



ABN 86 125 049 550

Annual Report
For the year ended 30 June 2014

CORPORATE DIRECTORY

Directors

Seamus Cornelius (Chairman)
Anthony Maslin (Managing Director)
Stuart Fogarty (Non-Executive Director)
Julian Stephens (Non-Executive Director)
Liu Xing Zhou (Non-Executive Director)

Company Secretary

Sam Wright

Registered Office

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SUBIACO WA 6008

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ABN 86 125 049 550

Postal Address

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Solicitors

Norman Waterhouse Lawyers
Level 15, 45 Pirie Street
ADELAIDE SA 5000

Share Register

Computershare Investor Services Pty Ltd
Level 2,
45 St George's Terrace
PERTH WA 6000
Telephone: +61 8 6188 0800

Auditors

Rothsay Chartered Accountants
Level 1, Lincoln Building
4 Ventnor Avenue
WEST PERTH WA 6005

Website Address

www.buxtonresources.com.au

Stock Exchange

Buxton Resources Limited shares are listed on the Australian Securities Exchange.

ASX code: BUX, BUXO

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Letter from the Chairman

Dear Fellow Shareholder,

On behalf of the Board it is once again my pleasure to thank you for your support over the past year and present to you Buxton Resources Limited's Annual Report for the financial year ended 30 June 2014.

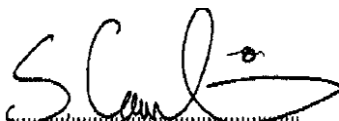
The company is well funded and has a tight capital structure which should mean shareholders are well placed to increase their wealth should the company have exploration success. Buxton has several projects with upside potential, through which we will try to realise value for shareholders.

We are very pleased by the overwhelming interest received for the recent capital raising. The strong signal of support from existing and new shareholders is a strong validation of Buxton's assets and strategy. We look forward to embarking on high impact nickel-copper exploration in the Fraser Range soon and significantly advancing the very high grade Yalbra Graphite Project.

I believe that we have a Board and group of consultants who have the knowledge, breadth of experience and determination to fulfil the objectives of the Company.

The success of Buxton Resources Limited has been and continues to be a team effort and I take this opportunity to thank my fellow directors, our employees, consultants and our corporate advisors for their efforts and contribution to Buxton Resources Limited. I also take this opportunity to thank our shareholders and investors for their interest and support of the Company and anticipate there will be progress on a number of fronts in the coming year.

I look forward with enthusiasm to the year ahead and the development of the Company as it fulfils its objectives.

A handwritten signature in black ink, appearing to read 'Seamus Cornelius', with a stylized flourish at the end.

Seamus Cornelius

Non-Executive Chairman

REVIEW OF OPERATIONS

ZANTHUS NI-CU PROJECT (100% BUXTON)

The Zanthus Ni-Cu Project is located 60km along strike from Sirius Resources' (ASX: SIR) Nova-Bollinger Ni-Cu discovery in the emerging Fraser Range Nickel Province, Western Australia. The project covers an area of 367 km².

During the year, Buxton Resources announced it had been successful in obtaining funding under the WA Government's co-funded Exploration Incentive Drilling Scheme, offered by the Department of Mines and Petroleum. The grant is capped at \$150,000 and was used by the Company to partially fund a first pass RC drilling program to test bedrock EM anomalies for nickel and copper sulphide mineralisation.

The ground moving loop (MLTEM) and fixed loop (FLTEM) survey at Zanthus defined a total of 20 potential bedrock conductors (Figure 1, Table 1). Four of these were deemed high-priority nickel sulphide drill targets, with six others defined as medium priority drill targets.

Additionally, the Company received results for the recently completed calcrete surface geochemistry program which highlighted a number of areas of nickel, copper and separately, gold anomalism.

The limited strike length, relative conductance, proximity to gravity highs and surface nickel anomalism made the four high priority areas compelling drill targets. Buxton tested the majority of the identified MLTEM and FLTEM conductors for Ni-Cu sulphide mineralisation with an initial RC drilling program in Q1 2014.

