Annual Report

MRG Metals Ltd

ABN: 83 148 938 532

For the Year ended 30 June 2015

Contents

	Page
Review of Operations	3
Directors' Report	11
Auditor's Independence Declaration	18
Corporate Governance Statement	19
Statement of Financial Position	24
Statement of Profit or Loss and Other Comprehensive Income	25
Statement of Changes in Equity	26
Statement of Cash Flows	27
Notes to the Consolidated Financial Statements	
1. Nature of Operations	28
2. General Information and Statement of Compliance	28
3. New Accounting Standards & Interpretations	28
4. Summary of Accounting Policies	29
5. Revenue	34
6. Segment Reporting	34
7. Other Receivables	34
8. Cash and Cash Equivalents	34
9. Equity and Dividends	35
10. Trade and Other Payables	36
11. Plant and Equipment	36
12. Exploration and Evaluation	36
13. Option	36
14. Intangibles	37
15. Income Tax Expense	37
16. Auditor Remuneration	38
17. Earnings per Share	38
18. Reconciliation of Cash Flows from Operating Activities	39
19. Related Party Transactions	39
20. Contingent Assets and Contingent Liabilities	41
21. Commitments	41
22. Financial Instrument Risk	41
23. Capital Risk Management	43
24. Post-Reporting Date Events	43
25. Parent Entity Information	43
26. Authorisation of Financial Statements	43
Directors' Declaration	44
Independent Auditor's Report	45
ASX Additional Information	47
Corporate Directory	50

Review of Operations

Highlights

The year ended 30 June 2015 saw MRG Metals Ltd ("MRG" or "Company") complete further drilling at Xanadu and test two deep targets at Loongana and East Yilgarn. Additional IOCG tenements were acquired in western Queensland, consolidating our holdings in this prospective terrain.

The relationship with the Sasak technology was extended with a Technical Services Agreement and Project Generation Agreement now in place until September 2017.

A Research and Development ("R & D") grant of $613K for the 2014 year was received from the Federal Government's R & D Tax Incentive Scheme in recognition of our technology driven exploration approach. Approval has been received for another R & D claim of approximately $455K for the 2015 year.

The Company is continuing with the aim of drill testing high potential targets every quarter. An ongoing rigorous review of our tenements is carried out to determine priorities for further testing or relinquishment. Additional drilling at Xanadu, prelininary auger testing at Yardilla and geophysical surveys over the Queensland IOCG targets are planned for the near term.

Projects

XANADU PROJECT

MRG's Xanadu project is located close to the northern margin of the Ashburton Basin, some 4 kms WSW of Northern Star Resources Ltd's Ashburton Project (21.3 million tonnes @ 2.4g/t gold for 1.67 million ounces). The Xanadu mineralisation was discovered in the mid 1980's by BP Minerals Ltd and the Project area was subject to various phases of exploration in the ensuing period until MRG's acquisition in 2011. Three dimensional structural modelling and a detailed analysis of the exploration database compiled by MRG and analysed by our technical consultants Sasak Technical Services provided an enhanced understanding of geological controls on mineralisation, to better target prospect scale drilling.

A further drill program in May/June 2015 followed up an initial MRG drilling and soil sampling program completed in 2014. The program focused on extensions to the Cleopatra mineralisation as well as the first holes into Pertinax Prospect, discovered during the previous year (Figure 1).

Additional results returned from Cleopatra included:

4m @ 3.44 g/t Au from 33m
5m @ 1.70 g/t Au from 50m

Results from the first holes at Pertinax are highly encouraging. They reveal a similar order of multi-element anomalies to the adjacent Mt Olympus mine, warranting acceleration of drilling and further holes are planned over this prospect.

An extended soil sampling program commenced to the north east of the Pertinax prospect and easterly extension of Cleopatra. Both of these areas have been largely ignored by previous explorers. Initial results have revealed anomalism in both these areas and further infill soil sampling is planned in order to define drill targets.

MRG is confident that the technology driven exploration is the best method to target mineralisation on this Project and has revitalised our exploration endeavours. MRG will continue to apply the results from this modelling across the wider Project area to select and prioritise future drill targets.

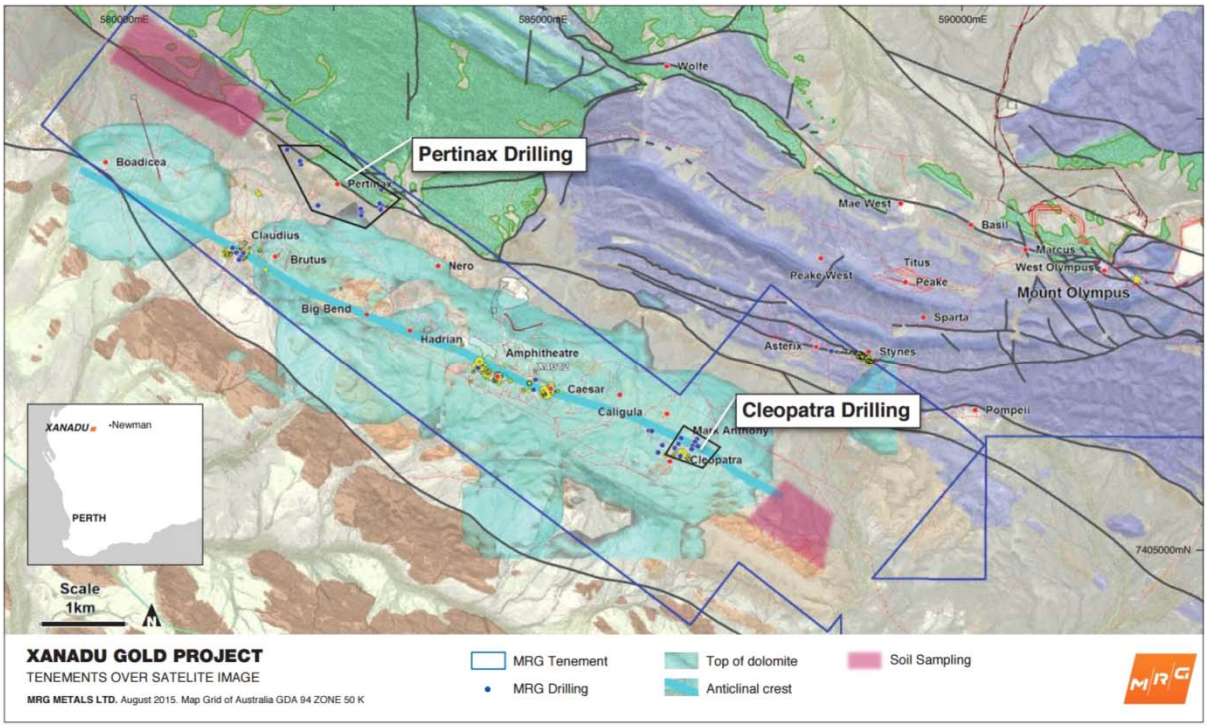

Figure 1

LOONGANA PROJECT

MRG's Loongana Project is located on the Nullarbor Plain, 500kms east of Kalgoorlie and 60kms north of the Trans Australia railway line (Figure 4). MRG holds 2 granted licences that cover the majority of the Loongana Igneous Complex. This Complex is a large layered mafic and ultramafic intrusive body that lies at depths ranging from 250m to 350m below the surface.
It includes one of the strongest gravity residuals in Australia, with accompanying multifarious magnetic features. The geophysical data covering the Complex, particularly the aeromagnetics, clearly delineate the intrusive body and related bounding faults. Positive aspects of the Complex derived from limited prior exploration include:
• confirmation that part of the Complex represents a layered intrusion;
• highly anomalous platinum group elements and gold values recorded in earlier drilling;
• moderate thickness of cover rocks considering the potential value of any discovery;
• traces of sulphides (chalcopyrite, pyrrhotite, pentlandite) were noted in an ultramafic cumulate; and
• several features that indicate IOCG processes may potentially be operating in the granitic rocks, including hematite and chlorite alteration noted in drill core, thin section evidence for hydrothermal rather than metamorphic alteration, common trace chalcopyrite and blue quartz in the granites.

MRG recently completed drilling its first hole, testing for an 11km long reef style Platinum Group Element ('PGE') mineralised horizon within the Loongana Layered Complex, based on the PGE anomalous results identified in historical drilling (Figure 2). These early results are consistent with the low grade "tail" of a Great Dyke ("Main Sulphide Zone") or Munni Munni ("Ferguson Reef") style PGE reef, with the ore-grade part of the reef being eroded away at the basement unconformity. MRG's drilling was targeted as a step-back on this horizon.
The hole LNDG003 intersected a package of cyclically layered gabbroic rocks, with thin pyroxenitic bases grading through melanogabbro to mesogabbro. While no olivine cumulates are identified, the geochemical data suggest a Cr bearing package is developed at the targeted horizon, and contains a 4.5m zone of anomalous PGE's.

Further PGE exploration will target:
- The PGE reef indicated in previous drilling; and
- The top of a potential basal olivine rich package closer to the southern margin of the intrusion.

