

Remuneration report (audited) continued

7. Equity Instruments disclosures (continued)

Table 3: Share holdings

2017	Shares				
	Balance 1-July-16	Rights Exercised	On Exercise of Options	Net Change Other (i)	Balance 30-Jun-17
Directors					
Grant Button	5,356,300	-	-	-	5,356,300
Klaus Borowski(1)	-	-	-	-	-
Justin Tooth(5)	326,650	-	-	-	326,650
Evan Kirby	10,900	-	-	-	10,900
Laurence Read(2)	-	-	-	-	-
Executives					
Scott Huntly(3)	6,723,087	-	-	(6,723,087)	-
Beverley Gardner(4)	803,963	-	-	(803,963)	-
	13,220,900	**-**	**-**	**(7,527,050)**	**5,693,850**

(i) Net change other includes:

- acquisitions and disposals on market
- issued in settlement of fees
- subscribed in share issue
- subscription for options
- sales / transfers
- appointment / resignation as director
- exchange of options for shares
- salary sacrifice share scheme shares issued

(1) Resigned 30 January 2017
(2) Appointed 30 January 2017
(3) Terminated 30 June 2017
(4) Terminated 30 June 2017
(5) Resigned 26 September 2017

Table 4: Option holdings

2017	Options							
	Balance 1-July-2016	Granted	Received as Remuneration	Options Expired	Net Change Other (i)	Balance 30-Jun-17	Vested & Exercisable 30-Jun-17	Vested & Not Exercisable 30-Jun-17
Directors								
Tom Revy	**2,500,000**	**19 Feb 2014**	**-**	**(2,500,000)**	**-**	**-**	**-**	**-**
Executives								
Dave Richards	**250,000**	**21 Nov 2013**	**-**	**(250,000)**	**-**	**-**	**-**	**-**
Beverley Gardner	**250,000**	**21 Nov 2013**	**-**	**(250,000)**	**-**	**-**	**-**	**-**
	3,000,000		**-**	**(3,000,000)**	**-**	**-**	**-**	**-**

Refer Page 9 for all appointment and resignation dates

Directors' Report (continued)

Remuneration report (audited) continued

7. Equity Instruments disclosures (continued)

Table 5: Number of employee shares (under non-recourse loan schemes) held by directors and executives:

Directors	Balance 1-July-16	Received as Remuneration	Options Exercised	Net Change Other (i)	Balance 30-Jun-17	Loan Value $
Grant Button	500,000	-	-	-	500,000	99,000
	500,000	-	-	-	500,000	99,000

Refer Page 9 for all appointment and resignation dates

Executive Share Incentive Plan

Under the plan, eligible employees are offered shares in the Company at prices determined by the Board. The Board has the ultimate discretion to impose special conditions on the shares issued under the ESIP and can grant a loan to a participant for the purposes of subscribing for plan shares. Shares issued under loan facilities are held on trust for the benefit of the participant and will only be transferred into the participant's name once the loan has been fully repaid. ESIP participants receive all the rights associated with the ordinary shares.

Loans granted to participants are limited recourse and interest free unless otherwise determined by the Board. The loans are to be repaid via the application of any dividends received from the shares and/or the sale of the plan shares. Where the loan is repaid by the sale of shares, any remaining surplus on sale is remitted to the participant while any shortfall is borne by the Group.

During the 2016 and 2017 reporting period no new shares were issued under the ESIP.

If, at any time during the exercise period an employee ceases to be an employee, all options held by that employee vest immediately and will lapse one month after their employment end date. As such, there is not considered to be any service conditions attaching to the grant of shares under the ESIP, and the full expense is recognised at grant date.

Fair value of award granted

Shares granted under the ESIP are accounted for as "in-substance" options due to the limited recourse nature of the loan between the employees and the Company to finance the purchase of ordinary shares. The fair value at grant date for the various tranches of rights issued under the ESIP is determined using a binomial model.

8. Loans to Key Management Personnel and their Related Parties

There were no loans to Directors or other key management personnel at any time during the year ended 30 June 2017 (2016: Nil).

Directors' Report (continued)

Remuneration report (audited) continued

9. Transactions with Key Management Personnel and their Related Parties

The following transactions were undertaken between the Company, executive officers and director-related entities during 2017 and 2016

	2017	2016
	$	$
Consulting fees were paid or accrued to Camcove Pty Ltd, a company of which Robert Hair is a director and shareholder (1)	**-**	60,000
Consulting fees were paid to Mowbrai Ltd, a company of which Laurence Read is a director(1)	**76,621**	-
Consulting fees were paid or accrued to Tavistock Communications Ltd, a company of which Merlin Mar-Johnson is an employee(1)	**31,250**	15,672
Consulting fees were paid or accrued to Marrad Ltd, a company of which Merlin Mar-Johnson is a director(1)	**44,112**	-
	151,983	75,672

None of the above fees were outstanding at 30 June 2017 thus no doubtful allowance has been made.

(1) KMP at the time of receiving the above consulting fees

10. Voting of Shareholders at last year's annual general meeting (AGM)

Ferrum Crescent Ltd received 98.77% votes in favour of its remuneration report for 2016 financial year. The Company did not received any specific feedback at the AGM through the year on its remuneration practices.

End of audited Remuneration Report

Directors' Report (continued)

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 page 73 and forms part of this report.

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

G. Button.

G Button
Non-Executive Chairman
Company Secretary
Perth
29 September 2017

Company and Project Overview

Introduction to the Group

Ferrum Crescent Limited ("Ferrum", "FCR" or the "Company") is an Australian company listed on the Australian Securities Exchange (ASX: FCR) and on the JSE Limited (JSE: FCR) and quoted on the AIM market of the London Stock Exchange plc (AIM: FCR). During the year, the Company undertook operational restructuring which led to the divestment of its South African iron ore operations, and now sees the Company focused on Spanish lead-zinc operations.

Section 1

Spanish lead-zinc portfolio

During September 2016 the company advanced its refocus towards lead-zinc exploration through the exercise of an option on a lead-zinc portfolio located in north-western Spain. The Toral lead-zinc asset located in the Leon province has over 44,000 metres of historic drilling and a NI 43-101 compliant Inferred and Indicated foreign resource estimate of 8.71Mt at an economic grade cut-off of 7% Pb + Zn (the "**Foreign Estimate**", please refer to Table 1 below).

As announced by the company on 10 November 2016, Micon International Co. Limited was commissioned by GoldQuest Mining Corporation on 14 April 2011 to prepare an independent Technical Report on the Toral Project suitable for reporting purposes under the standards of Canada's National Instrument 43-101. The Technical Report was reissued at the request of Portex Minerals Inc. on 30 April 2012. The Foreign Estimate was prepared in compliance with the Canadian Institute of Mining, Metallurgy, and Petroleum Standards on Mineral Resources and Reserves ("**CIM Standards**") and utilised data from diamond drilling completed by Lundin Mining S.L. in 2007 and 2008, and assay data from older Peñarroya/Adaro diamond drill holes. Surpac mining software was used for mineral resources modelling. Mineral resources were reported based upon their potential for economic extraction.

Table 1: **Foreign Estimate of Mineral Resources as at 1 February 2011, Cut-Off Grade of 7% Pb + Zn (NI 43-101 Mineral Resources Estimate)**

Indicated						Inferred					
Mt	Pb (%)	Zn (%)	Cu (%)	Ag (g/t)	(Pb + Zn) (%)	Mt	Pb (%)	Zn (%)	Cu (%)	Ag (g/t)	(Pb + Zn) (%)
4.04	5.30	6.50	0.11	41	11.8	4.67	4.44	5.40	0.14	32	9.8

Indicated					Inferred				
Pb (t)	Zn (t)	Cu (t)	Ag (t)	(Pb + Zn) (t)	Pb (t)	Zn (t)	Cu (t)	Ag (t)	(Pb + Zn) (t)
214,416	262,562	4,285	165	476,978	207,316	252,348	6,447	149	459,664

Source: Toral Zinc-Lead Silver Project, Mineral Resource Estimate NI 43-101 Technical Report prepared by Micon International Co Limited, 30 April 2012

The mineral resources presented in Table 1 above are not mineral reserves as they have not been subject to adequate economic studies to demonstrate their economic viability. Please refer to the company's announcement dated 10 November 2016 for further information.

Company and Project Overview

Pursuant to the requirements of ASX Listing Rule 5.12.9, Ferrum Crescent provides the following cautionary statement:

The Foreign Estimate of mineralisation reported by Micon International Co. Limited and included in this announcement is not compliant with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**2012 JORC Code**) and is a 'Foreign Estimate' for the purposes of the ASX Listing Rules.

A Competent Person (as defined under the ASX Listing Rules) has not yet carried out sufficient work to classify the Foreign Estimate as a Mineral Resource or Ore Reserve in accordance with the 2012 JORC Code and it is uncertain that following evaluation and/or further exploration work that the Foreign Estimate will be able to be reported as mineral resources in accordance with the 2012 JORC Code.

The company confirms that:

- it is not in possession of any new information or data relating to the Foreign Estimate that materially impacts on the reliability of the Foreign Estimates or the company's ability to verify the Foreign Estimate as mineral resources or ore reserves in accordance with Appendix 5A (JORC Code); and
- the supporting information provided in the announcement dated 10 November 2016 continues to apply and has not materially changed.

Pursuant to ASX Listing Rule 5.14.1, the Company advises that:

- no progress has been made to date in evaluating the previously reported foreign estimates due to time and cost constraints; and
- the company is in the process of reviewing it's database and plans to finalise proposed activities to undertake further evaluation and exploration work required to verify the Foreign Estimate as a mineral resource in accordance with Appendix 5A (JORC Code) shortly. The current review process will allow the company to make a final determination as to whether it is feasible to undertake further evaluation and exploration work to verify the Foreign Estimate as a mineral resource in accordance with Appendix 5A (JORC Code).

Section 2

As announced on 23 February 2017, the company has undertaken internal soil geochemistry and channel sampling at the Toral lead-zinc asset, the key highlights of which are set out below:

- Results from 575 soil samples, 108 rock chip samples, 23 channel samples.
- Channel sampling identifies various mineralisation styles near surface, including:
  - 0.9m @ 10.5% Zn & 2.5% Pb average achieved on main structure within Adit 49; and
  - 1.2% Cu, 6.5% Zn & 13.5% Pb returned from a 1.2m channel sample in Adit 54.
- Soil sampling identifies distinct, continuous zinc-in-soil 2 kilometre anomaly, approximately 150 metres wide, including peak zinc-in-soil values of 1.4% zinc.
- New mineralising styles identified, associated with:
  - Shear-related structural repetition and multiple structures sub-parallel to the main shear;
  - Cross-cutting faults associated with soil anomalies and sulphide mineralisation; and
- Various zones of alteration associated with soil anomalies, including dolomitisation, calcitic and chloritic alteration and zones of hydrothermal brecciation.
- Formulation of a drill programme plan generated to intersect shallow untested targets within main anomalous area.

Company and Project Overview

Please refer to the company's announcement dated 23 February 2017 for further information.