Table 1. List and brief description of all Zanthus MLTEM and FLTEM conductors.

NAME	PRIORITY	COMMENTS
ZV01	med	Weak to moderate conductor plunge north and dipping moderately east. Conductor is coincident with the margin of a gravity high.
ZV02	high	Strong though small, sub-horizontal bedrock conductor.
ZV03	med	Weak, small, sub-horizontal conductor within or above interpreted intrusive body.
ZV04	low	Moderate strength, unresolved orientation, within or above an interpreted intrusive body.
ZV05	low	Weak response from a small or deep conductor. Associated high gravity and magnetic remanence.
ZV06west	low	Weak, probable stratigraphic conductor, dipping to the east.
ZV06east	med	Strong, probable stratigraphic conductor, dipping to the east.
ZV07north	high	Moderate strength conductor, irregular shape, wedged between two broad gravity highs.
ZV07	high	High strength conductor, irregular shape, wedged between two broad gravity highs.
ZV08	med	Weak, near surface, subvertical conductor occurring toward the centre of a broad gravity high.
ZV10	med	Strong response, moderately east-dipping conductor, possibly stratigraphic. Weak nickel geochemical anomalism.
ZV11	med	Strong response, steeply east-dipping conductor, possibly stratigraphic.
ZV12	low	Weak, sub horizontal conductor. May be part of, or close to, an extensive surficial or stratigraphic conductor.
ZV13	low	Moderate strength, moderately east dipping probable stratigraphic conductor.
ZV14	low	Weak, sub-horizontal conductor coincident with the margin of a gravity high.
ZV15	low	Weak, small, sub-horizontal conductor within or above interpreted intrusive body.
ZV16	high	Strong, discrete steeply east dipping conductor over discrete gravity high and located at the margins of two interpreted intrusive bodies. Associated surface nickel geochemical anomalism.
ZV17	low	Strong, moderately east dipping conductor. Probably stratigraphic.
ZV19	low	Weak, steeply east dipping conductor. Probably stratigraphic.
ZV20	low	Moderate, steeply east dipping conductor. Probably stratigraphic.

REVIEW OF OPERATIONS (CONTINUED)