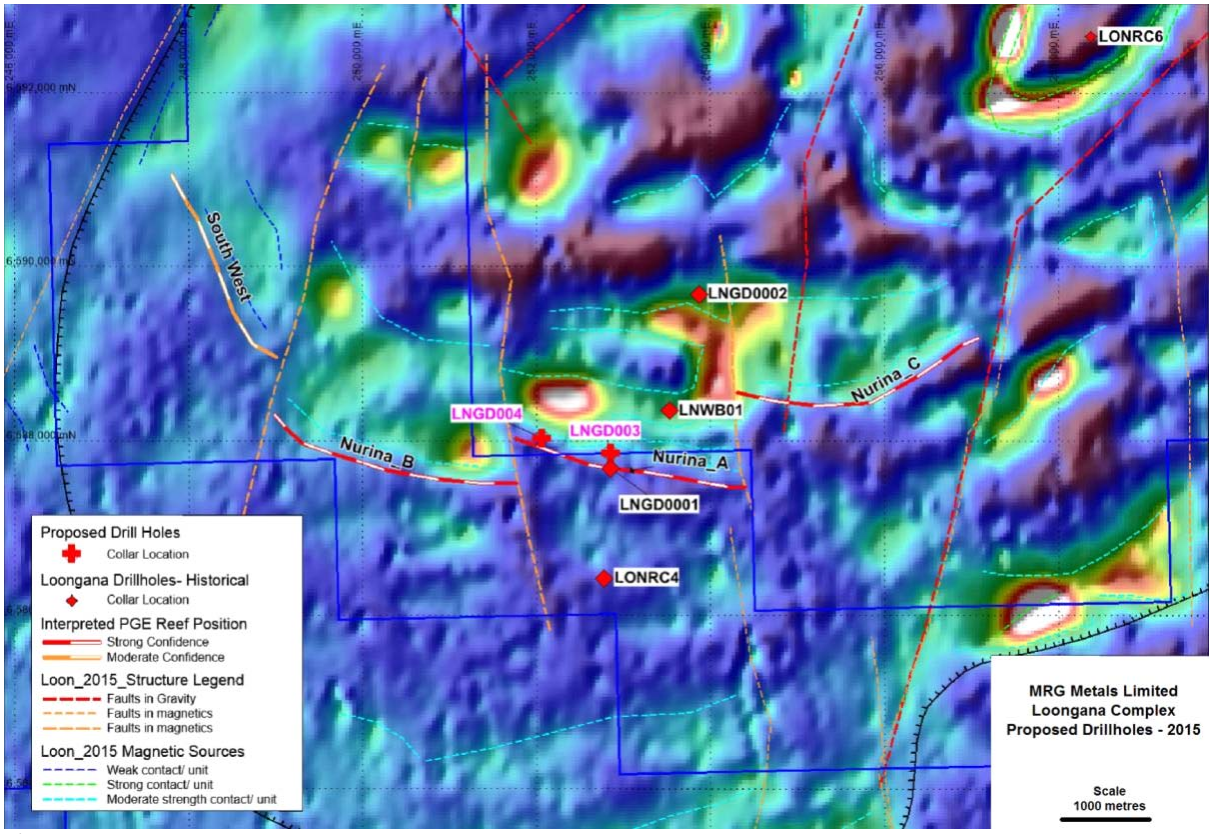

Figure 2

QUEENSLAND IOCG PROJECTS

With the purchase of Sasak Resources Australia Pty Ltd in June 2013, MRG obtained three tenements in the Mt. Isa Block, a large geological province in western Queensland. These three projects have the potential to host Iron Oxide, Copper Gold ('IOCG') and base metal deposits. They have similar geophysical characteristics to known deposits such as Glencore PLC's Ernest Henry Mine (166 Mt @ 1.1% Cu & 0.54 g/t Au - pre mining resource) and BHP's Cannington Mine (44 Mt @ 383 g/t Ag, 8.9% Pb, 4.2% Zn - 2007 resource).
A further four IOCG licence applications were acquired during the year, consolidating MRG's holdings. The applications cover targets identified by Sasak using their in-house predictive analytical targeting techniques. They cover high potential targets on open ground within the prospective Mount Isa Block, further expanding the Company's presence in the area.

MRG's granted licences comprise:

SQUIRREL HILL - EPM19470

The Squirrel Hill Project is located approximately 125 kms SSE of Cloncurry and some 15 kms WNW of the Cannington mine, operated by South 32.

Despite the proximity of Squirrel Hill to Cannington, the Sasak technology suggests a geological setting favourable for IOCG deposits in addition to silver - lead - zinc mineralisation. Prior exploration has shown that the Project lies below a thin 10m to 40m of cover in the south eastern corner of the Mt Isa Inlier, to the east of the Cloncurry Overthrust, within the Eastern Fold Belt. The host rocks comprise strongly metamorphosed sandstones (psammite), which have been extensively intruded by granitites.

PULCHERA - EPM19471

Situated in the Simpson Desert near the Northern Territory border in western Queensland EPM19471 is located 135 kms north west of Bedourie. The Pulchera project is near the major Toomba Fault, which lies on the south western edge of the Mt. Isa Block, a Proterozoic geological terrain that hosts a diverse range of world class orebodies. Previous broad spaced drilling by BHP revealed that the depth of cover ranges from a manageable 40m to 100m. Recent exploration on an adjacent licence returned strongly anomalous results of up to 27m @ 0.4% copper from 9m (including 3m @ 2.4% copper).

The aim is to discover an Olympic Dam style IOCG (Iron Oxide Copper Gold) deposit in a granitic breccia host, associated with continental faulting and high fluid flow on terrane boundaries.

DAVENPORT DOWNS - EPM19306

The Davenport Downs Project lies 120 kms south east of Boulia. Like the Pulchera Project it is close to the interpreted southern margin of the Mount Isa Block. The Project straddles portion of a prominent gravity ridge with accompanying favourable magnetic signatures. Exploration work undertaken on the tenement to date comprise historical data compilation, geophysical data review and prospectivity assessment. The Davenport Downs EPM is considered prospective due to its positive magnetic - gravity response which are characteristic of IOCG-Type deposits in the Mount Isa Block. The depth of cover is understood to be around 400m. Future exploration will comprise focussed drilling of geophysical (magnetic-gravity) anomalies. An exploration co funding grant of $75,000 has been granted by the Queensland government to assist with exploration.

NEW APPLICATIONS

The four new applications are known as Selwyn, Mt Angelay, Obam and Kamileroi.

MRG's four new applications and its three granted licences are shown on Figure 3 below. These complement our strategy to apply for ground largely on the margins of the Mount Isa block, where the prospective basement is under cover and there are exploration opportunities for discoveries via the application of the Sasak technology.

Selwyn and Mt Angelay were granted in September 2015.

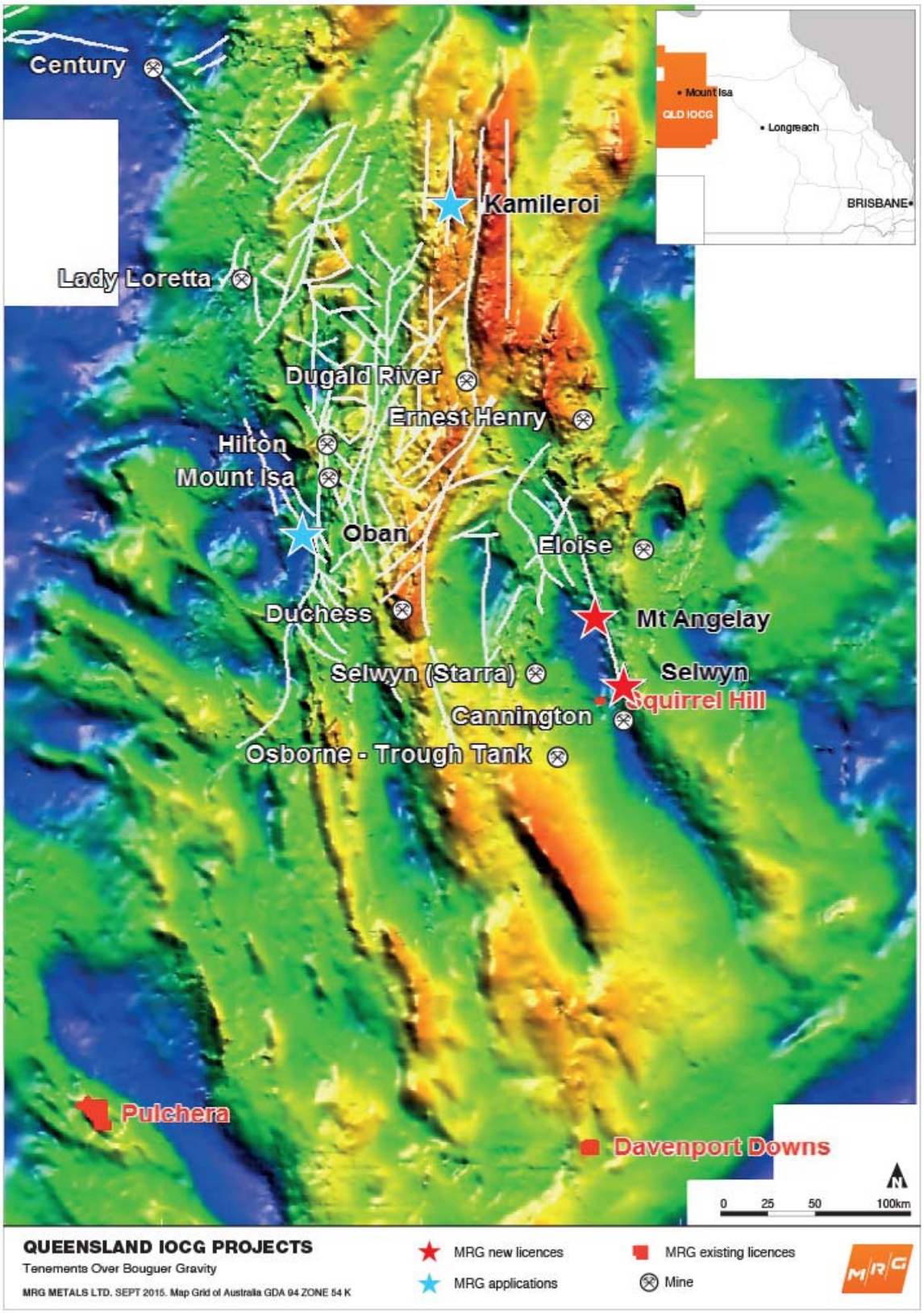
Century
Kamileroi
Lady Loretta
Dugald River
Ernest Henry
Hilton
Mount Isa
Oban
Eloise
Duchess
Mt Angelay
Selwyn (Starra)
Selwyn
Squirrel Hill
Cannington
Osborne - Trough Tank
Pulchera
Davenport Downs
Mount Isa
QLD IOCG
Longreach
BRISBANE
0 25 50 100km
QUEENSLAND IOCG PROJECTS
Tenements Over Bouguer Gravity
MRG METALS LTD. SEPT 2015. Map Grid of Australia GDA 94 ZONE 54 K
MRG new licences
MRG existing licences
MRG applications
Mine

Figure 3

YARDILLA PROJECT

In mid 2014, MRG successfully negotiated an option and purchase agreement over two granted exploration licences that adjoin an existing MRG 100% owned Yardilla licence application. Together, they cover a contiguous area of approximately 220sq kms.