As announced on 7 September 2017, the company has undertaken a drilling programme which, post-period, returned positive lead-zinc results at Toral lead-zinc asset. The key highlights of the drilling programme are set out below:

- All of the 1,046.9m drilled occurred within 200 metres of the surface.
- Intersection of lead-zinc anomalies in all six drill holes.
- Key intersections encountered (all widths given along the core):
    - Hole TOR17009 1 metre grading at 1.22%Pb, 9.77%Zn (10.99% combined Pb/Zn);
    - Hole TOR17012 3 metres grading at 0.64%Pb, 6.46%Zn (7.10% combined Pb/Zn);
    - Hole TOR17012 1 metre grading at 0.67%Pb, 16.10%Zn (16.77% combined Pb/Zn);
    - Hole TOR17013 1 metre grading at 6.51%Pb, 6.50%Zn (13.01% combined Pb/Zn); and
    - Hole TOR17013 3 metres grading at 6.03%Pb, 5.49%Zn (11.52% combined Pb/Zn).

Please refer to the company's announcement dated 7 September 2017 for further information.

Outlook

The Company is now reviewing all data and looking to develop a next stage of exploration at Toral to unlock value from the significant drilling information held at the project.

Competent Person's Statement

The information set out in section 2 above relates to Exploration Results which are based on information compiled by Mr Juki Laurikko who is a Member of the European Federation of Geologists which is a Recognised Professional Organisation for the purposes of the 2012 JORC Code. Mr Laurikko is a Technical Consultant to the Company, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Laurikko consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear. Mr Laurikko has also reviewed and approved the technical information in his capacity as a qualified person under the AIM Rules.

The Moonlight project

The Moonlight Deposit (upon which the Moonlight Project is based) is a magnetite deposit located on the farms Moonlight, Gouda Fontein and Julietta in Limpopo Province in the north of South Africa.

In June 2017, the Company entered into a legally binding agreement for the sale of Batavia Ltd ("Batavia"), its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group's South African assets, including the Moonlight iron ore project in Limpopo Province, northern South Africa (the "Moonlight Project"), to NPSPL Africa Holdings Limited and its BEE partner, Ngwenya Capital (Pty) Limited (together, the "Purchasers"). The Company no longer holds any interest in this project.

Corporate

July 2016
£374,453 raised before expenses through a placement of 187,226,485 new ordinary shares of no par value each in the capital of the Company at a price of 0.20 pence per new ordinary share.

Issued 66,874,816 new ordinary shares issued of no par value each in the capital of the Company as a result of the exercise of, in aggregate, 66,874,816 options exercisable at a price of 0.165 pence per share.

Company and Project Overview

August 2016
Issued 44,797,543 new ordinary shares of no par value each in the capital of the Company as a result of the exercise of, in aggregate, 44,797,543 options exercisable at a price of 0.165 pence per share.

September 2016
Ferrum Crescent acquired 100 per cent. of the share capital of GoldQuest Iberica, S.L. ("**GoldQuest**") further to the exercise of its option. Consideration comprised £326,500 in cash and the issue of 100 million new ordinary shares in the capital of Ferrum Crescent.

In connection with the Acquisition process, the Vendor, Crestgate, Lundin Mining Corporation ("**Lundin**") and others, entered into an assignment and restatement agreement (the "**Assignment Agreement**") with respect to certain residual historic rights held by Lundin and its subsidiary over the Toral licence area.

Pursuant to the Assignment Agreement, the Vendor is required to:

i) make a one-off payment of US$2.5 million to Lundin at such time as a decision is made to proceed with the construction of a mine on the Toral licence area;
ii) make a further one-off payment of US$5 million to Lundin following commencement of commercial production (as defined in the agreement) on the Toral licence area; and
iii) pay Lundin's subsidiary a 1.5 per cent. net smelter return royalty upon commencement of commercial production on the Toral licence area.

The Vendor's abovementioned obligations to Lundin under the Assignment Agreement are guaranteed by Crestgate and pursuant to the terms of the SPA will be assumed by the Company within twelve months of completion.

Issued 5,381,907 new ordinary shares of no par value each in the capital of the Company as a result of the exercise of, in aggregate, 5,381,907 options exercisable at a price of 0.165 pence per share.

October 2016
Issued 181,560,288 new ordinary shares of no par value each in the capital of the Company as a result of the exercise of, in aggregate, 181,560,288 options exercisable at a price of 0.165 pence per share.

November 2016
Issued 769,231 new ordinary shares of no par value each in the capital of the Company as a result of the exercise of, in aggregate, 769,231 options exercisable at a price of 0.165 pence per share.

December 2016
Issued 3,205,088 new ordinary shares of no par value each in the capital of the Company as a result of the exercise of, in aggregate, 3,205,088 options exercisable at a price of 0.165 pence per share.

£550,000 raised before expenses through a placement of 275,218,025 new ordinary shares of no par value each in the capital of the Company at a price of 0.20 pence per new ordinary share.

January 2017
Mr Klaus Borowski resigns from the Board of Directors of the Company as a non-executive director. Laurence Read joins the board of directors as a non-executive director.

February 2017
The agreement with Business Venture Investments No. 1709 (Proprietary) Limited ("BVI") for the Moonlight iron ore projects terminates due to non-completion of specified work streams within a stated period by BVI.

April 2017
Company announces proposed wind-down and hand back of Moonlight assets in lieu of a credible development partner being secured.

Company and Project Overview

June 2017
£225,521 raised before expenses through a placement of 322,173,789 new ordinary shares of no par value each in the capital of the Company at a price of 0.07 pence per new ordinary share.

Corporate Governance Statement

Introduction

This corporate governance statement is dated 29 September 2017 and has been approved by the Board.

The Company has made it a priority to adopt systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this statement. Commensurate with the spirit of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, third edition ("**Principles & Recommendations**"), the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has offered full disclosure and reasoning for the adoption of its own practice, in compliance with the "if not, why not" regime.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Summary statement

	ASX P & R[1]	If not, why not[2]		ASX P & R[1]	If not, why not[2]
Recommendation 1.1	✓		Recommendation 4.2	✓	
Recommendation 1.2	✓		Recommendation 4.3	✓	
Recommendation 1.3	✓		Recommendation 5.1	✓	
Recommendation 1.4	✓		Recommendation 6.1	✓	
Recommendation 1.5		✓	Recommendation 6.2	✓	
Recommendation 1.6	✓		Recommendation 6.3	✓	
Recommendation 1.7		✓	Recommendation 6.4	✓	
Recommendation 2.1	✓		Recommendation 7.1	✓	
Recommendation 2.2	✓		Recommendation 7.2	✓	
Recommendation 2.3	✓		Recommendation 7.3	✓	
Recommendation 2.4	✓		Recommendation 7.4	✓	
Recommendation 2.5		✓	Recommendation 8.1	✓	
Recommendation 2.6	✓		Recommendation 8.2	✓	
Recommendation 3.1	✓		Recommendation 8.3	✓	
Recommendation 4.1	✓				

1 Indicates where the Company has followed the Principles & Recommendations
2 Indicates where the Company has provided "if not, why not" disclosure.

Website disclosures

Further information about the Company's charters, policies and procedures may be found at the Company's website at www.ferrumcrescent.com, under the section titled Corporate Governance.

Disclosure – Principles & Recommendations

The Company reports below on how it has followed (or otherwise departed from) each of the Principles & Recommendations during the year ending 30 June 2017 (the "**reporting period**").

Principle 1 – Lay solid foundations for management and oversight

Recommendation 1.1:

Companies should disclose the respective roles and responsibilities of the board and management and those matters expressly reserved to the board and those delegated to management.

Disclosure:

The Company has established the functions reserved to the Board and has set out these functions in its Board Charter. The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

The Company has established the functions delegated to management and has set out these functions in its Board Charter. Senior executives are responsible for supporting the executive officer and assisting the executive officer in implementing the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Senior executives are responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the executive officer or, if the matter concerns the executive officer, then directly to the Chairman or the lead independent director, as appropriate.

Recommendation 1.2:

Companies should undertake appropriate checks before appointing a person, or putting a person forward for election to shareholders, as a director.

Disclosure:

The Company does undertake appropriate checks in accordance with this recommendation.

Recommendation 1.3:

Companies should have written agreements with each director and senior executive setting out the terms of their appointment.

Disclosure:

The Company does have written agreements with each director and senior executive in accordance with this recommendation.

Recommendation 1.4:

The company secretary should be accountable directly to the board, through the chairman, on all matters to do with the proper functioning of the board.

Disclosure:

The company secretary is accountable directly to the board, through the chairman, on all matters to do with the proper functioning of the board.

Recommendation 1.5:

The Company should:

(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 Company's progress in achieving them;

(b) disclose that policy or a summary of it; and

(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the Company's diversity policy and its progress towards achieving them, and the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the Company has defined "senior executive" for these purposes).

Disclosure:

The Company has established a Diversity Policy a copy of which is published on the Company's website. The Company has not yet established measurable objectives for achieving gender diversity. The Company operates with a very small team of professionals, whose services are provided on the basis of their experience and professional qualifications. Establishing such measurable objectives will be addressed by the Board when the Company's operations require the expansion of its personnel numbers

The respective proportions of men and women on the board and in senior executive positions (that term meaning a position having senior management responsibilities as set out in the Company's delegated authorities manual) are set out in the following table:

Gender	Total	Senior Management	Board
Female	2	1	0
Male	6	4	4
% Female	30%	20%	0%

Recommendation 1.6:

The Company should:

(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and

(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

Disclosure:

The Company periodically evaluates the performance of the board, its committees and individual directors. A performance evaluation was undertaken during the reporting period.

Recommendation 1.7:

The Company 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.

Disclosure:

The Company periodically evaluates the performance of senior executives. A performance evaluation was not undertaken during the reporting period.

Principle 2 – Structure the Board to add value

Recommendation 2.1:

The Board should establish a Nomination Committee.

Disclosure:

The Company has established a separate Nomination Committee. The Committee comprises Mr Grant Button (chairman of the committee), Dr Evan Kirby and Mr Klaus Borowski until his resignation on 30 January 2017.

Recommendation 2.2:

The Company 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.

Disclosure:

The Company has a skills matrix setting out the skills and diversity of the board. Its members have a mixture of experience and corporate, technical, financial and management skills that are considered appropriate for the Company's present situation.

Recommendation 2.3:

The Company should disclose:

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

(b) if directors have a prescribed interest, position, association or relationship with the Company, why they are regarded as independent directors; and

(c) the length of service of each director.

Disclosure:

The independent directors of the Company are Mr Grant Button, Dr Evan Kirby, Mr Klaus Borowski and Mr Laurence Read. The length of service of each director is as follows: Mr Button – 8 years; Mr Borowski – 7 years; Dr Kirby – 1 year; Mr Laurence Read – 5 months.

Recommendation 2.4:

A majority of the board of the Company should be independent directors.

Disclosure:

There are four directors, three of whom are independent.

Recommendation 2.5:

The chairman of the board of the Company should be an independent director and, in particular, should not be the same person as the CEO of the Company.

Disclosure:

Mr Justin Tooth is both the Chairman of the Board and the Managing Director until the end of the financial year. He resigned on 26 September 2017 and Mr Grant Button is appointed as the independent Chairman.

Recommendation 2.6:

The Company should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

Disclosure:

The Company will induct new directors at an appropriate time when suitable individuals are identified and available and as the Company's business requires adjusted skills sets on the board. Directors will be provided appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as directors effectively as and when required.

Principle 3 – Act ethically and responsibly

Recommendation 3.1:

The Company should:

(a) have a code of conduct for its directors, senior executives and employees; and

(b) disclose that code or a summary of it.