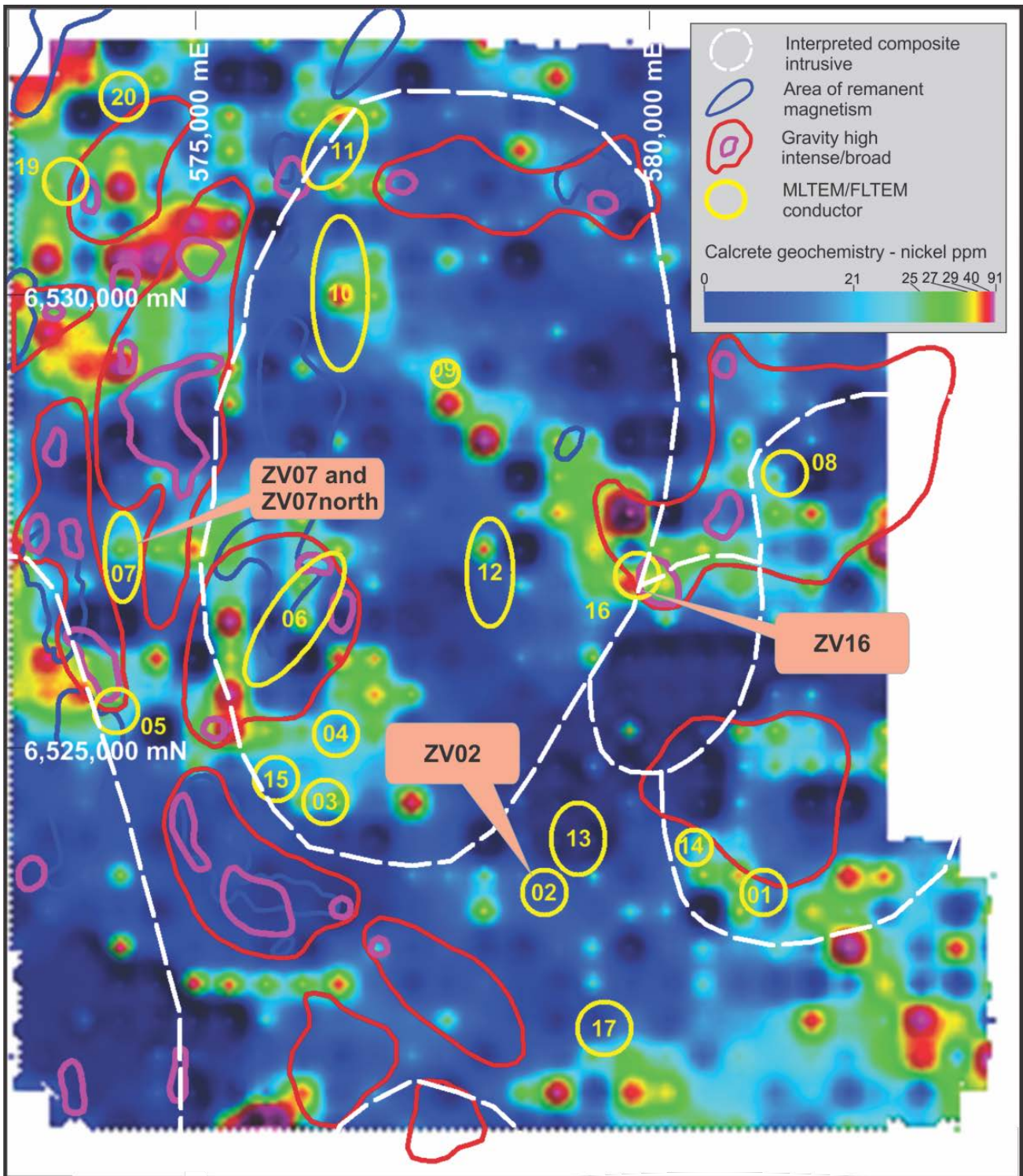


Figure 1. MLTEM and FLTEM conductors over gridded nickel calcrete geochemistry, interpreted intrusive bodies, remanently magnetised zones and gravity anomalies.

REVIEW OF OPERATIONS (CONTINUED)

Drilling Program at Zanthus

Buxton Resources announced on 14th May 2014 that the RC drilling program at the Zanthus Ni-Cu Project confirmed the presence of ultramafic and mafic units. These include those that contain preserved magmatic nickel-copper sulphides (Figure 1) at the Oaktree Prospect (formerly ZV10) and at ZV07.

The occurrence of definitively identified magmatic nickel sulphides is indicative of sulphide saturation occurring at an early magmatic stage, before substantial amounts of nickel sequestering silicates (olivine, pyroxenes) were able to crystallise. As such, the confirmed presence of these magmatic nickel-copper sulphides indicates excellent prospectivity for larger, potentially economic accumulations of nickel-copper sulphide mineralisation, for example along strike or at depth

Important observations from the drilling program included;

- Confirmed *magmatic* nickel-copper sulphides within ultramafic rock
- Thick intercepts of ultramafic to mafic (gabbro) rocks with weak to strongly disseminated sulphides (mainly pyrrhotite)
- Confirmation of the broad geology interpreted from previous magnetic, gravity and electromagnetic surveys

Overall, the geology of the project area is very complex (Figure 2). However, it has now been confirmed to contain large, gabbro-dominant, ovoid, mafic-ultramafic bodies that variably daylight and are locally capped by country rock paragneisses (derived from sedimentary parent rocks). Numerous thinner intercepts of gabbro that occur around the margins of the ovoid bodies and within paragneiss caps indicate a high density of associated smaller mafic-ultramafic bodies, possibly as dykes and/or sills.