The combined project area straddles part of the Cundeelee Fault, which separates the Archean Yilgarn Craton from the Proterozoic Albany-Fraser Orogen. The three adjoining exploration licences are considered to be prospective for gold, nickel and base metals that may be present in both geological terrains (Figure 4).

The area has been held by several companies, but only Sipa Resources (2006 – 2013 JV with Newmont) and AngloGold Ashanti (2008 – 2013) have completed widespread systematic exploration. Past exploration targeted gold, with little evidence of nickel and base metal exploration in ultramafics of the Yilgarn Craton or metamorphosed units of the Albany-Fraser Orogen.
MRG's primary target is gold and nickel mineralisation associated with structural dislocations in the Archean greenstones and analogues of Tropicana style gold mineralisation in the Albany Fraser Orogen.

A program of initial auger sampling is soon to commence as a precursor to RC drilling.

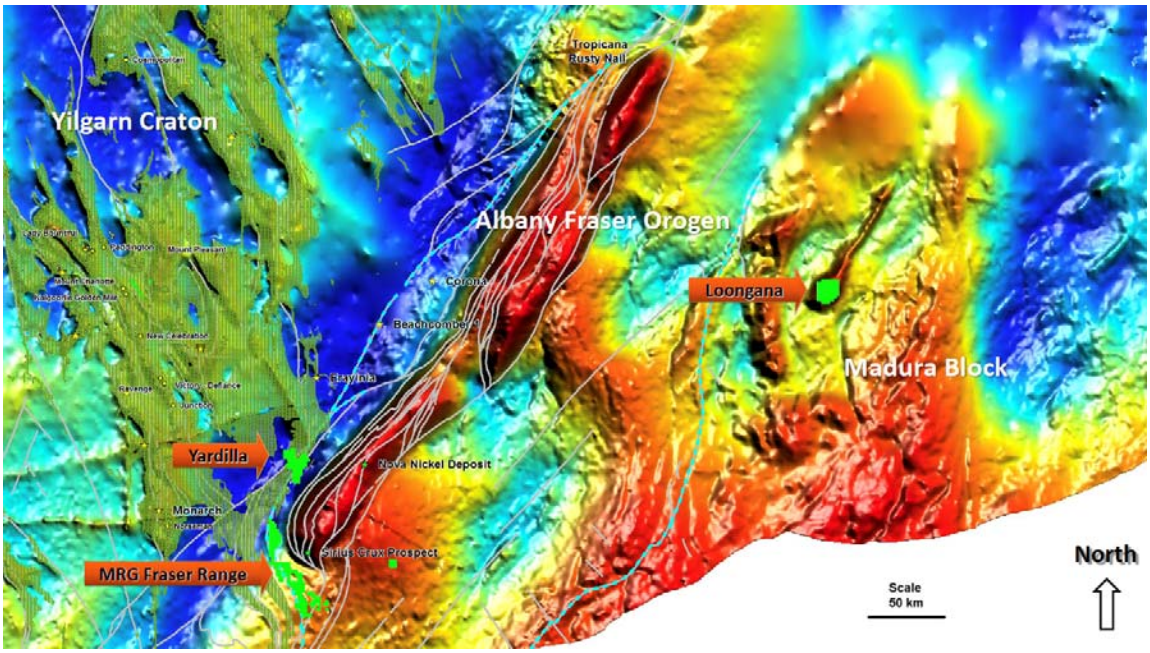

Figure 4

KALGOORLIE EAST PROJECT

The Kalgoorlie East Project is located approximately 8kms east of Kalgoorlie in the Eastern Goldfields of WA, and consists of 15 prospecting licences covering an area of 17sq kms. This region is highly prospective and hosts a number of large gold and silver deposits, including the Kalgoorlie Super Pit (>50 million oz Au) 7kms to the west; Kanowna Belle (>5 million oz Au) 12kms to the north and Nimbus (>23 million oz Ag-eq.) 2kms to the south east (Figure 5).

The geology of the project area consists of a structurally complex assemblage of Archean ultramafic, mafic and felsic volcanic rocks with associated sediments and cherts, intruded by a series of younger dolerite dykes and felsic porphyries, together known as the Golden Ridge Belt.

Indications of a number of styles of mineralisation have been identified on the project, including Kambalda style nickel sulphide, shear hosted gold, Nimbus style silver mineralisation and disseminated base metal mineralisation. In addition, the Boorara type mineralisation may be present. At Boorara, <1km east, mineralisation is controlled by the intersection of a north east trending fault with the major regional NNW trending faults. This NE fault and others of a similar orientation extend into MRG's tenements. The spatial association between these NE faults and gold in soil anomalies form a primary exploration target.

Limited exploration occurred on the project during the year. Recently acquired geophysical data was incorporated in the Sasak predictive models, which has enhanced our understanding of controls on mineralisation. Our focus has turned to the Balagundi satellite project, where further holes are planned to test the strike extension of mineralisation found in our initial drilling.

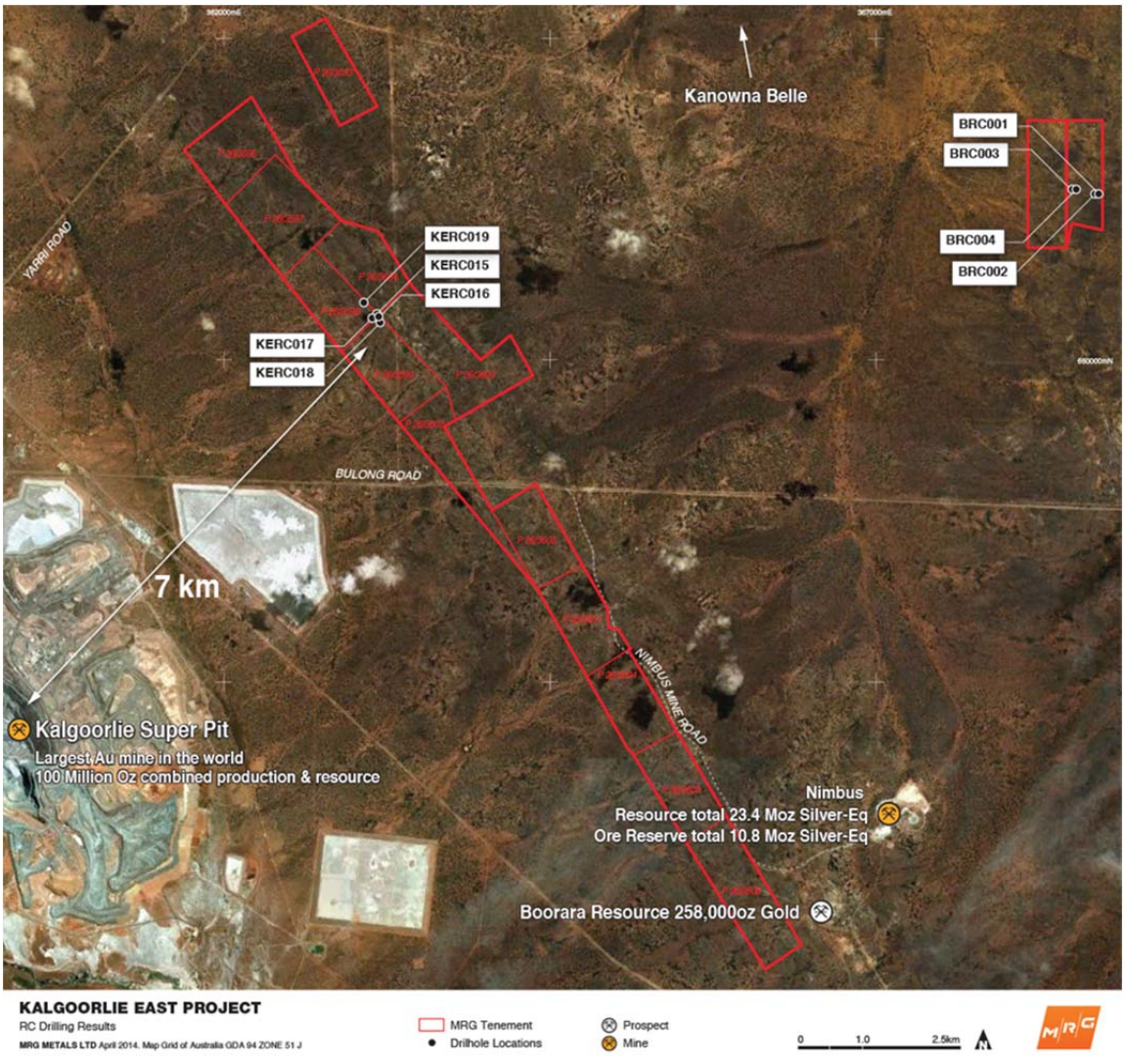

Figure 5

FRASER RANGE PROJECT

The licence applications that comprise this Project are still awaiting grant, whilst the status of exploration in the Dundas Nature Reserve is being resolved. Refer Figure 4.

EAST YILGARN PROJECT

MRG's East Yilgarn Project, along with Gold Road Resources Ltd's adjacent Yamarna Project, are located at the eastern margin of the Yilgarn Craton and are prospective for greenstone hosted gold in a frontier terrain. The potential of this region is demonstrated by Gold Road's exploration success on their Gruyere Prospect.

The greenstone hosted gold deposits of the Yilgarn Craton account for a significant proportion of Australia's gold production. MRG was seeking analogues of this deposit style. This terrain is historically underexplored due its remoteness and is covered by younger rocks and sand of the Great Victoria Desert.

Drilling on MRG's East Yilgarn Project during October 2014 was challenging due to the remoteness of the project and issues with water, either a lack thereof or strong inflows.