Disclosure:

The Company has established a Code of Conduct applying to directors, senior executive and employees as to the practices necessary to maintain confidence in the Company's integrity, practices necessary to take into account their legal obligations and the expectations of their stakeholders and responsibility and accountability of individuals for reporting and investigating reports of unethical practices. The Code of Conduct is available for scrutiny on the Company's website.

Principle 4 – Safeguard integrity in financial reporting

Recommendation 4.1:

The board should:

(a) have an audit committee that has at least three members, all of whom are non-executive directors and a majority of whom are independent, and be chaired by an independent director who is not chairman of the board; and

(b) disclose the committee's charter, its members and the relevant qualifications and experience of the committee members and the number of times it met during the reporting period.

Disclosure:

The Company has established an Audit Committee with a formal charter. The committee comprises three independent directors, being Mr Grant Button (chairman of the committee), Dr Evan Kirby, and Mr Klaus Borowski until his resignation on 30 January 2017. It meets the stipulations set out in recommendation 4.1, and the relevant qualifications and experience of its members are set out in the Directors' Report. All of the Audit Committee members consider themselves to be financially literate and have industry knowledge. The committee met twice during the reporting period.

Recommendation 4.2:

The board should, before it approves the Company's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the Company 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Disclosure:

The board meets the stipulations set out in recommendation 4.2.

Recommendation 4.3:

The Company should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

Disclosure:

The Company meets the stipulations set out in recommendation 4.3.

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1:

The Company should have a written policy designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

Disclosure:

The Company has established a written policy designed to ensure compliance with ASX Listing Rule disclosure and accountability at a senior executive level for that compliance. The policy is available for scrutiny on the Company's website.

Principle 6 – Respect the rights of security holders

Recommendation 6.1:

The Company should provide information about itself and its governance to investors via its website.

Disclosure:

The Company complies with recommendation 6.1.

Recommendation 6.2:

The Company should design and implement an investor relations programme to facilitate effective two-way communication with investors.

Disclosure:

The Company has designed a communications policy for promoting effective communication with shareholders.

Recommendation 6.3:

The Company should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

Disclosure:

The Company gives adequate notice to security holders of meetings of security holders and encourages attendance at such meetings.

Recommendation 6.4:

The Company should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Disclosure:

The Company meets the requirements of recommendation 6.4.

Principle 7 – Recognise and manage risk

Recommendation 7.1:

The board should:

(a) have a risk management committee that has at least three members, a majority of whom should be independent, and be chaired by an independent director; and

(b) disclose the committee's charter, its members and the relevant qualifications and experience of the committee members and the number of times it met during the reporting period.

Disclosure:

The Company has established a risk management committee with a formal charter. The committee comprises three independent directors, being Mr Grant Button (chairman of the committee), Mr Klaus Borowski and Mr Ed Nealon until his resignation on 16 December 2015. Dr Kirby replaced Mr Nealon on the committee upon his appointment on 31 March 2016. It meets the stipulations set out in recommendation 7.1, and the relevant qualifications and experience of its members are set out in the Directors' Report. The committee did not meet during the reporting period.

Recommendation 7.2:

The board or a committee of the board should:

(a) review the Company'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.

Disclosure:

The Board has required management to design, implement and maintain risk management and internal control systems to manage the Company's material business risks. The Board also requires management to report to it confirming that those risks are being managed effectively. Further, the Board has received a report from management as to the effectiveness of the Company's management of its material business risks.

During the reporting period the Company had an informal risk management system in place, including the policies and systems referred to in the disclosure in relation to recommendation 7.2. Although the system was not fully documented, management acting through the Managing Director was able to form the view that management of its material business risks during the reporting period was effective.

Recommendation 7.3:

The Company should disclose:

(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.

Disclosure:

The Company does not have an internal audit function. The Board has required management to design, implement and maintain risk management and internal control systems to manage the Company's material business risks. The Board also requires management to report to it confirming that those risks are being managed effectively. Further, the Board has received a report from management as to the effectiveness of the Company's management of its material business risks.

Recommendation 7.4:

The Company 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.

Disclosure:

The Company does not have any material exposure to economic, environmental or social sustainability risks, other than the risks that are common to all minerals explorers in relation to commodity prices and the availability of venture capital.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1:

The board should:

(a) have a remuneration committee that has at least three members, a majority of whom should be independent, and be chaired by an independent director; and

(b) disclose the committee's charter, its members and the relevant qualifications and experience of the committee members and the number of times it met during the reporting period.

Disclosure:

The Company throughout the financial year had a separate remuneration committee that meets the requirements of recommendation 8.1. The committee comprised Mr Klaus Borowski (chairman of the committee), Mr Grant Button and Mr Ed Nealon until his resignation on 16 December 2015 whereupon the position stood vacant until Dr Evan Kirby replaced Mr Nealon upon his appointment on 31 March 2016. The relevant qualifications and experience of its members are set out in the Directors' Report. The committee did met once during the reporting period.

Recommendation 8.2:

The Company should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

Disclosure:

Non-executive directors are remunerated at market rates for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to individual performance. Given the Company's stage of development and the financial restrictions placed on it, the Company may consider it appropriate to issue unquoted options to non-executive directors, subject to obtaining the relevant approvals. This policy is subject to annual review. All of the directors' option holdings are fully disclosed.

Pay and rewards for executive directors and senior executives consist of a base pay and benefits (such as superannuation) as well as long term incentives through participation in employee share and option plans. Executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness.

Recommendation 8.3:

If the Company has an equity-based remuneration scheme, it should:

(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and

(b) disclose that policy or a summary of it.

Disclosure:

Though the Company has a Share Plan and an Option Plan in place in order to provide incentives and directors and employees have from time to time participated in such plans, any participation in such plans is not regarded as equity-based remuneration, and in any event the Plan rules themselves would prevent the entry into transactions that limit the economic risk of such participation.

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2017

	Note	2017 $	2016 $
Revenue from continuing operations			
Revenue	3(a)	**17,956**	22,517
Other income	3(b)	**175,851**	490,850
Administration expenses	3(c)	**(1,595,427)**	(1,416,748)
Occupancy expenses		**(60,139)**	(52,382)
Exploration expenditure		**(514,439)**	(188,506)
Fair value gain on financial instrument	3(d)	**-**	46,868
Foreign exchange loss		**(37,064)**	(395,816)
Share based payments	19	**(11,057)**	(34,097)
Fair value gain on disposal of available for sale investments		**-**	649
Impairment of minority interest obligation	3(d)	**-**	(46,868)
Loss from sale of subsidiaries	6	**(9,262,484)**	-
Loss before taxation		**(11,286,803)**	(1,573,533)
Income tax benefit / (expense)	5	**-**	-
Loss after income tax for the year from continuing operations		**(11,286,803)**	(1,573,533)
Net loss for the year		**(11,286,803)**	(1,573,533)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net exchange gain/ (loss) on translation of foreign operation		**(930,007)**	226,166
Reclassification of net changes in fair value relating to the disposal of available for sale investments		**-**	649
Income tax effect		**-**	(182)
Fair value on investment unrealised		**-**	524
Other comprehensive income/ (loss) for the year, net of tax		**(930,007)**	227,157
Total comprehensive loss for the year		**(12,216,810)**	(1,346,376)
Net loss for the year attributable to:			
Equity holders of the Parent		**(11,286,803)**	(1,573,533)
		(11,286,803)	(1,573,533)
Total comprehensive loss for the period attributable to:			
Equity holders of the Parent		**(12,216,810)**	(1,346,376)
		(12,216,810)	(1,346,376)
Loss per share		**Cents per share**	**Cents per share**
Basic loss for the year attributable to ordinary equity holders of the Parent	8	**(0.91)**	(0.22)

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

Ferrum Crescent Limited
A.C.N. 097 532 137

Consolidated Statement of Financial Position
As at 30 June 2017

	Note	2017 $	2016 $
Assets			
Current assets			
Cash and short term deposits	9	**503,891**	743,264
Trade and other receivables	10	**46,624**	33,929
Other current financial assets	12	**14,344**	29,303
Prepayments		**49,523**	50,606
Total current assets		**614,382**	857,102
Non-current assets			
Plant and equipment		**21,865**	13,533
Capitalised exploration expenditure	11	**1,180,488**	243,331
Other non-current financial assets	12	**-**	64,715
Total non-current assets		**1,202,353**	321,579
Total assets		**1,816,735**	1,178,681
Liabilities and equity			
Current liabilities			
Trade and other payables	13	**242,804**	263,827
Provision for payments received in advance	14	**-**	175,722
Provisions		**3,538**	20,473
Total current liabilities		**246,342**	460,022
Total liabilities		**246,342**	460,022
Net assets		**1,570,393**	718,659
Equity			
Contributed equity	15	**35,931,732**	33,049,490
Accumulated losses	18	**(36,483,664)**	(25,196,861)
Reserves	17	**2,122,325**	(7,133,970)
Total equity		**1,570,393**	718,659

This Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

Ferrum Crescent Limited
A.C.N. 097 532 137

Consolidated Statement of Cash Flows
For the year ended 30 June 2017

	Note	2017 $	2016 $
Cash flows from / (used in) operating activities			
Interest received		**8,653**	3,191
Income from available for sale investment		**-**	5,242
Exploration and evaluation expenditure		**(463,585)**	(183,483)
Receipts from customers		**9,303**	14,084
Payments to suppliers and employees		**(1,695,759)**	(1,417,784)
Net cash flows used in operating activities	23	**(2,141,388)**	(1,578,750)
Cash flows from / (used in) investing activities			
Payments for plant and equipment		**(17,679)**	-
Sale of plant and equipment		**2,588**	-
Payment for acquisition of GoldQuest asset		**(519,821)**	(243,331)
Cash acquired on acquisition of GoldQuest asset		**8,923**	
Purchase of available-for-sale financial assets		**-**	(30,360)
Proceeds from sale of subsidiaries	6	**1,000**	-
Proceeds from disposal of available-for-sale financial assets		**-**	92,699
Net cash flows used in investing activities		**(524,989)**	(180,992)
Cash flows from / (used in) financing activities			
Proceeds from issue of shares		**2,821,053**	1,676,878
Transaction costs on issue of shares		**(330,305)**	(169,481)
Net cash flows from financing activities		**2,490,748**	1,507,397
Net increase / (decrease) in cash and cash equivalents held		**(175,629)**	(252,345)
Net foreign exchange difference		**(63,744)**	(32,859)
Cash and cash equivalents at 1 July		**743,264**	1,028,468
Cash and cash equivalents at 30 June	9	**503,891**	743,264

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

Ferrum Crescent Limited
A.C.N. 097 532 137

Consolidated Statement of Changes in Equity
For the year ended 30 June 2017

	Attributable to the equity holders of the Parent						
	Issued capital $	**Accumulated losses $**	**Employee share incentive reserve $**	**Option reserve $**	**Foreign exchange reserve $**	**Equity reserve $**	**Total equity $**
At 1 July 2015	31,542,093	(23,623,328)	491,577	1,514,742	726,510	(10,126,072)	525,522
Loss for the period	-	(1,573,533)	-	-	-	-	(1,573,533)
Other Comprehensive Income (net of tax)	-	-	-	-	226,166	-	226,166
Total comprehensive loss (net of tax)	-	(1,573,533)	-	-	226,166	-	(1,347,367)
Transactions with owners in their capacity as owners:							
Shares issued during the year net of transaction costs	1,507,397	-	-	-	-	-	1,507,397
Net growth on investment portfolio	-	-	-	-	(991)	-	(991)
Options issued under Employee Option Plan	-	-	-	34,098	-	-	34,098
At 1 July 2016	**33,049,490**	**(25,196,861)**	**491,577**	**1,548,840**	**951,685**	**(10,126,072)**	**718,659**
Loss for the period	-	(11,286,803)	-	-	-	-	(11,286,803)
Other Comprehensive Income (net of tax)	-	-	-	-	(930,007)	-	(930,007)
Total comprehensive loss (net of tax)	-	(11,286,803)	-	-	(930,007)	-	(12,216,810)
Transactions with owners in their capacity as owners:							
Shares issued during the year net of transaction costs	2,882,242	-	-	-	-	-	2,882,242
Sale of subsidiaries	-	-	-	-	-	10,126,072	10,126,072
Options issued to Brokers	-	-	-	49,173	-	-	49,173
Options issued under Employee Option Plan	-	-	-	11,057	-	-	11,057
At 30 June 2017	**35,931,732**	**(36,483,664)**	**491,577**	**1,609,070**	**21,678**	**-**	**1,570,393**

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

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 1: Corporate information

The consolidated financial statements of Ferrum Crescent Limited and its subsidiaries (collectively, the Group) for the year ended 30 June 2017 were authorised for issue in accordance with a resolution of the directors on 29 September 2017.