Drilled ground EM conductors have been shown to be either;

- Gabbro-ultramafic with weak to strong disseminated sulphides, including magmatic nickel-copper sulphides. These are considered to be important indicators for possible nickel-copper sulphide mineralisation
- Paragneisses with weak to strong disseminated pyrrhotite and pyrite – not considered economically significant targets
- Graphitic gneisses – considered flake graphite targets
- Unexplained – drill holes have not reached target depth due to difficult ground conditions or have intersected rocks that do not explain the ground EM conductors

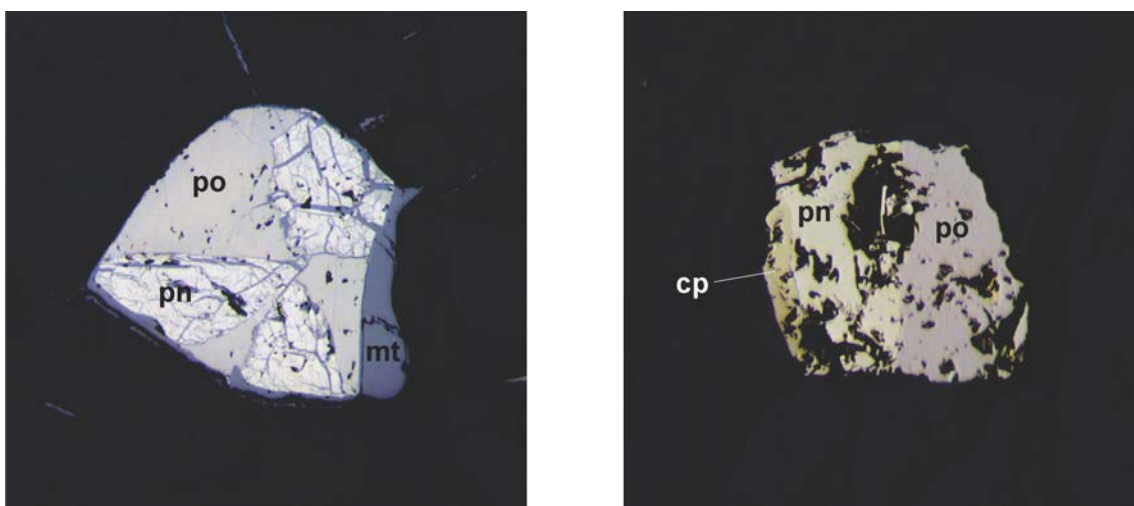


Figure 2. Photomicrographs of magmatic composite sulphide grains containing nickel and copper ore minerals from ZRC086 96-100m. po = pyrrhotite, pn = pentlandite, cp = chalcopyrite, mt = magnetite, field of view on both images is 300 microns.

REVIEW OF OPERATIONS (CONTINUED)