Archean Rocks were confirmed to be present, albeit at greater depths than anticipated. However, no significant ore grade intercepts were returned from the drilling.

The Company carries out ongoing rigorous reviews of its tenements. Upon review, it was difficult to justify any additional holes on this Project and it was determined to relinquish the tenements in August 2015 on their renewal anniversary.

ACTIVITIES AND HIGHLIGHTS SINCE 30 JUNE 2015

The remaining East Yilgarn tenements were relinquished in August 2015.

Two new QLD IOCG tenements have been granted in September 2015, Selwyn and Mt Angelay.

Successful completion of rights issue of Options in September 2015, raising $704,081.

Approval received for claiming a Research and Development Tax Refund for the 2015 year of approximately $455,000.

Directors' Report

The Directors of MRG Metals Ltd present their Report together with the financial statements of the consolidated entity, being MRG Metals Ltd ('MRG' or 'the Company') and its controlled entities, MRG Metals (Australia) Pty Ltd and MRG Metals (Exploration) Pty Ltd ('the Group') for the year ended 30 June 2015 and the Independent Auditor's Report thereon.

Director details

The following persons were directors of MRG Metals Ltd during or since the end of the financial year.

Mr Keith Weston

BSc Geology (hons), MAusIMM

Managing Director & Chief Executive Officer since 07/01/2013
Director since 07/01/2013

Keith is a Geologist with over 28 years experience in the Minerals Industry throughout Australia and Latin America. In recent times, Mr Weston was the inaugural Managing Director and Chief Executive Officer of Metminco Ltd (ASX Code: MNC)("Metminco"). He held the position prior to ASX Listing on 1 October 2007 until 31 October 2009. During this time he was instrumental in the successful takeover of Hampton Mining Ltd and subsequent exploration by the merged entity in South America. Principally, from November 2009 to December 2011, he was Chief Geologist for Peru of Metminco, where he was involved in advancing the world class Los Calatos copper deposit. Since January 2012, Keith was engaged as a consulting Geologist for MRG.

Other current directorships:
None
Previous directorships (last 3 years):
None
Interests in shares:
100,000 shares
Interest in options:
None

Mr Andrew Van Der Zwan

BE Chemical Engineering (hons)

Independent Non Executive Director since 07/01/2013
Chairman since 08/10/2013
Director since 14/02/2011

Andrew has 28 years engineering and commercial experience, both local and international. He was a Non Executive Director of Gulfx Ltd for 11 years and was employed in various senior positions within the worldwide operations of Exxon Mobil for 17 years.

Other current directorships:
Argo Exploration Ltd (ASX: AXT) since 19/03/2013
Titan Energy Ltd (ASX: TTE) since 02/04/2014
Previous directorships (last 3 years):
None
Interests in shares:
2,375,000 shares
Interest in options:
1,080,000 options

Mr Shane Turner
CA, Bachelor of Business
Independent Non-Executive Director
Director since incorporation 24/01/2011

Shane is a Chartered Accountant and has 26 years financial and accounting experience. He has been employed with KPMG, a large regional public accounting practice, operated his own public accounting practice and now is employed with RSM Bird Cameron. He was a Non Executive Director and Company Secretary for Metminco for 2 years.

Other current directorships:
None
Previous directorships (last 3 years):
None
Interests in shares:
1,652,900 shares
Interest in options:
735,000 options

Mr Christopher Gregory
BSc Geology, MAusIMM, MAIG, FSEG, MAICD
Independent Non-Executive Director since 12/08/2013
Director since 12/08/2013

Chris has extensive global minerals industry experience over 31 years, at both technical and executive levels. Career foundation of 22 years in the Asia-Pacific region with Rio Tinto. Currently consultant GM Australasia, Corporate Development & Exploration, Mandalay Resources (TSX:MND).

Other current directorships:
None
Previous directorships (last 3 years):
None
Interests in shares:
12,499,900 shares
Interest in options:
None

Company secretary
Shane Turner is a Chartered Accountant and the Group Chief Financial Officer. Shane has held senior positions with a number of professional accounting firms and has a degree in Business. Shane has previously held the role of company secretary for Metminco for 2 years. He has been the company secretary of MRG since incorporation on 24/01/2011.

Principal activities
During the period, the principal activities of entities within the Group were exploration and development of gold, base metals and other commodities within Australia. There have been no significant changes in the nature of these activities during the period.

Review of operations and financial results

The operating result of the Group for the year ended was a loss of $4,453,036 (2014 loss $5,237,082). Refer detailed Review of Operations that follows this report.

Earnings per share (3.28) cents (2014 (3.91) cents).

Further information on the detailed operations of the Group during the year is included in the Review of Operations Report.

Significant changes in the state of affairs

During the year, 4 tenement applications were acquired over QLD IOCG targets.

Dividends

There were no dividends declared or paid during the financial period.

Events arising since the end of the reporting period

Since the end of the year no further significant events have occurred other than those noted in the Review of Operations Report.

Likely developments

Information on likely developments in the Group's operations and the expected results have not been included in this report because the directors believe it would likely result in unreasonable prejudice to the Group.

Directors' meetings

The number of meetings of directors held during the period and the number of meetings attended by each director were as follows:

Name	Board meetings	
	A	B
Mr A Van Der Zwan	10	10
Mr K Weston	10	10
Mr S Turner	10	10
Mr C Gregory	10	10

Where:
A is the number of meetings the Director was entitled to attend
B is the number of meetings the Director attended

Remuneration Report (audited)

The Directors of MRG Metals Ltd ('the Group') present the Remuneration Report prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

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

a. Principles used to determine the nature and amount of remuneration
b. Details of remuneration
c. Service agreements
d. Share-based remuneration

(a) Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- To align rewards to business outcomes that deliver value to shareholders;
- To drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- To ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

MRG Metals Ltd has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board, in accordance with its charter as approved by the Board, is responsible for determining and reviewing compensation arrangements for the directors and the executive team.

The remuneration structure that has been adopted by the Group consists of the following components:

- Fixed remuneration being annual salary; and
- Superannuation to meet statutory obligations.

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

The payment of bonuses, share options and other incentive payments are reviewed by the Board annually as part of the review of executive. All bonuses, options and incentives must be linked to pre-determined performance criteria.

(b) Details of remuneration

Details of the nature and amount of each element of the remuneration of each key management personnel ('KMP') of MRG Metals Ltd are shown in the table below. Mr C Gregory was appointed as Non-executive director on 12 August 2013. Mr. A Pietrzak resigned on 8 October 2013. Mr. A Van Der Zwan replaced Mr. A Pietrzak as Chairman on 8 October 2013.

Director and other Key Management Personnel Remuneration

	Short term employee benefits			Post-employment benefits	Long-term benefits	Termination benefits	Share-based payments		% of remuneration that is performance based
Name	**Cash salary and fees ($)**	**Cash bonus ($)**	**Non-monetary benefits ($)**	**Superannuation ($)**	**Long-term bonus ($)**	**Termination payments ($)**	**Options ($)**	**Total ($)**	
Executive director									
Mr K Weston	112,500	-	-	8,325	-	-	-	120,825	Nil
Non-executive directors									
Mr A Van Der Zwan	57,250	-	-	4,779	-	-	-	62,029	Nil
Mr S Turner	101,157	-	-	9,357	-	-	-	110,514	Nil
Mr C Gregory	107,478	-	-	3,282	-	-	-	110,760	Nil
Mr A Pietrzak	12,500	-	-	1,156	-	-	-	13,656	Nil
2014 Total	**390,885**	**-**	**-**	**26,899**	**-**	**-**	**-**	**417,784**	**Nil**
Executive directors									
Mr K Weston	102,243	-	-	7,600	-	-	-	109,843	Nil
Non-executive directors									
Mr C Gregory	112,000	-	-	3,800	-	-	-	115,800	Nil
Mr S Turner	100,000	-	-	9,500	-	-	-	109,500	Nil
Mr A Van Der Zwan	60,000	-	-	5,700	-	-	-	65,700	Nil
2015 Total	**374,243**	**-**	**-**	**26,600**	**-**	**-**	**-**	**400,843**	**Nil**

(c) Service agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in a service agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary	Term of agreement	Notice period
Mr K Weston	80,000	One Year	One Month
Mr K Weston – Consultant (1)	50,000	No fixed term	Nil
Mr A Van Der Zwan	60,000	Rotation per Corporations Act 2001	Nil
Mr C Gregory	40,000	Rotation per Corporations Act 2001	Nil
Mr C Gregory - Consultant	72,000	No fixed term	Nil
Mr S Turner - Director	50,000	Rotation per Corporations Act 2001	Nil
Mr S Turner - Secretary	50,000	No fixed term	Nil

(d) Share based remuneration

During the year, there was no share based remuneration paid or outstanding.

End of audited remuneration report.

Environmental legislation

The Group's projects are subject to environmental regulation under laws of the Commonwealth and States and Territories in Australia, specifically the Group is required to comply with terms of the grant of the tenement and all directions given to it under those terms of the tenement which it holds. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agency during the period ended 30 June 2015.

Indemnities given and insurance premiums paid to auditors and officers

During the year, MRG Metals Ltd negotiated a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnity any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

Non-audit services

During the previous period, Grant Thornton Audit Pty Ltd, the Group's auditors, performed no other services in addition to their statutory audit duties.

Details of the amounts paid to the auditors of the Group, Grant Thornton Audit Pty Ltd, and its related practices for audit and non-audit services provided during the year are set out in note 16 to the Financial Statements.

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 is included on page 18 of this financial report and forms part of this Directors' Report.

Proceedings of behalf of the Company

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

Signed in accordance with a resolution of the directors.



Andrew Van Der Zwan
Chairman

30 September 2015

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E info.vic@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration
To the Directors of MRG Metals Ltd

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of MRG Metals Ltd for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Brad Taylor
Partner - Audit & Assurance

Melbourne, 30 September 2015

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

Corporate Governance Statement

This Corporate Governance Statement sets out the extent to which the Company's practices comply with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Recommendations (**Recommendations**). The Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which it has complied with the Recommendations.