Ferrum Crescent Limited, the parent, is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange (ASX), the London Stock Exchange (AIM) and the JSE Limited (JSE).

Domicile:
Australia

Registered Office:
'G South Mill Centre' Suite 6, 9 Bowman Street, South Perth, WA, 6151

Note 2: Summary of significant accounting policies

(a) Basis of preparation

The Financial Report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations and complies with other requirements of Australian law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the consolidated entity consisting of Ferrum Crescent Limited and its subsidiaries.

The Financial Report has also been prepared on a historical cost basis, except for the forward subscription agreement and the available-for-sale (AFS) investments which have been measured at fair value.

All amounts are presented in Australian dollars, unless otherwise stated.

(b) Statement of compliance

The Financial Report complies with Australian Accounting Standards, as issued by the Australian Accounting Standards Board, and complies with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

(c) Adoption of new and revised standards

Ferrum Crescent Limited and its subsidiaries ('the Group') has adopted all new and amended Australian Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2016, including:

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

- AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle

- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101

- AASB 1057 Application of Australian Accounting Standards

The adoption of these standards and interpretations did not have any material effect on the financial position or performance of the Group.

Note 2: Summary of significant accounting policies (continued)

(d) Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 30 June 2017. Relevant Standards and Interpretations are outlined in the table below.

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 9	Financial Instruments	AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early adoption. The own credit changes can be early adopted in isolation without otherwise changing the accounting for financial instruments. Classification and measurement AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. There are also some changes made in relation to financial liabilities.	1 January 2018	1 July 2018
AASB 15	Revenue from Contracts with Customers	In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*, which replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related Interpretations (IFRIC *13 Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate,* IFRIC 18 *Transfers of Assets from Customers* and SIC-31 *Revenue—Barter Transactions Involving Advertising Services*). The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation The Group has commenced a detailed review of its contracts to determine the impact, if any, of AASB 15 to revenue recognition of the Group. At the date of this report, that assessment is ongoing and it has not been possible to quantify the effect of AASB 15. The International Accounting Standards Board (IASB) in its July 2015 meeting decided to confirm its proposal to defer the effective date of IFRS 15 (the international equivalent of AASB 15) from 1 January 2017 to 1 January 2018.	1 January 2018	1 July 2018
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	AASB 2014-10 amends AASB 10 C*onsolidated Financial Statements* and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require: (a) a full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not); and (b) a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2014-10 also makes an editorial correction to AASB 10. AASB 2014-10 applies to annual reporting periods beginning on or after 1 January 2017. Early adoption permitted.	1 January 2018	1 July 2018
AASB16	Leases	This Standard sets out the principles for the recognition, measurement,, presentation and disclosure of leases, The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transaction, This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the entity.	1 January 2019	1 July 2019

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses	This Standard makes amendments to AASB112: Income Taxes (July 2004) and AASB112: Income Taxes (August 2015) to clarify the requirements on recognition of deferred tax assets for unrealized losses on debt instruments measured at fair value.	1 January 2017	1 July 2017
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure initiative: Amendments to AASB107	This Standard amends AASB107: Statement of Cash Flows (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.	1 January 2017	1 July 2017
AASB 2016-5	Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions	This Standard amends AASB 2 Share-based Payments (July 2015). These amendments arise from the issuance of International Financial Reporting Standard Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2) by the International Accounting Standards Board (IASB) in June 2016. This Standards amends AASB 2 Share-based Payments to address: (a) the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; (b) the classification of share-based payment transactions with a net settlement feature for withholding tax obligations; and (c) the accounting for a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.	1 January 2018	1 July 2018
AASB 2017-2	Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle	This Standards makes amendments to AASB 12 Disclosure of Interest in Other Entities (August 2015). This Standard clarifies the scope of AASB 12 by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owner or discontinued operations in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.	1 January 2017	1 July 2017

The impact of the above new statements on the Group still has to be determined.

(e) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Note 2: Summary of significant accounting policies (continued)

(e) Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary;
- De-recognises the carrying amount of any non-controlling interests;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(f) Critical accounting estimates and judgements

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.

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 an external valuer using a binomial model, using the assumptions detailed in Note 19.

Impairment of available-for-sale financial assets
The Group follows the guidance of AASB 139 *Financial Instruments: Recognition and Measurement* to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Business combination vs assets acquisition
The Company has determined that the acquisition has taken the form of an asset acquisition and not a business combination. In making this decision, the Company determined that the nature of the exploration and evaluation activities by GoldQuest did not constitute an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

Note 2: Summary of significant accounting policies (continued)

(g) Going concern

The Annual Report has been prepared on a going concern basis and this basis is predicated on a number of initiatives being undertaken by the Group with respect to ongoing cost reductions and funding as set out below.

The Group incurred an operating loss after income tax of $11,286,803 for the year ended 30 June 2017 (2016: $1,573,533). In addition, the Group has net current assets of $368,040 (2016: $397,080), and shareholders' equity of $1,570,393 (2016: $718,659) as at 30 June 2017.

The Group's forecast cash flow requirements for the 15 months ending 30 September 2018 reflect cash outflows from operating and investing activities, which take into account a combination of committed and uncommitted but currently planned expenditure. The ability of the Group to continue as a going concern is dependent on raising additional funds to meet the Group's ongoing working capital requirement when required.

These conditions indicate a material uncertainty which may cast significant doubt as to whether the Group will be able to meet its debts as and when they fall due and thus continue as a going concern.

This Annual report has been compiled on a going concern basis. In arriving at this position the Directors are satisfied that the Group will have access to sufficient cash as and when required to enable it to fund administrative and other committed expenditure. The Directors are satisfied that they will be able to raise additional funds by either through implementation of strategic joint ventures or via a form of debt and/or equity raising. In addition, the Directors have embarked on a strategy to reduce costs.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

(h) Foreign currency translation

Both the functional and presentation currency of the Company and its Australian controlled entity is Australian dollars (A$). 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.

The functional currency of the foreign operations is Euro (EUR), South African Rand (ZAR) and United States dollars (USD).

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 reporting date.

All exchange differences in the parent Company's financial statements are taken to profit or loss unless they relate to the translation of subsidiary related loans and borrowings which are considered part of the net investment value taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

As at the reporting date the assets and liabilities of foreign subsidiaries are translated into the presentation currency of the Company at the rate of exchange ruling at the reporting date and their statements of profit or loss and other comprehensive income are translated at the weighted average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity.

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.

Note 2: Summary of significant accounting policies (continued)

(i) Exploration and evaluation expenditure

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current or in the process of renewal and they are expected to be recouped through sale or successful development and exploitation of the area of interest or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where 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 period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(j) Income tax

Current tax assets and liabilities for the current period and prior periods are measured at amounts expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used for computations are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Current tax assets and liabilities for the current period and prior periods are measured at amounts expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used for computations are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

- where the deferred income tax liability arises from the initial recognition of goodwill 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; and
- where the taxable temporary difference is associated with investments in subsidiaries, 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 credits 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 assets and unused tax losses can be utilised except:

- where 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; and
- where the deductible temporary difference is associated with investments in subsidiaries, 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.

Note 2: Summary of significant accounting policies (continued)

(j) Income tax (continued)

The carrying amount of deferred income tax assets is reviewed at each reporting 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 reporting 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 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 reporting date

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

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.

(k) GST/VAT

Revenues, expenses and assets are recognised net of the applicable amount of GST/VAT except:

- where the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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

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

(l) Provisions and employee benefits

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

When the Company 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 profit or loss and other comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 2: Summary of significant accounting policies (continued)

(l) Provisions and employee benefits (continued)

Employee leave benefits

i. Short term benefits

Liabilities for short term benefits including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months of the reporting date, are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

ii. Long service leave

The liability for long service leave is recognised and 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 the 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.

(m) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less.

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.

(n) Trade and other receivables

Receivables, which generally have 30-90 day credit terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for any uncollectable amounts.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt.

(o) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest Revenue
Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(p) Contributed equity

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

The Group's own shares, which are re-acquired for later use in the employee share based payment arrangements, are deducted from equity.

Note 2: Summary of significant accounting policies (continued)

(q) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(r) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the Company adjusted to exclude any costs of servicing equity (other than dividends) divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the Company adjusted for:

- costs of servicing equity (other than 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, adjusted for any bonus element.

(s) Financial instruments – Initial recognition and subsequent measurement

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets on initial recognition.

(t) Share-based payment transactions

The Company provides benefits to its employees (including key management personnel ("KMP") in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

Equity settled transactions
The cost of equity-settled transactions with employees 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 a binomial model, further details of which are given in Note 19.

In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity on the date the equity right is granted. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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. An additional expense is recognised for any modification that increases the total fair value of the share based 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 diluted earnings per share (see note 8).

(u) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased asset, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

(v) Comparatives figures

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

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 3: Revenue and expenses

Revenue and expenses from continuing operations

	Note	2017 $	2016 $
(a) Revenue			
Turnover		**9,303**	14,084
Interest received		**8,653**	8,433
		17,956	22,517
(b) Other Income			
Income from third party advance payment		**175,851**	490,850
		175,851	490,850

During the financial period ended June 2014, the Company entered into a legally binding heads of agreement with Anvwar Asian Investment ("AAI"), an entity based in Oman, whereby AAI would purchase a 35% interest in Ferrum Iron Ore (Pty) Ltd ("FIO"), the Group Company that holds the Moonlight Iron Ore Project. After a number of term variations of this letter of intent, the Company entered into a new agreement with AAI in March 2014, whereby AAI would pay US$1 million, by way of two tranches of US$500,000, one payable by the end of March 2014 and the second payable by the end of April 2014, thereby earning the right subject to the requisite approvals of the South African Reserve Bank to the issue of FIO shares equaling 35% of the shares of that company, being partly paid, subject to the right to pay an additional US$9 million to become fully paid or to be converted into 35% of FIO fully paid. The additional US$9 million had to be paid by the earlier of 31 December 2015 and the completion of the Moonlight BFS.