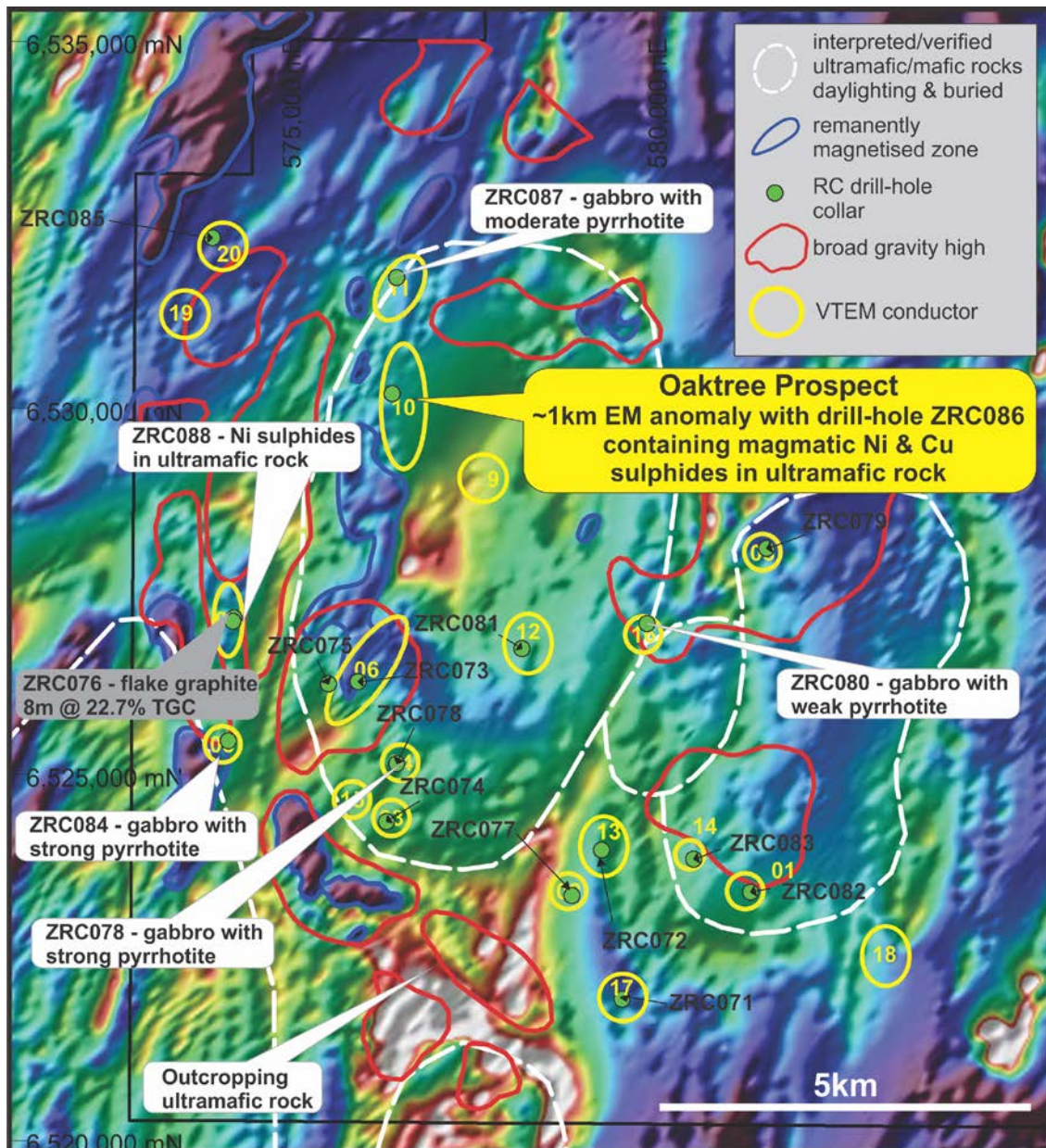


Figure 3. Location of 2014 RC drill-holes over airborne magnetics with gravity and EM features indicated.

Subsequent Events

In early July, the Company completed a new MLTEM survey to cover the ~1km strike length of the VTEM/MLTEM conductors associated with magmatic nickel-copper sulphides at Oaktree (Figure 4). The survey identified a higher conductivity response to the north that could represent massive or semi-massive nickel-copper sulphides.

Modelling of MLTEM data shows two possible conductor geometries at Oaktree North. The Company plans to test the newly defined conductor(s) at Oaktree with ~1,500m of RC drilling in the coming months. Additional encouraging targets identified during Buxton's maiden Ni-Cu drilling program in 2014 will also be tested (Figure 3).

REVIEW OF OPERATIONS (CONTINUED)