ASX Corporate Governance Council Recommendation	**MRG policy**
Principle 1: Lay solid foundations for management and oversight	
Recommendation 1.1: Companies should establish functions reserved to the board and those delegated to senior executives and disclose those functions.	The Company's Corporate Governance framework includes a Board Charter, which details the specific responsibilities of the Board and identifies those areas of authority delegated to senior executives.
Recommendation 1.2: Companies should: - undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and - provide security holders with all material information it its possession relevant to a decision on whether or not to elect or re-elect a director.	The Company's Board Charter provides that appropriate checks should be undertaken before the appointment of a director. If checks reveal any information that is relevant , then the Company will disclose that information to Shareholders.
Recommendation 1.3: Companies should have a written agreement with each director and senior executive setting out the terms of their appointment.	The Company's Board Charter sets provides that all directors and senior executives, at the time of their appointment, should execute a written agreement that sets out the key terms of their appointment.
Recommendation 1.4: Company Secretaries should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.	The Company's Board Charter sets out the role of the Company Secretary and ensures that the Company Secretary is accountable to the Board, through the Chairman.
Recommendation 1.5: Companies should: - 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 access annually both the objectives and the progress in achieving them; - disclose the diversity policy or a summary of the policy; - disclose, 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 diversity policy, and its progress towards achieving them, and either: - 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); or	The Company's Diversity Policy requires the Board to set out measurable objectives for achieving gender diversity. The Diversity Policy requires the Board to annually assess its diversity objectives and report on the Company's progress in achieving those objectives. At the end of each reporting period, the Diversity Policy requires the Company to report on its progress and set out the respective proportion of men and women across the whole of the Company (including their representation in key management positions)

ASX Corporate Governance Council Recommendation	MRG policy
- if the Company is a "relevant employer" under the Workplace Gender Equality Act, the Company's most recent "Gender Equality Indicators" as defined in and published under that Act.	
Recommendation 1.6: Companies should: - have and disclose a process for periodically evaluating the performance of the Board, its committees and individual directors; - disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Company Secretary plays an integral role in monitoring the conduct and activities of Board, ensuring the Board has an appropriate mix of skills and experience and reviewing individual director's performance. The Chief Executive Officer is responsible for reviewing the performance of the Company Secretary.
Recommendation 1.7: Companies should: - have and disclose a process for periodically evaluating the performance of its senior executives; and - disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process	The Chief Executive Officer is responsible for reviewing the individual performance of senior executives.
Principle 2: Structure the board to add value	

Recommendation 2.1: Companies should:
- have a nominations committee which:
  - has at least three members, a majority of whom are independent directors; and
  - is chaired by an independent director.
 	
The Company should disclosed:
- The charter of the nomination committee;
- The members of the nomination committee; and
- as at the end of each reporting period, the number of times the nomination committee met through the period and the individual attendances of the members at those meetings; or
 	
if the Company does not have a nomination committee disclose, that fact, and the process it employs to address Board successions issues and to ensure that the Board has appropriate balance of skills knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively
	The Company does not currently have a nomination committee. The Board does not consider it necessary given the size of the Company's current operations. Board appointments will be decided by the Board as a whole, taking into consideration the needs of the Company at the relevant time. Where the Company considers there is a need to review the skills and competencies of the existing Directors and to supplement that experience, the Company would consider engaging appropriately qualified third parties to assist with the review. The Company's Board Charter requires the Board to develop succession plans for the future management of the Company.

Recommendation 2.2: Companies 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.	The Company's Board Charter sets out the directors' obligations to prepare and disclose a Board skills matrix.
Recommendation 2.3: Companies should disclose:	The Company's Board Charter sets out the

ASX Corporate Governance Council Recommendation	MRG policy
- the names of directors considered by the Board to be independent directors; - If a director has an interest, position, association or relationship of a type set out in Box 2.3 of the Third Edition of the Recommendations, but the Board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and - the length of service of each director.	directors' obligations in relation to conflicts of interests and the disclosure requirements of the Board.
Recommendation 2.4: The majority of the Board of a Company should be independent directors.	Three of the Company's four directors, being Chris Gregory, Andrew Van Der Zwan and Shane Turner, are independent directors.
Recommendation 2.5: The Chairman of the Board should be an independent director and, in particular, should not be the same person as the CEO of the Company.	Andrew Van Der Zwan, an independent director, is the Chairman of the Board and Keith Weston is the CEO of the Company.
Recommendation 2.6: Companies 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.	The Company's Board Charter requires the Board to implement an induction procedure to assist newly appointed directors to gain an understanding of the Company's polices and procedures. In addition, the Board Charter requires the Board to develop continuing education opportunities in order to provide the directors with the ability to enhance their skills.
Principle 3: Promote ethical and responsible decision making	
Recommendation 3.1: Companies should: - have a code of conduct for its directors, senior executives and employees; and - disclose that code or a summary of it.	The Board has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, practices necessary to take into account the Company's legal obligations and the reasonable expectations of shareholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. The Code of Conduct will be available on the Company's website.
Principle 4: Safeguard integrity in financial reporting	
Recommendation 4.1: The Board should establish an audit committee. If the Company does not have an audit committee, disclose that fact, and the process it employs to independently verify and safeguard the integrity of its corporate reporting, including the process for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	The Company does not currently have an audit committee. The Board does not consider it necessary given the size of the Company's current operations. The functions of this committee will be carried out by the whole Board. The Company Secretary has significant experience in financial and accounting matters and will be primarily responsible for monitoring and preparing the financial reports. External resources will be commissioned where necessary.
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	The Company's process and practices comply with the Recommendation. In particular, the CEO of the Company provides a declaration in relation to the

ASX Corporate Governance Council Recommendation	MRG policy
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.	Company's financial statements that, in his opinion, the financial records of the Company have been maintained and that the financial statements comply with 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.
Recommendation 4.3: Companies that have AGMs should ensure that their external auditors attend their AGMs and are available to answer questions from security holders relevant to the audit	As a matter of practice, the Company invites the external auditors of the Company to attend the AGM of the Company. The security holders are provided with an opportunity to ask questions of the external auditors at the AGM.
Principle 5: Make timely and balanced disclosure	
Recommendation 5.1: Companies should: - have a written policy for compliance with its continuous disclosure obligations under the ASX Listing Rules; and - disclose that policy or a summary of it.	The Company has established a Continuous Disclosure Policy which applies to all directors and senior management. A copy of the Continuous Disclosure Policy has been made available on the Company's website.
Principle 6: Respect the rights of shareholders	
Recommendation 6.1: Companies should provide information about itself and its governance to investors via its website.	The Company's Continuous Disclosure Policy requires the Company to include all of its corporate governance policies on its websites.
Recommendation 6.2 Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company's Board Charter sets out the manner in which the Board should endeavor to communicate with its shareholders and the manner in which shareholders can make enquiries to the Company.
Recommendation 6.3: Companies should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders	The Company's Board Charter sets out the Company's goal to encourage participation at general meetings.
Recommendation 6.4: Companies should give security holders the option to receive communications from, and send communications to, the Company and its security registry electronically.	The Company's Board Charter addresses the means to effectively communicate with shareholders.
Principle 7: Recognise and manage risk	
Recommendation 7.1: Companies should have a committee to oversee risk. If a Company does not have a risk committee, it must disclose that fact, and the processes it employs for overseeing the Company's risk management framework.	Given the size of the Company's current operations, the Board has formed the view that a separate risk committee is not necessary. The Board itself monitors all areas of operational and financial risk and considers strategies for appropriate risk management arrangements on an ongoing basis. If considered necessary, external input will be sought to assess and counteract identified risks.
Recommendation 7.2: Companies should: - review their risk management framework at least annual to satisfy that the continue to be sound; and	The Board will require that Keith Weston, as Managing Director and Chief Executive Officer undertakes a review of the Company's risk management framework annually to ensure that the framework continues to be sound, and disclose, in

ASX Corporate Governance Council Recommendation	MRG policy
- disclose in relation to each reporting period, whether such a review has taken place.	relation to each reporting period, whether such a review has taken place.
Recommendation 7.3: Companies should: - if they have an internal audit function, how the function is structured and what role it performs; or - if they do not have an internal audit function, that fact and the process they employ for evaluating and continually improving effectiveness of their risk management and internal control process.	Given the size of the Company's current operations, the Board has formed the view that the appointment of an internal auditor is not necessary. The Board will oversee the risk management and internal control process. If considered necessary, external input will be sought to assess and review the effectiveness of the Company's risk management and internal control process.
Recommendation 7.4: Companies should disclose whether they have any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risk.	The Board will be responsible for disclosing whether the Company has any material exposure to economic, environmental and social responsibility risks and, if it does, how it intends to manage those risks.
Principle 8: Remunerate fairly and responsibly	
Recommendation 8.1: The Board should establish a remuneration committee. If the Company does not have a remuneration committee, disclose that fact and the process it employs for setting the level and composition of remuneration for directors and senior executives and ensure that such remuneration is appropriate and not excessive.	The Company does not currently have a remuneration committee. The Board does not consider it necessary given the size of the Company's current operations. The Board is responsible for making recommendations regarding director and management remuneration packages. The Company's Board Charter sets out the principles that should be considered by the Board in making recommendations in relation to management remuneration packages.
Recommendation 8.2: Companies should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Board is aware of the need to ensure remuneration remains competitive and consistent with competitor companies and that remuneration reflects the performance of the Company over time. The directors performing an executive role are remunerated based on the scope of their responsibilities and the performance of the Company. Non-executive directors are paid fees as determined by shareholders. The Company will provide the requisite disclosure regarding executive remuneration policies in its annual report.
Recommendation 8.3: Companies which have equity based remuneration schemes should: - 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 - disclose the policy or a summary of it.	The Share Trading Policy of the Company prohibits employees of the Company from entering into any transaction which would have the effect of hedging or otherwise transferring to any person the risk of any fluctuation in the value of any unvested entitlement in the Company.

The Board actively monitors the Company's governance framework, related practices and overall culture.