A second payment of US$500,000 was not received by the Company from AAI within the time frame scheduled under the agreement. The Company has informed AAI of its default, and AAI remains in default as at the date of this report. Accordingly, the first tranche of US$500,000 has been recorded as a current liability.

On 14 March 2015 the Company terminated the investment agreements between itself and AAI, as a result of AAI's breach of a material term of the agreements.

On 22 July 2015, AAI's lawyers, Trowers & Hamlins, issued a letter to the Company, requesting that the first tranche be returned to AAI within 14 days from the date of issue. They advised that AAI will commence legal proceedings for the recovery of the first tranche plus any interest and costs incurred by AAI.

On 30 June 2016 after no further correspondence between AAI, its lawyers and the Company, the Company derecognised an amount of US$364,448, leaving a provision of US$135,552 for payments received in advance.

On 31 December 2016 after no further correspondence, the Company derecognised the balance of the provision down to nil.

Refer to note 21 for the contingent liability with respect to this matter.

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 3: Revenue and expenses (continued)

Revenue and expenses from continuing operations (continued)

	Note	2017 $	2016 $
(c) Profit or loss			
Other expenses include the following:			
Depreciation		**5,588**	11,638
Gain on disposal of plant and equipment		**(2,647)**	(8,609)
Consulting services		**553,604**	243,032
Employment related			
- Directors fees		**304,758**	386,994
- Wages		**253,794**	182,207
- Superannuation		**11,170**	39,989
Corporate		**263,535**	276,747
Travel		**16,459**	27,868
Other		**189,166**	256,882
		1,595,427	1,416,748
(d) Fair value (losses)/gains			
Fair value (loss)/gain on financial instrument		**-**	46,868
Impairment of minority interest obligation		**-**	(46,868)
		-	-

On 26 October 2010, various agreements were entered into in respect of the minority interest in the Moonlight Iron Project being managed by the company's subsidiary Ferrum Iron Ore (Pty) Ltd ("FIO").

Ferrum South Africa Pty Ltd ("FSA"), a wholly owned subsidiary of the Ferrum Crescent Ltd ("FCL"), entered various agreements with Mkhombi Investments (Pty) Ltd ("MI") and its holding company, Mkhombi AmaMato (Pty) Ltd ("MA") for MI to become FIO's BEE partner. MA was to obtain 15.6% of the issued shares in FCL in 2 equal tranches of ZAR 7.5 million. The South African Department of Mineral Resources ("DMR") expressed its support of this transaction. The first tranche was completed on 30 November 2012 and FCL issued 7.8% of its issued shares to MA.

Upon completion of the first tranche, the Company legally owned, directly and indirectly through its wholly owned subsidiary, MI, 97% of FIO, with the remaining 3% held by the GaSeleka Community.

On 30 June 2017, the Company completed the sale of Batavia Ltd, its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group's South African assets including the Moonlight iron ore project in Limpopo Province, northern South Africa (the "Moonlight Project").

The disposal effectively ends the Group's exposure to all of the costs and commitments associated with maintaining the Moonlight Project.

Note 4: Segment information

Identification of Reportable Segments

For management purposes, the Group is organised into two main operating segments, which involves mining exploration for iron ore in South Africa and mining exploration for zinc in Spain. All of the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as two segments. Accordingly, all significant operating decisions are based upon analysis of the Group as a whole. The financial results from these segments are equivalent to the financial statements of the Group as a whole.

Geographic Information	Note	Australia		South Africa		Spain		Consolidation	
		2017	2016	2017	2016	2017	2016	2017	2016
		$	$	$	$	$	$	$	$
Revenue from external customers	3	-	-	9,303	14,084	-	-	9,303	14,084
Total profit or loss after tax		(20,144,563)	(1,306,186)	9,153,564	(267,347)	(295,804)	-	(11,286,803)	(1,573,533)
Current assets		535,823	742,467	-	114,635	78,559	-	614,382	857,102
Non - current assets		3,327	243,692	-	77,887	1,199,026	-	1,202,353	321,579
Total assets		539,150	986,159	-	192,522	1,277,585	-	1,816,735	1,178,681
Current liabilities		(149,247)	(216,061)	-	(243,961)	(97,095)	-	(246,342)	(460,022)
Total liabilities		(149,247)	(216,061)	-	(243,961)	(97,095)	-	(246,342)	(460,022)
Net assets / (liabilities)		389,903	770,098	-	(51,439)	1,180,490	-	1,570,393	718,659

Note 5: Income tax expense

	2017	2016
	$	$
Reconciliation of income tax expense to the pre-tax net loss		
Loss before income tax	**11,286,803**	1,573,533
Income tax calculated at 27.5% (2016:30%) on loss before income tax	**(3,103,871)**	(472,060)
Add tax effect of: non-deductible expenses	**3,120,782**	128,072
Difference in tax rate of subsidiaries operating in other jurisdictions	**(376,033)**	8,617
Unused tax losses and temporary differences not brought to account	**359,122**	335,371
Income tax (profit) / expense	**-**	-

Note 5: Income tax expense (continued)

Analysis of deferred tax balances	**2017**	**2016**
Deferred tax liabilities	**$**	**$**
Assessable temporary differences		
Prepayments	**(13,578)**	(13,576)
Deferred tax liabilities offset by deferred tax assets	**13,578**	13,576
Net deferred tax liabilities	**-**	-
Deferred tax assets		
Share issue expenses	**136,425**	103,225
Payables and provisions	**30,126**	41,248
Other	**21,584**	363,091
Unused tax losses	**4,205,179**	5,213,707
	4,393,314	5,721,271
Total unrecognised deferred tax assets	**(4,379,736)**	(5,707,695)
Deferred tax assets	**13,578**	13,576
Deferred tax assets offset by deferred tax liabilities	**(13,578)**	(13,576)
Net deferred tax assets	**-**	-

Unused tax losses set out above have not been recognised due to the uncertainty of future taxable profit streams.

Note 6: Loss on sale of subsidiaries

On 30 June 2017, the Company completed the sale of Batavia Ltd, its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group's South African assets including the Moonlight iron ore project in Limpopo Province, northern South Africa (the "Moonlight Project") for a nominal consideration of one thousand Australian dollar.

The disposal effectively ends the Group's exposure to all of the costs and commitments associated with maintaining the Moonlight Project.

The loss from sale of subsidiaries in the current year has been determined as follows:

	$
Net proceeds from sale	**1,000**
Less: Carrying amount of net assets sold:	
Cash and cash equivalents	**(150)**
Other receivables and prepayments	**(44,078)**
Investments	**(42,486)**
Plant & Equipment	**(11,359)**
Trade and other payable	**30,092**
Equity reserve (BEE transaction)	**(10,126,072)**
Foreign exchange reserve	**930,569**
	(9,262,484)

Statement of Cash Flows reconciliation:	
Net proceeds as per above	**1,000**
Cash received	**1,000**

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 7: Auditors' remuneration

	2017 $	2016 $
Remuneration of the auditor of the Company for:		
-auditing or reviewing the financial statements		
BDO Audit (WA) Pty Ltd	**29,745**	22,686
BDO South Africa Incorporated	**22,118**	11,501
Lancaster Mauritius	**4,041**	5,174
	55,904	39,361
-other assurance related services		
BDO Audit (WA) Pty Ltd	**3,310**	-
Ernst & Young Australia	**-**	1,803
Others	**1,407**	-
	60,621	41,164

Note 8: Earnings per share

	2017 $	2016 $
Basic loss per share (cents per share)	**(0.91)**	(0.22)
Diluted loss per share (cents per share)	**(0.91)**	(0.22)
Loss used in calculating basic loss per share	**(11,286,803)**	(1,573,533)
Adjustments to basic loss used to calculate dilutive loss per share	**-**	-
Loss used in calculating dilutive loss per share	**(11,286,803)**	(1,573,533)
	Number	Number
Weighted average number of ordinary shares used in the calculation of basic loss per share	**1,238,720,046**	714,611,971
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**1,238,720,046**	714,611,971

There have been no transactions involving ordinary shares or potential shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

Note 1 – 28,722,649 share options outstanding at 30 June 2017 (30 June 2016: 13,000,000) have not been included in the calculation of dilutive earnings per share as these are anti-dilutive.

Note 9: Cash and cash equivalents

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2017 $	2016 $
Cash at bank	**503,891**	743,264

Note 10: Trade and other receivables

	2017	2016
	$	$
Current		
Sundry debtors	**30,018**	18,475
GST / VAT	**16,606**	15,454
	46,624	33,929

Non-trade debtors are non-interest bearing and are generally on 30-90 days credit terms. The carrying amounts of these receivables represent fair value and are not considered to be impaired.

Note 11: Capitalised exploration expenditure

	2017	2016
	$	$
Option to Purchase GoldQuest Iberica S.L.	-	243,331
GoldQuest Iberica S.L.	1,180,488	-
	1,180,488	**243,331**

On 15 February 2016, the Company entered into an exclusive option and sale agreement for a staged option fee of up to GBP22,500, with TH Crestgate GmbH (“Crestgate”), a private Swiss-based company potentially to acquire 100 per cent of its indirectly wholly-owned subsidiary, GoldQuest Iberica, S.L. (“GoldQuest”), a private company incorporated in Spain, which owns 100 per cent of two lead-zinc exploration projects in the provinces of León and Galicia, in historic Spanish mining areas (“the Iberian Projects”), to enable the Company to conduct due diligence on GoldQuest and the Iberian Projects.

Subsequent to the Company entering into an exclusive option to acquire 100 percent of GoldQuest, two nil-cost extensions were granted to the Company on 22 July 2016 and 31 August 2016.

On 22 September 2016 the option was exercised. Accordingly, the Company had acquired 100 per cent of the share capital of GoldQuest. The consideration comprised GBP326,500 in cash and the issue of 100 million new ordinary shares in the capital of the Company.

The purchase of GoldQuest was split into 2 transactions the details of which are set out below:

I. <u>Original option payments</u>

On 16 February 2016, the first cash portion of GBP1,000 was paid to Crestgate.
On 17 February 2016, 4,515,041 ordinary shares were issued to Crestgate at a price of GBP 0.00144 per share.
On 1 April and 20 April 2016, the second and third cash payments of GBP7,500 each respectively were paid to Crestgate.
On 25 May 2016 an amount of GBP92,500 was placed into a trust account with Crestgate’s lawyers until the option to purchase was concluded, which would form part of the final purchase price.
On 31 May 2016, 5,000,000 ordinary shares were issued to Crestgate at a price of GBP0.0013 per share.

II. <u>Final purchase consideration</u>

On 15 September GBP234,000 was paid to Crestgate as the final cash portion of the purchase of GoldQuest.
On 30 September 2016, the Company issued 100,000,000 new ordinary shares of no par value each in the capital of the Company to GoldQuest Mining (Spain) Corp. These shares were issued in settlement of the share element of the consideration for the acquisition of 100 per cent of the issued share capital of GoldQuest Iberica, S.L. The shares are fully paid and rank pari passu in all respects with the Company’s existing ordinary shares.