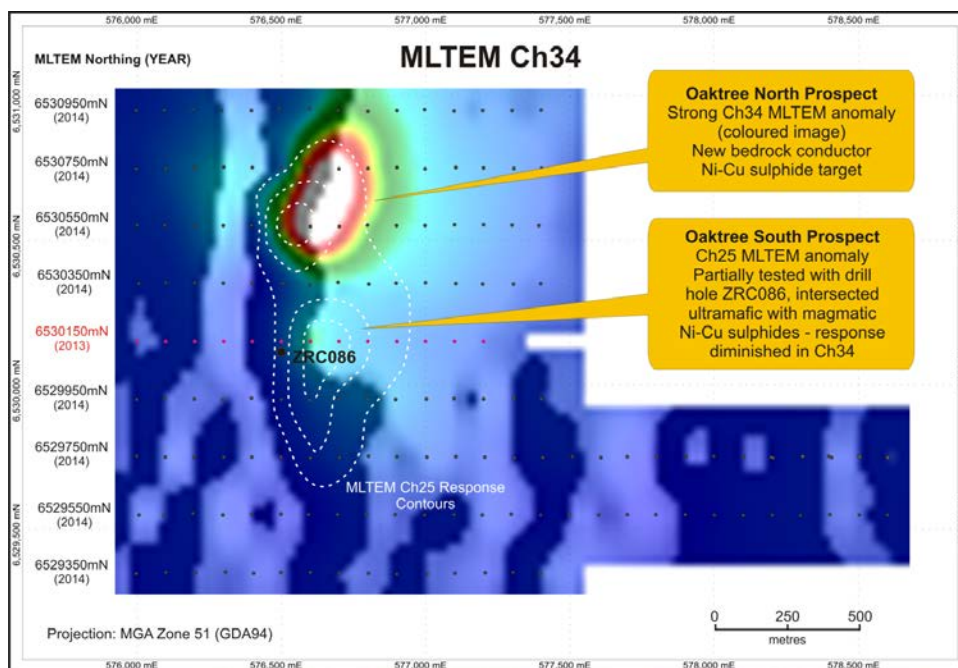


Figure 4. Oaktree Prospect (previously ZV10) showing MLTEM lines from 2013 & 2014, location of drill hole ZRC086 that intersected magmatic nickel-copper sulphides, MLTEM Z component Channel 25 (18msec) contours, over MLTEM Z component Channel 34 (125msec) image showing the strong bedrock conductor at Oaktree North.

On 15 September, Buxton confirmed that planning, permitting and engagement of the drill contractor is complete for the RC drill program at the Company's 100% owned, highly prospective Zanthus Ni-Cu Project, located 60km along strike from Sirius Resources' Nova-Bollinger Ni-Cu discovery in the Fraser Range Nickel province, Western Australia.

Drill pad clearing and access track construction is underway and drilling is expected to begin in early October 2014. The program will consist of ~1,500m of RC drilling primarily targeting the newly defined MLTEM anomaly at Oaktree North and at least four additional untested targets previously generated will also be drilled.

The previous drilling, geophysical and geochemical surveys at Zanthus show a very large, ultramafic-mafic system that is "live" and highly prospective for economic nickel-copper sulphide mineralisation. Important features of this system include;

- Located in Proterozoic orogen in close proximity to major, crustal scale shear zone and broadly along strike from world class Nova-Bollinger discovery;
- Very large ultramafic-mafic system with significant geological complexity and numerous smaller dyke and/or sill-like bodies;
- Sulphur-rich country rocks to potentially contribute to sulphur saturation of ultramafic-mafic rocks; and
- Ultramafic rock with petrographically verified, abundant magmatic blebs of composite pyrrhotite, pentlandite and chalcopyrite.

A rigorous and systematic exploration approach has led the Company to the above-mentioned and soon to be drilled compelling targets for Ni-Cu sulphide mineralisation. Buxton looks forward to commencing this second pass drill program at the Zanthus Project in what it has now confirmed as a highly 'fertile' environment.

REVIEW OF OPERATIONS (CONTINUED)

YALBRA GRAPHITE PROJECT

E09/1986 (85% Buxton), Coordewandy (90% Buxton), Gum Creek Well (100% Buxton)

During the year, Buxton reported the maiden JORC Mineral Resource for the Main Zone at the Yalbra Graphite Project (Yalbra), located east of Gascoyne Junction in Western Australia (Table 2, Figure 5).

The Company completed a total of 15 RC drill holes for 1,674 metres in November 2013. Drilling within the Main Zone intersected substantial widths of very high grade graphite mineralisation across multiple parallel zones (Figure 5).

The graphite mineralisation in the Main Zone proved particularly consistent in grade and geological continuity which allowed for a maiden JORC Code reported Mineral Resource to be estimated (Table 2; Figure 5).