Statement of Financial Position

As of 30 June 2015

	Notes	Consolidated 2015 $	Consolidated 2014 $
Assets			
Current			
Cash and cash equivalents	8	410,139	1,238,917
Other receivables	7	625,637	70,618
Total current assets		1,035,776	1,309,535
Non-current			
Plant & Equipment	11	-	-
Exploration & Evaluation	12	3,960,509	6,634,422
Option	13	75,000	75,000
Intangibles	14	-	1,021,750
Total non-current assets		4,035,509	7,731,172
Total assets		5,071,285	9,047,707
Liabilities			
Current			
Trade and other payables	10	548,436	64,822
Total current liabilities		548,436	64,822
Total liabilities		548,436	64,822
Net assets		4,522,849	8,975,885
Equity			
Share capital	9	16,364,536	16,364,536
Retained earnings		(11,841,687)	(7,388,651)
Total equity		4,522,849	8,975,885

This statement should be read in conjunction with the notes to the financial statements.

Statement of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2015

	Notes	Consolidated 2015 $	Consolidated 2014 $
Revenue	5	24,039	127,545
Research & Development Incentive		1,068,730	-
Government Drilling Grants		198,900	-
Employee benefits expense		(400,843)	(417,784)
Administrative expenses		(599,520)	(733,874)
Amortisation/Depreciation expenses		(1,021,750)	(1,022,118)
Exploration/Tenements W/off expenses		(3,722,592)	(3,190,851)
(Loss) before tax		(4,453,036)	(5,237,082)
Tax expense	15	-	-
(Loss) after tax		(4,453,036)	(5,237,082)
Other comprehensive income, net of tax		-	-
Total comprehensive (losses)		(4,453,036)	(5,237,082)

		Cents	Cents
Earnings per share	17		
Basic earnings per share			
Earnings from continuing operations		(3.28)	(3.91)
Diluted earnings per share			
Earnings from continuing operations		(3.28)	(3.91)

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

for the year ended 30 June 2015

	Share Capital $	Retained earnings $	Total equity $
Balance at 30 June 2014	16,364,536	(7,388,651)	8,975,885
Other Comprehensive Income			
Loss after income tax expense for the period	-	(4,453,036)	(4,453,036)
Balance at 30 June 2015	16,364,536	(11,841,687)	4,522,849
Balance at 30 June 2013	15,934,536	(2,151,569)	13,782,967
Other Comprehensive Income			
Loss after income tax expense for the period	-	(5,237,082)	(5,237,082)
Transactions with owners			
Issue of share capital	430,000	-	430,000
Total transactions with owners	430,000	-	430,000
Balance at 30 June 2014	16,364,536	(7,388,651)	8,975,885

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

for the year ended 30 June 2015

	Notes	Consolidated 2015 $	Consolidated 2014 $
Operating activities			
Interest received		24,433	137,945
Sale of Data		-	55,000
Research & Development Incentive		613,373	-
Government Drilling Grants		112,500	-
Payments to suppliers and employees		(1,079,338)	(1,167,344)
Net cash from continuing operations		(329,032)	(974,399)
Net cash used in operating activities	18	(329,032)	(974,399)
Investing activities			
Payment for exploration & evaluation		(499,746)	(897,259)
Net cash used in investing activities		(499,746)	(897,259)
Financing activities		-	-
Net change in cash and cash equivalents		(828,778)	(1,871,658)
Cash and cash equivalents, beginning of year		1,238,917	3,110,575
Cash and cash equivalents, end of year	8	410,139	1,238,917

This statement should be read in conjunction with the notes to the financial statements.

Notes to the consolidated financial statements

1 Nature of operations

The activities of MRG Metals Ltd and its subsidiaries, MRG Metals (Australia) Pty Ltd and MRG Metals (Exploration) Pty Ltd are exploration and development of gold, base metals and other commodities within Australia.

2 General information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

MRG Metals Ltd is the Group's ultimate parent company. MRG Metals Ltd is a public company incorporated and domiciled in Australia.

The consolidated financial statements for the year ended 30 June 2015 were approved and authorised for issue by the board of directors on 30 September 2015 (see note 26).

3 New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015. Those which may be relevant to the group are set out below. The group does not plan to adopt these standards early.

- AASB 9 *Financial Instruments and Amendments to Australian Accounting Standards arising from AASB 9* (AASB 2009-11, AASB 2010-7, AASB 2014-7, AASB 2014-8). The new standard and amendments which become mandatory for the Group's 2019 financial statements could change the classification and measurement of financial assets and financial liabilities. The new standards are not expected to have significant impact on the financial statements.
- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle*. The amendments relate to IFRS 5, IFRS 7, IAS 19 and IAS 34. The amendments are mandatory for application from 1 January 2016 and are not expected to have a significant impact on the Group's financial statements.
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*. The amendments are intended to ensure entities are able to use judgement when applying a standard in determining what information to disclose in their financial statements. The amendments apply for periods beginning on or after 1 January 2016. The amendments are not expected to have a significant impact on the Group's financial statements.
- AASB 2015-3 *Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality*. The amendments affect the withdrawal of AASB 1031 and are applicable for the period beginning on or after 1 July 2015. The amendments are not expected to have a significant impact on the Group's financial statements.
- AASB 2014-3 *Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations Amendments*. The amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that meet the definition of a business. The amendments will become mandatory for the Group's 2017 financial statements and are not expected to have significant impact on the financial statements.
- AASB 15 *Revenue from Contracts with Customers and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15*. AASB 15 applies to contracts with customers and presents two

approaches to revenue recognition as well as enhanced disclosure requirements. Application of AASB 15 will be mandatory for years beginning on or after 1 July 2017. The new standard is not expected to have significant impact on the financial statements unless the Group commences operations which may result in customer contracts.

- AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* clarifies that a revenue basis for depreciating property plant and equipment cannot be used and introduces a rebuttable presumption that use of revenue based amortisation methods for intangible assets is inappropriate. Amendments have an effective date of 1 January 2016 and are not expected to have a significant impact on the Group's financial statements.

4 Summary of accounting policies

4.1 Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

4.2 Presentation of financial statements

AASB 101 requires two comparative periods to be presented for the statement of financial position in certain circumstances.

4.3 Basis of consolidation

The Group financial statements consolidate those of the parent company and its subsidiary undertakings drawn up to 30 June 2015. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

4.4 Segment reporting

Operating segments are presented using the 'management approach', where information is presented on the same basis as the internal reports provided to chief operating decision makers, being the Board of Directors. The Board of Directors are responsible for the allocation of resource to operating segments and assessing their performance.

4.5 Revenue

Interest income is recognised on an accrual basis using the effective interest method.

4.6 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

4.7 Exploration and evaluation

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

A regular review for impairment is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

4.8 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

4.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.10 Other Receivables

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

4.11 Trade Payables

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

4.12 Earnings per share

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

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

4.13 Equity

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Retained earnings include all current and prior period retained profits.

4.14 Post employment benefits

The Group provides post employment benefits through various accumulation funds.

An accumulation fund is a superannuation fund under which the Group pays fixed contributions into an independent entity. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. Contributions to the funds are recognised as an expense in the period that relevant employee services are received.

4.15 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets.

4.16 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

4.17 Significant management judgement in applying accounting policies

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Deferred tax assets/Tax losses

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

The Group has not recognised a deferred tax asset with regard to unused tax losses and other temporary differences, as it has not been determined whether the Company will generate sufficient taxable income against which the unused tax losses and other temporary differences can be utilised in the foreseeable future.

Estimation uncertainty

When preparing the financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Exploration and evaluation assets

At each reporting date, the directors review the carrying amount of each area of interest, with reference to the indicators of impairment outlined in AASB 6 Exploration for and Evaluation of Mineral Resources. No indicators of impairment were noted in the current period.

Share based payments

The Group measures the cost of share based payments at fair value at the issue date.

4.18 Other intangible assets

Recognition of other intangible assets

Acquired intangible assets

The acquisition of Sasak Resources required the issue of 45,000,000 ordinary shares. The market value of the shares at 26 June 2013, being date transaction was approved at a General Meeting, was $0.19. Hence, total consideration was $8,550,000. The value per the Independent Geologist Report for the tenements acquired was $6,506,500. The balance of consideration of $2,043,500 was attributed to the access to the data mining software of Sasak Technical. The initial access is for two years and this expired in June 2015.

Subsequent measurement

All intangible assets, including the acquired Technical Services Agreement, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 4.19. The following useful lives are applied:

- Technical Services Agreement – 2 years

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

4.19 Impairment testing of goodwill, other intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

4.20 Government incentives and grants

Government incentives and grants comprise assistance by the Government in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the activities of the Group. Government incentives and grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government incentives and grants are recognised in profit or loss on a systematic basis over the periods in which expenses are recognised for the related costs for which grants are intended to compensate.

5 Revenue

	Consolidated 2015 $	Consolidated 2014 $
Interest	24,039	72,545
Sale of Data	-	55,000
	24,039	127,545

6 Segment reporting

The Group is organised into one operating segment, which is the exploration and development of Gold, base metals and other commodities within Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

7 Other receivables

	Consolidated 2015 $	Consolidated 2014 $
GST receivables	57,598	50,317
Interest	2,581	2,975
Prepayments	7,739	9,880
Government Drilling Grant receivable	95,040	-
Research & Development Incentive receivable	455,357	-
Other	7,322	7,446
Other receivables	625,637	70,618

The receivables noted above are not impaired nor past due.

8 Cash and cash equivalents

Cash and cash equivalents include the following components:

	Consolidated 2015 $	Consolidated 2014 $
Cash at bank and in hand:		
AUD	325,722	657,568
Short term deposits (AUD)	84,417	581,349
Cash and cash equivalents	410,139	1,238,917

The effective interest rate on short-term bank deposits is 3.60%; these deposits have an average maturity of 365 days.

9 Equity

9.1 Share capital

The share capital of MRG Metals Ltd consists of fully paid ordinary shares and options, the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of MRG Metals Ltd.