Note 11: Capitalised exploration expenditure (continued)

The above transaction also incurred legal and administrative fees of AUD131,788. The total purchase consideration was AUD1,180,488 made up as follows:

	30 September 2016
Purchase consideration	
100,000,000 ordinary shares issued to GoldQuest Mining (Spain) Corp.	391,495
9,515,041 ordinary shares issued to TH Crestgate GmbH	25,841
Cash consideration	631,364
Acquisition costs	131,788
	1,180,488
Net assets acquired	
Cash and Equivalents	8,923
Property, Plant and Equipment	7,437
Deferred exploration and evaluation expenditure	1,744,515
Trade and other receivables	64,064
Trade and other payables	(6,386)
Exploration and evaluation expenditure *	(638,065)
	1,180,488

* Fair Value attribution being the difference between consideration paid less fair value of identifiable net assets acquired

The company has determined that the acquisition has taken the form of an asset acquisition and not a business combination. In making this decision, the company determined that the nature of the exploration and evaluation activities by GoldQuest did not constitute an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

Note 12: Other financial assets

	2017 $	2016 $
Current assets		
Rental and Other Deposits	**14,344**	5,121
Rehabilitation Trust	**-**	24,182
	14,344	29,303
Non- current assets		
Available for sale investments (at fair value) (refer to note (a) below)	**-**	64,715
	-	64,715

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 12: Other financial assets (continued)

Note (a): Available for sale investments

On 30 October 2014, Guardrisk issued a financial guarantee for the rehabilitation of land to be disturbed by mining to the DMR for the sum of R7,517,000.

On 1 November 2014, Ferrum Iron Ore (Pty) Ltd, a subsidiary of the Company, signed a policy of insurance whereby an initial lump sum of R1,500,000 (approx. AUD 149,250 at the then prevailing AUD:ZAR exchange rate of 10.0503) and a monthly contribution of R100,000 (approx. AUD9,950 at the same exchange rate) would be paid for a fixed period from 1 November 2014 to 31 October 2017 to cover the environmental guarantee.

On 18 November 2015 the policy was renegotiated and a lump sum of R1,104,878 (approx. AUD 92,699 at the then prevailing AUD:ZAR exchange rate of 11.9190) was paid out to the Company as working capital and the monthly contributions were amended to be paid up, on condition that the Company advise Guardrisk of any intention to do further explorative work. The policy is due to be renegotiated in October 2017 when the environment guarantee expires.

On 30 June 2017, the Company completed the sale of Batavia Ltd, its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group's South African assets including the Moonlight iron ore project in Limpopo Province, northern South Africa (the "Moonlight Project").

The disposal effectively ends the Group's exposure to all of the costs and commitments associated with maintaining the Moonlight Project.

Note 13: Trade and other payables

	2017 $	2016 $
Current		
Trade payables and other payables	**242,804**	263,827
	242,804	263,827

Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

Note 14: Provision for payments received in advance

	2017 $	2016 $
Current		
Provision for Anvwar Asian Investments	**-**	**175,722**
	-	**175,722**

As set out in note 3 (b) after no further correspondence, the Company derecognised the balance of the provision down to nil.

Refer to note 21 for the contingent liability with respect to this matter.

Note 15: Contributed Equity

		2017 No. of shares	2016 No. of shares	2017 $	2016 $
(a)	**Share Capital Ordinary Shares**				
	Ordinary shares fully paid	**2,469,999,055**	1,282,791,883	**36,197,034**	33,314,792
	Employee share incentive plan shares	**(2,300,000)**	(2,300,000)	**(265,302)**	(265,302)
		2,467,699,055	1,280,491,883	**35,931,732**	33,049,490

Capital management
When managing capital (which is defined as the Company's total equity), management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. As the equity market is constantly changing management may issue new shares to provide for future exploration and development activity. The Company is not subject to any externally imposed capital requirements.

During the year ended 30 June 2017, nil (2016: nil) shares were issued back to the market from the Employee Incentive Share Plan.

(b) Movements in ordinary share capital

Date	Details	Number of shares	$
30 June 2015	**Closing Balance**	**618,787,353**	**31,807,395**
17 February 2016	Subscription Shares	4,515,041	13,045
29 February 2016	Subscription Shares	149,681,797	359,236
27 April 2016	Placing and Subscription Shares	500,000,000	1,279,499
27 April 2016	Fee Shares	4,807,692	12,303
27 April 2016	Shares – TH Crestgate GmbH	5,000,000	12,795
	Costs associated with share issues		(169,481)
30 June 2016	**Closing Balance**	**1,282,791,883**	**33,314,792**
29 July 2016	Options Exercised	66,874,816	193,025
29 July 2016	Additional Shares Issued	187,226,485	655,034
26 August 2016	Options Exercised	44,797,543	128,184
29 September 2016	Options Exercised	5,381,907	15,057
30 September 2016	Shares issued to GoldQuest	100,000,000	400,000
7 October 2016	Options Exercised	181,560,288	491,242
25 November 2016	Options Exercised	769,231	2,126
12 December 2016	Placing shares – Beaufort Securities	275,218,025	939,770
19 December 2016	Options Exercised	3,205,088	9,029
23 June 2017	Placing shares – Beaufort Securities	322,173,789	379,080
	Costs associated with share issues		(330,305)
30 June 2017	**Closing Balance**	**2,469,999,055**	**36,197,034**
Employee share plan shares on issue		(2,300,000)	(265,302)
		2,467,699,055	**35,931,732**

If, at any time during the exercise period, an employee ceases to be an employee, all share options held by that employee will lapse one month after their employment end date. Therefore, employee shares above are only recognised in issued capital when issued to the employees concerned.

Note 15: Contributed Equity (continued)

(c) Movements in employee share plan shares issued with limited recourse employee loans

Date	Details	Number of shares	$
01 July 2015	Opening balance	2,300,000	(265,302)
	Cancelled during 2016	-	-
	Issued during 2016	-	-
30 June 2016	**Closing balance**	**2,300,000**	**(265,302)**
	Cancelled during 2017	-	-
	Issued during 2017	-	-
30 June 2017	**Closing balance**	**2,300,000**	**(265,302)**

No employee share plan shares were issued in 2017 (2016: Nil).

This account is used to record the value of shares issued under the Executive Share Incentive Plan (ESIP). The ESIP is accounted for as an “in-substance” option plan due to the limited recourse nature of the loan between employees and the Company to finance the purchase of ordinary shares. The total fair value of the “in substance” options issued under the plan is recognised as a share-based payment expense over the vesting period, with a corresponding increase in equity.

Note 16: Listed options

	2017	**2016**
	No. of Options	**No. of Options**
Options		
At year end the following options were on issue:		
- 21 November 2016 options exercisable at 3 cents per share	**-**	500,000
- 19 February 2017 options exercisable at 8 cents per share	**-**	2,500,000
- 2 February 2018 options exercisable at GBP0.0075 per share	**2,000,000**	2,000,000
- 2 February 2018 options exercisable at GBP0.02 per share	**3,000,000**	3,000,000
- 1 March 2018 options exercisable at GBP0.0075 per share	**2,000,000**	2,000,000
- 1 March 2018 options exercisable at GBP0.02 per share	**3,000,000**	3,000,000
- 12 May 2018 options exercisable at GBP0.00165 per share	**197,411,127**	500,000,000
- 29 July 2018 options exercisable at GBP0.003 per share	**205,949,134**	-
	413,360,261	513,000,000

Movements in 21 November 2016 options		
Beginning of the financial year	**500,000**	500,000
Options issued during the year	**-**	-
Options cancelled during the year	**(500,000)**	-
End of the financial year	**-**	500,000

Note 16: Listed options (continued)

Movements in 19 February 2017 options	2017 No. of Options	2016 No. of Options
Beginning of the financial year	**2,500,000**	2,500,000
Options issued during the year	**-**	-
Options cancelled during the year	**(2,500,000)**	-
End of the financial year	**-**	2,500,000

Movements in 2 February 2018 options		
Beginning of the financial year	**5,000,000**	-
Options issued during the year	**-**	5,000,000
Options cancelled during the year	**-**	-
End of the financial year	**5,000,000**	5,000,000

Movements in 1 March 2018 options		
Beginning of the financial year	**5,000,000**	-
Options issued during the year	**-**	5,000,000
Options cancelled during the year	**-**	-
End of the financial year	**5,000,000**	5,000,000

Movement in 12 May 2018 options		
Beginning of the financial year	**500,000,000**	-
Options issued during the year	**-**	500,000,000
Options exercised during the year	**(302,588,873)**	-
Options cancelled during the year	**-**	-
End of the financial year	**197,411,127**	500,000,000

Movement in 29 July 2018 options		
Beginning of the financial year	**-**	-
Options issued during the year	**205,949,134**	-
Options cancelled during the year	**-**	-
End of the financial year	**205,949,134**	-

The table below summarises the model inputs (post consolidation) for options granted during the year ended 30 June 2017:

Options granted for no consideration	18,722,649
Exercise price (GBP)	0.0035
Issue date	4 October 2016
Expiry date	29 July 2018
Underlying security spot price at grant date (GBP)	0.002
Expected price volatility of the Company's shares	100%
Expected dividend yield	0%
Expected life	2
Risk-free interest rate	1.58%
Binomial model valuation per option (AUD cents per share)	0.26
Total fair value	$49,173

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 17: Reserves

	Employee share incentive reserve	Options reserve	Foreign exchange reserve	Equity reserve	Total
	$	$	$	$	$
At 1 July 2015	**491,577**	**1,514,742**	**726,510**	**(10,126,072)**	**(7,393,243)**
Options issued under Employee Option plan	-	34,098	-	-	34,098
Net growth on Investment Portfolio	-	-	(991)	-	(991)
Currency translation differences	-	-	226,166	-	226,166
At 30 June 2016	**491,577**	**1,548,840**	**951,685**	**(10,126,072)**	**(7,133,970)**
Options issued to Brokers(1)	-	49,173	-	-	49,173
Options issued under Employee Option plan	-	11,057	-	-	11,057
Sale of subsidiaries	-	-	-	10,126,072	10,126,072
Currency translation differences	-	-	(930,007)	-	(930,007)
At 30 June 2017	**491,577**	**1,609,070**	**21,678**	**-**	**2,122,325**

(1) The value of the service could not be reliably determined and therefore, the options is valued using the Black and Scholes Model.

Nature and purpose of reserves

Employee share incentive reserve
This reserve is used to record the value of equity benefits provided to employees, consultants and directors as part of their remuneration under the Executive Share Incentive Plan.

Options reserve
This reserve is used to record the value of options issued, other than share-based payments to directors, employees and consultants as part of their remuneration.

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

Equity reserve
The Equity reserve is used to record the acquisition of the non-controlling interest by the Group and to record differences between the carrying value of non-controlling interests and the consideration paid / received, where there has been a transaction involving non-controlling interests that do not result in a loss of control.
The reserve is attributable to the equity of the parent.