Table 2. Yalbra Inferred Mineral Resource, February 2014

Classification	Tonnes (KT)	TGC %	Contained (Tonnes)	Graphite
Inferred	2,270	20.1	454,600	
Total	2,270	20.1	454,600	

**Blocks reported using a 0% TGC lower cut-off grade.*

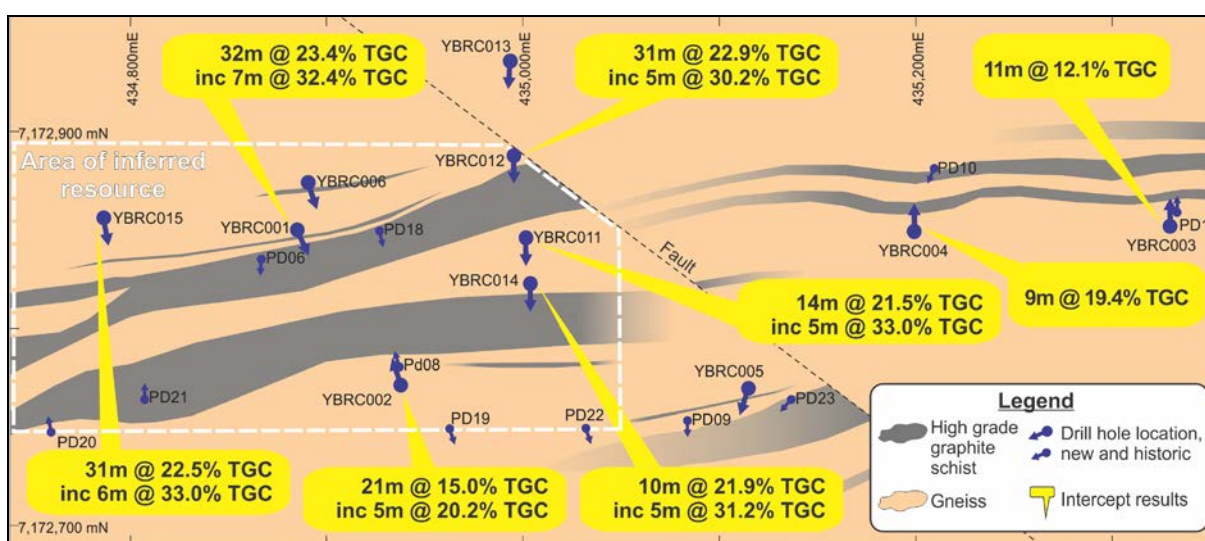


Figure 5. Map of Main Zone at Yalbra showing substantial intercepts of very high grade graphite, simplified geology and the area of the Inferred Mineral Resource.

The initial JORC Resource estimate for the Yalbra graphite project has far exceeded the Company's expectations. Very high-grade graphite occurs within multiple zones over 500m strike length and is open at depth and along strike. A significant portion of graphite in petrographic samples was shown to have medium to coarse flakes.

The Company expects to be able to expand the JORC Code Mineral Resource with further drilling through 2014. In addition, Buxton is planning to conduct metallurgical test-work to determine potential product specifications once diamond drill-core samples have been obtained from the planned 2014 drilling program.

REVIEW OF OPERATIONS (CONTINUED)

YALBRA GRAPHITE PROJECT (CONTINUED)

A preliminary logistics study was commissioned during the final quarter of the financial year. The study showed that the project had four potential options for outbound graphite concentrate transport. These options will be further investigated in due course as the Company moves toward a scoping study.