Date Issued	Details	Quantity	Consolidated 2014 $
	SHARES		
	Total at 30 June 2013	133,166,000	15,508,494
	Shares issued and fully paid:		
26 February 2014	Issued to Consultant for services rendered	2,000,000	380,000
20 June 2014	Issued to Tenement Option Vendor	446,115	50,000
	Total share capital at 30 June 2014	135,612,115	15,938,494
	OPTIONS		
	Total at 30 June 2013	44,007,993	426,042
	Total issued options at 30 June 2014	44,007,993	426,042
	SHARE CAPITAL		16,364,536

Date Issued	Details	Quantity	Consolidated 2015 $
	SHARES		
	Total at 30 June 2014	135,612,115	15,938,494
	Total share capital at 30 June 2015	135,612,115	15,938,494
	OPTIONS		
	Total at 30 June 2014	44,007,993	426,042
	Total issued options at 30 June 2015	44,007,993	426,042
	SHARE CAPITAL		16,364,536

9.2 Dividends

No dividends were declared or paid during the year. There are no franking credits outstanding at period end.

10 Trade and other payables

Trade and other payables recognised in the Statement of Financial Position can be analysed as follows:

	Consolidated 2015 $	Consolidated 2014 $
Current		
- Trade payables	448,084	23,580
- Other payables and accrued expenses	100,352	41,242
	548,436	64,822

11 Plant and equipment

	Consolidated 2015 $	Consolidated 2014 $
Plant & Equipment	1,104	1,104
Accumulated Depreciation	(1,104)	(1,104)
	-	-

12 Exploration and evaluation assets

	Consolidated 2014 $
Cost as at 30 June 2013	8,665,546
Additions	43,895
Other exploration costs	1,099,034
Relinquishments	(3,174,053)
Cost as at 30 June 2014	6,634,422

	Consolidated 2015 $
Cost as at 30 June 2014	6,634,422
Additions	10,422
Other exploration costs	577,819
Relinquishments	(3,262,154)
Cost as at 30 June 2015	3,960,509

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

13 Option

The company entered into an Option Agreement on 23 June 2014 for the right to acquire tenements adjacent to its Yardilla tenement in the South Fraser Range area of Western Australia. The cost of the Option was $75,000 ($25,000 cash and $50,000 shares). The Option gives the company the right to acquire the tenements within 2 years for $100,000 of shares in the Company. Upon decision to mine, another $500,000 of shares in the Company are payable. As of 30 June 2015 this Option has not yet been exercised.

14 Intangibles

The acquisition of Sasak Resources required the issue of 45,000,000 ordinary shares. The market value of the shares at 26 June 2013, being date transaction was approved at a General Meeting, was $0.19. Hence, total consideration was $8,550,000. The value per the Independent Geologist Report for the tenements acquired was $6,506,500. The balance of consideration of $2,043,500 was attributed to the access to the data mining software of Sasak Technical. The initial access is for two years, which expired in June 2015.

	Consolidated 2015 $	Consolidated 2014 $
Intangibles	2,043,500	2,043,500
Accumulated Amortisation	(2,043,500)	(1,021,750)
	-	1,021,750

15 Income tax expense

The relationship between the expected tax expense based on the tax rate of MRG Metals Ltd and the reported tax expense in profit or loss can be reconciled as follows, also showing major components of tax expenses:

	Consolidated 2015 $	Consolidated 2014 $
Profit/(loss) before tax	(4,453,036)	(5,237,082)
Expected tax expense/(benefit) @ 30%	(1,335,911)	(1,571,125)
Adjustment for non-deductible expenses:		
- Movement in accruals	17,733	(3,683)
- Exploration and evaluation expenses	(173,346)	(329,710)
Adjustment for non-assessable income:		
- Movement in other receivables	(1,387)	13,703
	(1,492,911)	(1,890,815)
Current period tax (loss) not recognised	(1,492,911)	(1,890,815)
Deferred tax expense:		
- Temporary differences	(157,000)	(319,690)
- Unused tax losses	1,492,911	1,890,815
Deferred tax assets not recognised	1,335,911	1,571,125

The above potential tax benefit has not be recognised as the recovery is uncertain.

The carry forward tax losses at 30 June 2015 were $8,703,799.

The taxation benefit of tax losses and temporary differences not brought to account will only be obtained if:

- the Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no change in tax legislation adversely affects the Group in realising the benefits from deducting the tax losses.

16 Auditor remuneration

	Consolidated 2015 $	Consolidated 2014 $
Audit services		
Auditors of MRG Metals Ltd – Grant Thornton		
- Audit of the financial report	42,913	42,400
Audit services remuneration	42,913	42,400
Other services	-	-
Total Auditor's remuneration	42,913	42,400

17 Earnings per share

The weighted average number of shares for the purposes of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	Consolidated 2015 $	Consolidated 2014 $
Loss after income tax	(4,453,036)	(5,237,082)
Weighted average number of shares used in basic earnings per share	135,612,115	133,860,709
Weighted average number of shares used in diluted earnings per share	135,612,115	133,860,709
Earnings Per Share	(3.28) cents	(3.91) cents
Diluted Earnings Per Share	(3.28) cents	(3.91) cents

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for the inclusion in AASB 133 "Earnings per Share". The rights to options are non-dilutive as the Group is loss generating.

18 Reconciliation of cash flows from operating activities

	Consolidated 2015 $	Consolidated 2014 $
Cash flows from operating activities		
(Loss) after income tax expense for the year	(4,453,036)	(5,237,082)
Cash flows excluded from loss attributable to operating activities		
Non cash flows in loss:		
Amortisation/Depreciation	1,021,750	1,022,118
Write off deferred exploration and evaluation expenditure	3,173,659	3,156,393
Change in other assets and liabilities:		
(Increase)/decrease in trade and other receivables	(557,160)	42,832
(Increase)/decrease in other assets and prepayments	2,141	2,845
Increase/(decrease) trade and other payables	483,614	38,495
Net cash from operating activities	(329,032)	(974,399)

19 Related party transactions

The Parent entity is MRG Metals Ltd.

MRG Metals Ltd owns 100% of the shares of MRG Metals (Australia) Pty Ltd.

MRG Metals Ltd owns 100% of the shares of MRG Metals (Exploration) Pty Ltd.

MRG Metals (Australia) Pty Ltd and MRG (Exploration) Pty Ltd own the mining tenements and have no other Assets or Liabilities.

The Group's related parties include its key management and others as described in Note 19.2.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

19.1 Transactions with related parties

The following transactions occurred with related parties:

Payment for goods and services:
The Group used the accounting and taxation services of RSM Bird Cameron, an entity associated with Mr. Turner. The amounts billed were based on normal market rates and amounted to $58,000 (2014 $39,000).

Receivable from and payable to related parties
There were no trade receivable from or trade payables to related parties.

Loans to/from related parties
There were no loans to or from related parties at the reporting date.

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

19.2 Transactions with key management personnel

Key management of the Group are the Board of Directors. Key management personnel remuneration is set out in the Remuneration Report in the Director's Report.

19.3 Equity instruments held by KMP

The number of shares in the Company by each of the key management personnel of the Group, including their related parties are set out below:
Year ended 30 June 2014

Key Management Person	Balance at start of year	Additions	Received on exercise	Other changes	Held at the end of the reporting period
Weston	100,000	-	-	-	100,000
Van Der Zwan	2,280,000	95,000	-	-	2,375,000
Turner	1,531,600	62,500	-	-	1,594,100
Gregory	12,249,900	200,000	-	-	12,449,900
	16,161,500	357,500	-	-	16,519,000

Year ended 30 June 2015

Key Management Person	Balance at start of year	Additions	Received on exercise	Other changes	Held at the end of the reporting period
Weston	100,000	-	-	-	100,000
Van Der Zwan	2,375,000	-	-	-	2,375,000
Turner	1,594,100	58,800	-	-	1,652,900
Gregory	12,449,900	-	-	-	12,449,900
	16,519,000	58,800	-	-	16,577,800

The number of options in the Company by each of the key management personnel of the Group, including their related parties are set out below:
Year ended 30 June 2014

Key Management Person	Balance at start of year	Additions	Deleted on exercise	Other changes	Held at the end of the reporting period
Weston	-	-	-	-	-
Van Der Zwan	1,080,000	-	-	-	1,080,000
Turner	735,000	-	-	-	735,000
Gregory	-	-	-	-	-
	1,815,000	-	-	-	1,815,000

Year ended 30 June 2015

Key Management Person	Balance at start of year	Additions	Deleted on exercise	Other changes	Held at the end of the reporting period
Weston	-	-	-	-	-
Van Der Zwan	1,080,000	-	-	-	1,080,000
Turner	735,000	-	-	-	735,000
Gregory	-	-	-	-	-
	1,815,000	-	-	-	1,815,000

20 Contingent assets and contingent liabilities

The Company has identified potential stamp duty implications associated with the acquisition of MRG Metals (Exploration) Pty Ltd (formerly Sasak Resources Pty Ltd). The Company has made a submission to the Western Australian Office of State Revenue to determine whether any stamp duty is payable on the acquisition of the tenements of MRG Metals (Exploration) Pty Ltd. The Directors estimate that if the stamp duty is assessable, the Company's liability will be approximately $300,000.

21 Commitments for expenditure

	2015 $	2014 $
Exploration and evaluation: Within 12 months	417,540	571,800
	417,540	571,800

Exploration and evaluation:
In order to maintain current rights of tenure to exploration tenements, the Group is required to outlay rentals and to meet the minimum expenditure requirements of the State Mine Departments. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts and are payable.

22 Financial instrument risk

Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The main types of risks are market risk (including interest rate risk), credit risk and liquidity risk.

The Group's risk management is carried out by the board of directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets.

The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

22.1 Foreign currency sensitivity

To date, all of the Group's transactions have been carried out in Australian Dollars.

22.2 Interest rate sensitivity

The Group's only exposure to interest rate risk is in relation to deposits held. Deposits are held with reputable banking financial institutions.

At 30 June 2015, there was $84,417 on deposit at 3.60% (Note 8).

An increase/decrease by 30% or 1.08 basis points would have a favourable/adverse effect on profit for the year of $912. The percentage change is based on the expected volatility of interest rates using market data and analysts' forecasts.