Note 18: Accumulated losses

	2017	2016
	$	$
Accumulated losses at the beginning of the financial year	**(25,196,861)**	(23,623,328)
Net loss for the year	**(11,286,803)**	(1,573,533)
Accumulated losses at the end of the financial year	**(36,483,664)**	(25,196,861)

Note 19: Share based payments

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	2017 $	2016 $
Options issued in consideration for services	**11,057**	34,097
	11,057	34,097

Fair value of options granted

The fair value at the grant date of options issued is determined using a binomial option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

a) The tables below summarise the model inputs (post consolidation) for options granted prior to the year ended 30 June 2017:

Options granted for no consideration	18,722,649
Exercise price (GBP)	0.0035
Issue date	4 October 2016
Expiry date	29 July 2018
Underlying security spot price at grant date (GBP)	0.002
Expected price volatility of the Company's shares	100%
Expected dividend yield	0%
Expected life	2
Risk-free interest rate	1.58%
Binomial model valuation per option (AUD cents per share)	0.26
Total fair value	$49,173

Movements

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	2017 Number	2017 WAEP	2016 Number	2016 WAEP
Outstanding at 1 July	13,000,000	1.32	13,000,000	1.32
Issued during the year	18,722,649	0.26	-	-
Cancelled during the year	(3,000,000)	3.77	-	
Outstanding at 30 June	28,722,649	0.19	13,000,000	0.92
Exercisable at 30 June	28,722,649	0.19	11,500,000	1.04

Note 20: Commitments

(i) At this stage the Company has no minimum obligations with respect to tenement expenditure requirements.
(ii) Operating lease commitment to rental payments on office premise in Spain is as follows:

	2017 $	2016 $
Within 1 year	**16,105**	25,107
2 to 3 years	**5,368**	-
Total	**21,473**	25,107

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 21: Contingent liabilities

The Company received USD500,000 from AAI during March 2014 as part of AAI's advanced payment for a percentage ownership of the Company's subsidiary FIO. The transaction was never formally finalised and on 30 June 2016, the Company transferred the amount of USD364,448 from provision for payments received in advance to sundry income to cover expenses incurred by the Company subsequent to AAI's default, leaving a value of US$135,552 in provision for payments received in advance.

On 31 December 2016 after no further correspondence the company derecognised the balance of the provision down to nil.

Note 22: Related party transactions

Compensation of Key Management Personnel

	2017	2016
	$	$
Short-term employee benefits	**537,519**	641,131
Post-employment benefits	**5,205**	26,849
Share based payments	**11,057**	34,097
Termination benefits	**98,263**	-
	652,044	702,077

Transactions between related parties are on normal commercial terms and conditions and no more favourable than those available to other parties unless otherwise stated.

<u>Subsidiaries</u>

The consolidated financial statements include the financial statements of Ferrum Crescent Limited and the subsidiaries listed in the following table.

		% Beneficial Equity Interest	
Name	**Country of Incorporation**	**2017**	**2016**
Ferrum Metals Pty Ltd	Australia	**100**	100
GoldQuest Iberica S.L.	Spain	**100**	-
Batavia Ltd	Mauritius	**-**	100
Ferrum South Africa (Pty) Ltd ("FIO")	South Africa	**-**	100
Ferrum Iron Ore (Pty) Ltd	South Africa	**-**	97.14
Mkhombi Investments (Pty) Ltd ("MI")	South Africa	**-**	88.46

Ferrum Crescent Limited is the ultimate Australian parent entity and the ultimate parent of the Group. Transactions between Ferrum Crescent Limited and its controlled entities during the year consisted of loan advances by Ferrum Crescent Limited. All intergroup transactions and balances are eliminated on consolidation.

On 30 June 2017, the Company completed the sale of Batavia Ltd, its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group's South African assets including the Moonlight iron ore project in Limpopo Province, northern South Africa (the "Moonlight Project").

The disposal effectively ends the Group's exposure to all of the costs and commitments associated with maintaining the Moonlight Project.

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 22: Related party transactions (continued)

Trade receivable

	2017	2016
	$	$
Trade receivable	**10,606**	15,454
Less provision for bad debts	**(10,606)**	(15,454)
	-	-

On 30 June 2017, the Company completed the sale of Batavia Ltd, its wholly-owned Mauritian subsidiary which is the investment holding company for all the Group's South African assets including the Moonlight iron ore project in Limpopo Province, northern South Africa (the "Moonlight Project").

The disposal effectively ends the Group's exposure to all of the costs and commitments associated with maintaining the Moonlight Project.

Trade payable

		Income from Related Parties	Expenditure to Related Parties	Amounts Owed by Related Parties at year end	Amounts Owed to Related Parties at year end
		$	$	$	$
Magnum Mining and Exploration Ltd (i)	**2017**	**-**	**118,458**	**-**	**22,817**
	2016	-	87,582	-	29,382

(i) Mr G Button, a non-executive director and company secretary for the Company, is also a director of Magnum Mining and Exploration Ltd. During the year, Magnum Mining and Exploration Ltd received the above fees for office rental, office running costs and staffing expenses. These fees are based on normal commercial terms and conditions.

Loans to / (from) related parties

The following transactions were undertaken between the Company, executive officers and director-related entities during 2017 and 2016.

	2017	2016
	$	$
Consulting fees were paid or accrued to Camcove Pty Ltd, a company of which Robert Hair is a director and shareholder	**-**	60,000
Consulting fees were paid to Mowbrai Ltd, a company of which Laurence Read is a director	**76,621**	-
Consulting fees were paid or accrued to Tavistock Communications Ltd, a company of which Merlin Mar-Johnson is an employee	**31,250**	15,672
Consulting fees were paid or accrued to Marrad Ltd, a company of which Merlin Mar-Johnson is a director	**44,112**	-
	151,983	75,672

Note 23: Cash flow information

	2017	2016
	$	$
Reconciliation of cash flow from operations with loss from ordinary activities after income tax		
Loss from ordinary activities after income tax	**(11,286,803)**	(1,573,533)
Depreciation	**5,588**	11,638
Exploration expenditure	**63,314**	-
Profit on sale of plant and equipment	**(2,647)**	(8,609)
Profit on sale of available for sale financial assets	**-**	(649)
Loss on sale of subsidiaries	**9,262,484**	-
Impairment of loans	**(772,564)**	-
Share based payment compensation	**11,057**	34,097
Net foreign exchange differences	**827,281**	368,404
Movement of Bad debts	**10,606**	16,056
Proceeds from third party funding	**(175,851)**	(490,850)
Changes in assets and liabilities		
(Increase) / decrease in receivables	**7,889**	(12,001)
(Increase) / decrease in other operating assets	**(34,360)**	31,399
Increase / (decrease) in payables and provisions	**(57,382)**	45,298
Cash flows used in operations	**(2,141,388)**	(1,578,750)

Note 24: Financial risk management objectives and policies

The Group's principal financial instruments comprise cash, short term deposits, held-for-trading and derivative instruments.

The main purpose of the financial instruments is to finance the Group's operations. The Company also has other financial instruments such as trade debtors and creditors which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities, is set out in the following table. Also included is the effect on profit and equity after tax if interest rates at that date had been 10% higher or lower with all other variables held constant as a sensitivity analysis.

The Group has not entered into any hedging activities to manage interest rate risk. In regard to its interest rate risk, the Group continuously analyses its exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 24: Financial risk management objectives and policies (continued)

(a) Interest Rate Risk (continued)

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total	Interest Rate Risk Sensitivity -10% Profit	-10% Equity	+10% Profit	+10% Equity
	%	$	$	$	$	$	$	$	$
2017									
Financial Assets									
Cash	0.05%	503,891	-	-	503,891	(17)	-	17	-
Other deposits	0.00%	-	-	14,344	14,344	-	-	-	-
Receivables	0.00%	-	-	46,624	46,624	-	-	-	-
Investments	0.00%	-	-	-	-	(848)	-	848	-
Financial asset	0.00%	-	-	-	-	-	-	-	-
Total Financial Assets		503,891	-	60,968	564,859				
Financial Liabilities									
Trade and other payables		-	-	246,342	246,342	-	-	-	-
Total Financial Liabilities		-	-	246,342	246,342				
2016									
Financial Assets									
Cash	0.05%	730,546	-	12,718	743,264	(319)	-	319	-
Trust deposits	0.00%	75	-	29,229	29,304	-	-	-	-
Receivables	0.00%	-	-	33,929	33,929	-	-	-	-
Investments	1.12%	64,715	-	-	64,715	(524)	-	524	-
Financial asset	0.00%	-	-	-	-	-	-	-	-
Total Financial Assets		795,336	-	75,876	871,212				
Financial Liabilities									
Trade and other payables		-	-	439,549	439,549	-	-	-	-
Total Financial Liabilities		-	-	439,549	439,549				

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A -10% sensitivity would move short term interest rates at 30 June 2017 from around 2% to 1.8% representing a 20 basis point downwards shift (14.00 basis points net of tax).

Based on the sensitivity analysis, mainly interest revenue from variable rate deposits, cash balances and investment is impacted resulting in a decrease or increase in overall income.

(b) Liquidity Risk

The Group manages liquidity risk by maintaining sufficient cash reserves and marketable securities required to meet the current exploration and administration commitments, through the continuous monitoring of actual cash flows.

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements.

Notes to the consolidated financial statements
For the year ended 30 June 2017

Note 24: Financial risk management objectives and policies (continued)

	Less than 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	5+ years	Total
	%	$	$	$	$	$
2017						
Financial assets:						
Cash	**503,891**	**-**	**-**	**-**	**-**	**503,891**
Trust deposits	**-**	**-**	**-**	**14,344**	**-**	**14,344**
Receivables	**-**	**46,624**	**-**	**-**	**-**	**46,624**
	503,891	**46,624**	**-**	**14,344**	**-**	**564,859**
Financial liabilities:						
Non-interest bearing	**-**	**(246,342)**	**-**	**-**	**-**	**(246,342)**
	-	**(246,342)**	**-**	**-**	**-**	**(246,342)**
Net cash inflow / (outflow)	**503,891**	**(199,718)**	**-**	**14,344**	**-**	**318,517**
2016						
Financial assets:						
Cash	743,264	-	-	-	-	743,264
Trust deposits	-	-	-	29,303	-	29,303
Receivables	-	33,929	-	-	-	33,929
Investments	-	-	-	64,715	-	64,715
	743,264	33,929	-	94,018	-	871,211
Financial liabilities:						
Non-interest bearing	-	(439,549)	-	-	-	(439,549)
	-	(439,549)	-	-	-	(439,549)
Net cash inflow / (outflow)	743,264	(405,620)	-	94,018	-	431,662

(c) Credit Risk

Credit risk arises in the event that counterparty will not meet its obligations under a financial instrument leading to financial losses. The Company is exposed to credit risk from its operating activities and, financing activities including deposits with banks and investments with insurance companies. The credit risk control procedures adopted by the Company is to assess the credit quality of the institution with whom funds are deposited or invested, taking into account its financial position and past experiences.

The maximum exposure to credit risk on financial assets of the Company which have been recognised on the statement of financial position is generally limited to the carrying amount.

Cash is maintained with National Australia Bank, Banco Popular of Spain and the Standard Bank of South Africa.

(d) Foreign Exchange Risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows,

	Liabilities		**Assets**	
	2017	2016	**2017**	2016
	$	$	**$**	$
Great British Pounds (GBP)	**(11,667)**	(9,800)	**447,253**	621,213
South African Rand (ZAR)	**(3,302)**	-	**20,203**	179
United States Dollars (USD)	**-**	(15,586)	**-**	-
Euro (EUR)	**(32,126)**	-	**76,910**	-

Note 24: Financial risk management objectives and policies (continued)

Foreign currency sensitivity analysis

The Group is exposed to Great British Pound (GBP), Euro (EUR), United States Dollar (USD) and South African Rand (ZAR) currency fluctuations.