22.3 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to minimal credit risk as its only exposure is to interest receivable and GST refunds.

22.4 Liquidity risk analysis

Liquidity risk is that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring actual and forecast cash inflows and outflows due in day-to-day business.

The Group's working capital, being current assets less current liabilities, at 30 June 2015 was $487,340. In addition, $704,081 was raised in September 2015. Based on this, the directors are satisfied the Group will have sufficient funds to pay its debts as and when they fall due.

As at 30 June, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

	Current		Non current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
30 June 2014	**$**	**$**	**$**	**$**
Trade and other payables	64,822	-	-	-
Total	64,822	-	-	-

	Current		Non current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
30 June 2015	**$**	**$**	**$**	**$**
Trade and other payables	548,436	-	-	-
Total	548,436	-	-	-

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying values of the liabilities at the reporting date. Unless otherwise stated, the carrying amounts of financial instruments reflect their fair values due to their short term nature.

23 Capital risk management

The Group's objectives when managing capital is to ensure the Group's ability to continue as a going concern so that it can provide an adequate return to shareholders.

The Group would look to raise capital when an opportunity to invest in a business, company or tenement is seen as value adding.

24 Post-reporting date events

Since the end of the year the following significant events have occurred:

The remaining East Yilgarn tenements were relinquished in August 2015.

Two new QLD IOCG tenements have been granted in September 2015, Selwyn and Mt Angelay.

Successful completion of rights issue of Options in September 2015, raising $704,081.

Approval received for claiming a Research and Development Tax Refund for the 2015 year of approximately $455,000.

There are no other events occurring since the end of the year that have, or may, significantly affect the Group's operations, results of those operations or the state of affairs of the Group.

25 Parent entity information

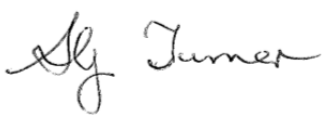
Information relating to MRG Metals Ltd ('the parent entity')

	2015 $	2014 $
Statement of financial position		
Current assets	1,035,776	1,309,535
Total assets	5,071,285	9,040,707
Current liabilities	548,436	64,822
Total liabilities	548,436	64,822
Issued capital	16,364,536	16,364,536
Retained earnings	(11,841,687)	(7,388,651)
	4,522,849	8,975,885
Statement of comprehensive income		
Profit/(loss) for the period	(4,453,036)	(5,237,082)
Total comprehensive income	(4,453,036)	(5,237,082)

26 Authorisation of financial statements

The consolidated financial statements for the year ended 30 June 2015 were approved by the board of directors on 30 September 2015.





Andrew Van Der Zwan
Chairman

Shane Turner
Director/Secretary

Directors' declaration

1. In the opinion of the directors of MRG Metals Ltd:

a the consolidated financial statements and notes of MRG Metals Ltd are in accordance with the Corporations Act 2001, including

i. giving a true and fair view of its financial position as at 30 June 2015 and of its performance for the financial period ended on that date; and

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

b there are reasonable grounds to believe that MRG Metals Ltd will be able to pay its debts as and when they become due and payable.

2. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial period ended 30 June 2015.

3. The consolidated financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Dated at Melbourne, the 30th day of September 2015



Andrew Van Der Zwan

Director

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Independent Auditor's Report
To the Members of MRG Metals Ltd

Report on the financial report

We have audited the accompanying financial report of MRG Metals Ltd (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company .

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes 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. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's opinion

In our opinion:

a the financial report of MRG Metals Ltd is in accordance with the Corporations Act 2001, including:

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

   ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 13 to 16 of the directors' report for the year ended 30 June 2015. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of MRG Metals Ltd for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Brad Taylor
Partner - Audit & Assurance

Melbourne, 30 September 2015

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 25 September 2015.

Substantial Shareholders

The number of substantial shareholders and their associates are set out below:

Shareholder	Number of Shares
Ottawa Resources P/L	18,935,398
Lograr Investments P/L	12,249,900
El Gaia Holdings P/L	12,249,900
Jolanza P/L	12,449,900

Voting Rights

Ordinary shares	On 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
Options	No voting rights

Holding	Shareholders
1 – 1,000	9
1,001 – 5,000	28
5,001 – 10,000	105
10,001 – 100,000	177
100,000 and over	125
	444

There were 9 holders of less than a marketable parcel of ordinary shares.

	Ordinary Shares	
Twenty largest quoted shareholders	**Number Held**	**%of quoted shares**
Ottawa Resources P/L	18,935,398	13.96
Jolanza P/L	12,449,900	9.18
Lograr Investments P/L	12,249,900	9.03
El Gaia Holdings P/L	12,249,900	9.03
Julian Bavin HoldingsP/L	5,500,200	4.06
J Powell	3,100,000	2.29
Bond Street Custodians Ltd	2,749,350	2.03
A Van Der Zwan	2,375,000	1.75
Hedt Super P/L	2,340,000	1.73
L, H & T Knight	2,070,000	1.53
Minico P/L	2,000,000	1.47
M Bolton	2,000,000	1.47
HSBC Custody Nominees (Australia) Ltd	1,889,500	1.39
N Fammartino	1,760,000	1.30
S Turner	1,652,900	1.22
Australian Executors Trustees Ltd	1,580,000	1.17
Tigerland Investments P/L	1,480,000	1.09
Rylet P/L	1,380,000	1.02

TRR Investments P/L	1,305,751	0.96
A & J Turner P/L	1,290,000	0.95
	90,357,799	66.63

Restricted equity securities

The following securities are subject to escrow:

- 15,000,000 Escrowed until 28 June 2016

Securities exchange

The Company is listed on the Australian Securities Exchange and shares are quoted under the code MRQ.

	Options	
Twenty largest quoted optionholders	**Number Held**	**%of quoted options**
Ottawa Resources P/L	3,442,000	7.82
RL Staggard & DL Berry	1,500,000	3.41
J Powell	1,404,500	3.19
Hedt Super P/L	1,280,000	2.91
Gulf Country Investments P/L	1,200,000	2.73
HSBC Custody Nominees (Australia) Ltd	1,122,250	2.55
Life-Style Connections P/L	1,050,000	2.39
L, H & T Knight	1,035,000	2.35
Minico P/L	1,000,000	2.27
W Damm	1,000,000	2.27
A Van Der Zwan	965,000	2.19
Rylet P/L	940,000	2.14
N Fammartino	880,000	2.00
Bigson P/L	880,000	2.00
Tigerland Investments P/L	700,000	1.59
Sage Administration P/L	695,000	1.58
TRR Investments P/L	690,000	1.57
A & J Turner P/L	645,000	1.47
Notemarl P/L	640,000	1.45
S Popovic	640,000	1.45
	21,708,750	49.33

Securities exchange

The Company is listed on the Australian Securities Exchange and options are quoted under the code MRQO.

Tenements

The Tenements held by the Company at reporting date are as follows:

Project	Tenement	% Owned
Xanadu	P52/1366	100
Xanadu	P52/1367	100
Xanadu	P52/1368	100
Xanadu	P52/1369	100
Xanadu	P52/1372	100
Xanadu	P52/1373	100
Xanadu	P52/1374	100
Xanadu	P52/1375	100
Xanadu	P52/1376	100
Xanadu	P52/1377	100
Xanadu	P52/1378	100
Xanadu	P52/1379	100
Xanadu	P52/1380	100
Xanadu	P52/1381	100
Kalgoorlie East	P26/3693	100
Kalgoorlie East	P26/3694	100
Kalgoorlie East	P26/3596	100
Kalgoorlie East	P26/3597	100
Kalgoorlie East	P26/3598	100
Kalgoorlie East	P26/3599	100
Kalgoorlie East	P26/3600	100
Kalgoorlie East	P26/3601	100
Kalgoorlie East	P26/3602	100
Kalgoorlie East	P26/3603	100
Kalgoorlie East	P26/3604	100
Kalgoorlie East	P26/3605	100
Kalgoorlie East	P26/3606	100
Kalgoorlie East	P25/1984	100
Kalgoorlie East	P25/1985	100
Kalgoorlie East	P26/4015	100
Kalgoorlie East	P26/4016	100
East Yilgarn	E38/2547	100
East Yilgarn	E38/2550	100
East Yilgarn	E38/2553	100
Loongana	E69/3104	100
Loongana	E69/3288	100
Yardilla	E28/2368	100
Pulchera	EPM19471	100
Squirrel Hill	EPM19470	100
Davenport Downs	EPM19306	100

Corporate Directory

Directors & Secretary

Andrew Van Der Zwan
Non Executive Chairman

Keith Weston
Managing Director and Chief Executive Officer

Christopher Gregory
Non Executive Director

Shane Turner
Non Executive Director and Company Secretary

Principal place of business

Level 8, 350 Collins Street, Melbourne VIC 3000
Telephone: +61 3 9642 8575 Fax: +61 3 96425662
Email: info@mrgmetals.com.au, www.mrgmetals.com.au

Registered office

12 Anderson Street West, Ballarat Victoria 3350
PO Box 237, Ballarat VIC 3353
Telephone: +61 3 5330 5800 Fax: +61 3 5333 1667

Corporate accountant and Registered ASIC Agent

RSM Bird Cameron
12 Anderson Street West, Ballarat VIC 3350
PO Box 685, Ballarat VIC 3353
Telephone: +61 3 5330 5800 Fax: +61 3 5333 1667
www.rsmi.com.au

Solicitors

Gadens
Level 25, 600 Bourke Street, Melbourne VIC 3000
Telephone: +61 3 9252 2555 Fax: +61 3 9252 2500
www.gadens.com

Share Registry

Link Market Services Limited
Central Park, Level 4, 152 St Georges Terrace, Perth WA 6000
Telephone: 1300 554 474

Auditor

Grant Thornton Audit Pty Ltd
Level 30, 525 Collins Street, Melbourne Vic 3000
Telephone (office): +61 3 8663 6000 Fax: +61 3 8663 6333
Website: www.grantthornton.com.au

Stock Exchange Listing

ASX Codes: MRQ , MRQO