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian Dollar (AUD) against the relevant currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

The sensitivity analysis includes cash balances held in GBP, EUR, ZAR and USD which give rise to a foreign currency gain or loss on revaluation. A positive number indicates an increase in profit and other equity where the AUD strengthens against the ZAR. In relation to cash balances held in GBP a positive number indicates an increase in profit and other equity where the Australian Dollar strengthens against the respective currency. For a weakening Australian Dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

(d) Foreign Exchange Risk (continued)

		2017		2016	
		Profit / (loss) **$**	**Equity increase / (decrease)** **$**	Profit / (loss) $	Equity increase / (decrease) $
	-				
AUD strengthens 10%	- ZAR	**(1,690)**	**1,690**	(18)	18
	- GBP	**(43,559)**	**43,559**	(63,101)	63,101
	- USD	**-**	**-**	2,890	(2,890)
	- EUR	**(4,478)**	**4,478**	-	-
AUD weakens 10%	- ZAR	**1,690**	**(1,690)**	(18)	(18)
	- GBP	**43,559**	**(43,559)**	63,101	(63,101)
	- USD	**-**	**-**	(2,890)	2,890
	- EUR	**4,478**	**(4,478)**	-	-

(e) Fair value

The fair values of cash, trade and other receivables and trade and other payables approximate their carrying values, as a result of their short maturity or because they carry floating rates.

(i) Fair value of financial instruments measured at fair value

For financial instruments carried at fair value the Group adopts various methods in estimating fair value. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in an active market
Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

	Jun 2017 AUD	**Jun 2016 AUD**
Level 2		
Available for sale financial assets	-	64,715

Note 24: Financial risk management objectives and policies (continued)

For financial instruments not quoted in active markets, the Group uses valuation techniques such as other relevant models used by market participants which may include inputs derived from quoted prices in an active market (Level 2). These valuation techniques use both observable and unobservable market inputs.

Note 25: Parent Entity Information

	2017 **$**	2016 $
Current assets	**808,949**	742,467
Total assets	**1,719,638**	986,159
Current liabilities	**149,245**	216,061
Total liabilities	**149,245**	216,061
Issued capital	**40,244,654**	37,362,411
Accumulated Losses	**(34,420,811)**	(32,278,633)
Reserves	**(4,253,450)**	(4,313,679)
Total shareholders' equity	**1,570,393**	770,099
Profit / (loss) of the parent entity	**(2,142,178)**	(1,576,006)

On 30 November 2009, Ferrum Crescent Limited (formerly Washington Resources Ltd) ("FCR") completed the legal acquisition of Ferrum Metals Limited (formerly Ferrum Crescent Limited) ("FML"). Under the terms of AASB 3 Business Combinations (Revised), FML was deemed to be the accounting acquirer in the business combination. The transaction was therefore accounted for as a reverse acquisition. The Parent entity therefore had issued capital of $25,620,916 as opposed to the Group's consolidated issued capital of $28,366,383. For further details please refer to the disclosures contained within the 30 June 2010 Annual Report.

There have been no guarantees entered into by the parent entity in relation to any debts of its subsidiaries.

The parent entity has no contingent liabilities as at 30 June 2017 (2016: Nil).

Note 26: Significant events after the reporting date

On 8 September 2017, the Company announced that it had conditionally raised in aggregate, GBP193,304 (approximately AU$321,590) before expenses through a placement via Peterhouse Corporate Finance Limited, as agent to the Company, of 214,782,526 new ordinary shares of no par value each in the capital of the Company at a price of 0.09 pence per new ordinary share. Following admission, the total issued ordinary share capital of the Company was 2,684,781,581 ordinary shares.

On 26 September 2017, the Company announced that Mr Justin Tooth, Executive Chairman has resigned from the Board of Directors of the Company with immediate effect, in order to pursue his other business interests. Mr Grant Button, currently a non-executive director of the Company and the Company secretary will assume the role of non-executive Chairman, also with immediate effect. Mr Laurence Read, previously a non-executive director will become an executive director.

Ferrum Crescent Limited

A.C.N. 097 532 137

Directors' Declaration

In the opinion of the directors of Ferrum Crescent Limited :

(a) the financial statements and notes set out on pages 38 to 67 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position of the Company as at 30 June 2017 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001, professional requirements and other mandatory requirements;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2 (b); and

(c) subject to the matters discussed in Note 2(g), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the year ending 30 June 2017.

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

G. Button.

G Button
Non-Executive Chairman
Company Secretary
Perth
29 September 2017

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INDEPENDENT AUDITOR'S REPORT

To the members of Ferrum Crescent Limited

Report on the Audit of the Financial Report

Opinion

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

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

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

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

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 2(g) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for acquisition of GoldQuest Iberica S.L

Key audit matter	*How the matter was addressed in our audit*
On 22 September 2016, the Group acquired a controlling interest in the Iberian Projects held by GoldQuest Iberica, S.L. in Spain for a total purchase consideration of A$1,180,488 as disclosed in Note 11. The Group assessed this transaction as asset acquisition, rather than a business combination. Accounting for acquisitions is complex and requires management to exercise judgement to determine the appropriate accounting treatment including whether the acquisition should be classed as an asset or business acquisition, estimating the fair value of assets acquired and estimating the fair value of the purchase consideration as disclosed in Note 11.	Our procedures included, but were not limited to: • Obtaining an understanding of the transaction, including reviewing management's assessment of whether the transaction constituted an asset acquisition or business combination; • Reading the sale and purchase agreements to understand key terms and conditions of each transaction; • Assessing management's calculation of the fair value of consideration paid and agreeing the consideration to supporting documentation; • Evaluating management's assessment of the fair value and allocation of the net assets acquired; • Agreeing that no goodwill was recognised and that costs associated with the acquisition were capitalised in order to be in line with the accounting policy for asset acquisitions; • Obtaining a schedule of the areas of interest acquired and held by the Group and assessing whether the rights to tenure were valid at the date of acquisition; and • Assessed the adequacy of the related disclosures in Note 11 to the financial statements.

Disposal of Batavia Ltd and its controlled entities

Key audit matter	*How the matter was addressed in our audit*
During the year the Group disposed of their African subsidiaries as disclosed in Note 6 comprising of: • Cash consideration of $1,000 Due to the significance of this transaction during the year and the material impact of the loss on disposal on the financial report, we have identified this as a key audit matter.	Our procedures included, but were not limited to: • Reading the Asset Sale Agreement and holding discussions with management as to the background of the transaction; • Reviewing the carrying value of the assets and liabilities disposed; • Reviewing the calculation of the loss on disposal of subsidiaries by comparing the consideration received to the carrying value of the identified assets and liabilities at 30 June 2017; • Agreeing the cash consideration received to respective bank statements; and • Assessing the adequacy of the related disclosures in Note 6 to the Financial Report.

Other information

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

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 18 of the directors' report for the year ended 30 June 2017.

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

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch

Director

Perth, 29 September 2017

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF FERRUM CRESCENT LIMITED

As lead auditor of Ferrum Crescent Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ferrum Crescent Limited and the entities it controlled during the period.

Phillip Murdoch

Director

BDO Audit (WA) Pty Ltd

Perth, 29 September 2017

ASX Requirements

Distribution schedules of shareholders and statements of voting rights are set out in Table 1, whilst the Company's top twenty shareholders are shown in Table 2. Substantial shareholder notices that have been received by the Company are set out in Table 3 and the tenement schedule as at 30 June 2017 is set out in Table 4.

Table 1
Shareholder spread

Ordinary shares, with right to attend meetings and vote personally or by proxy, through show of hands and, if required, by ballot (one vote for each share held)	
1-1,000	102
1,001-5,000	134
5,001-10,000	112
10,001-100,000	329
100,001 - and over	428
Total holders of ordinary shares	**1,105**
Total number of ordinary shares	**2,684,781,581**
Options, with no right to attend meetings or vote personally or by proxy	
1-1,000	-
1,001-5,000	-
5,001-10,000	-
10,001-100,000	-
100,001 - and over	22
Total holders of options	22
Total number of options	413,360,261

Table 2
Top twenty shareholders

Shareholder	***Number of shares***	***Percentage***
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	177,944,221	6.63%
BARCLAYS DIRECT INVESTING NOMINEES LIMITED <CLIENT1>	166,925,218	6.22%
WINTERFLOOD SECURITIES LIMITED <WINSCREP>	126,827,302	4.72%
TD DIRECT INVESTING NOMINEES (EUROPE) LIMITED <SMKTNOMS>	123,035,289	4.58%
HSDL NOMINEES LIMITED	116,702,769	4.35%
CANTOR FITZGERALD EUROPE	110,073,847	4.10%
BEAUFORT NOMINEES LIMITED <SSLNOMS>	102,698,606	3.83%
INVESTOR NOMINEES LIMITED <WRAP>	85,753,249	3.19%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <HLNOM>	73,597,372	2.74%
HARGREAVES LANSDOWN (NOMINEES) LIMITED <VRA>	68,218,831	2.54%
THE BANK OF NEW YORK (NOMINEES) LIMITED <458514>	64,989,741	2.42%
REDMAYNE (NOMINEES) LIMITED <LS4244A>	55,555,556	2.07%
HSDL NOMINEES LIMTED <MAXI>	53,931,341	2.01%
HSBC CLIENT HOLDINGS NOMINEE (UK) LIMITED <731504>	52,252,696	1.95%
INVESTOR NOMINEES LIMITED <NOMINEE>	49,160,560	1.83%
REDMAYNE (NOMINEES) LIMITED <LP3637A>	44,705,889	1.67%
ABN AMRO BANK NV <7KKAVTE>	36,973,367	1.38%
JIM NOMINEES LIMITED <JARVIS>	36,922,829	1.38%
HSBC GLOBAL CUSTODY NOMINEE (UK) LIMITED <941346>	33,360,333	1.24%
TD DIRECT INVESTING NOMINEES (EUROPE) LIMITED <SMKTISAS>	31,273,866	1.16%
Top 20 holders of Ordinary Fully Paid Shares (Total)	**1,610,902,882**	**60.00%**

ASX Requirements (continued)

Table 3
Substantial shareholders

Shareholder	***Number of shares***	***Percentage***
HARGREAVES LANSDOWN (NOMINEES) LIMITED <15942>	177,944,221	6.63%
BARCLAYS DIRECT INVESTING NOMINEES LIMITED <CLIENT1>	166,925,218	6.22%

Voting Rights

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

(a) 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.

Table 4
Tenement schedule as at 30 June 2017:

Project	Right Number	Right Status	Holder	Percentage Interest
Toral	15.199	Investigation Permit	GoldQuest Iberica, S.L.	100%
Lago	Lago II 6.056	Exploration Permit in progress	GoldQuest Iberica, S.L.	100%
	Lago III 6.058	Investigation Permit in progress		

JSE Limited Requirements

Headline earnings reconciliation	**2017 $**	**2016 $**
Loss attributable to ordinary equity holders of the parent entity	(11,286,803)	(1,573,533)
Add back IAS 16 loss on the disposal of plant and equipment	(2,647)	(8,609)
Less profit on sale of available for sale investments	-	649
Total tax effects of adjustments	-	(182)
Headline loss	**(11,289,450)**	**(1,581,675)**
Basic loss per share	(11,286,803)	(1,573,533)
Weighted average shares in issue	1,238,720,046	714,611,971
Basic loss per share (cents)	**(0.91)**	**(0.22)**
Headline loss	(11,289,450)	(1,581,675)
Weighted average shares in issue	1,238,720,046	714,611,971
Headline loss per share (cents)	**(0.91)**	**(0.22)**