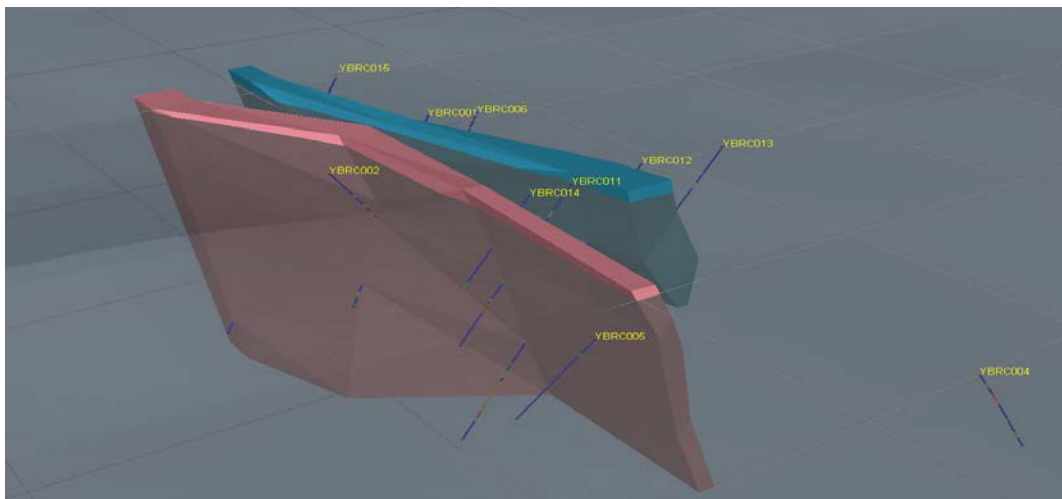


Figure 6: Graphite resource wireframes within the Main Zone at Yalbra – view is to the north-west. Grid spacing is 100 metres.

Subsequent Events

On 2nd July, Buxton announced that it had applied for a further exploration licence of 93km² covering the area to the east, along strike from the Main Zone. The new application provides Buxton with access to 35 kilometres of prospective strike length that includes several prospects with graphite mineralisation identified at surface.

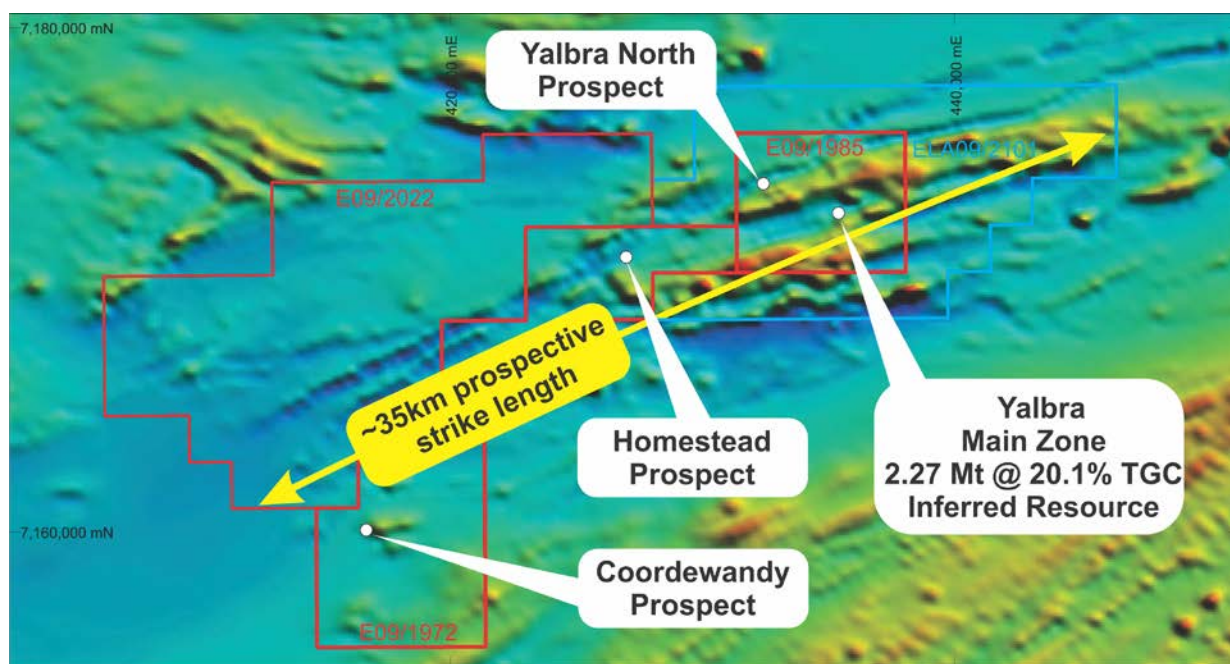


Figure 7. Tenement map showing existing (red) and new (blue) Yalbra tenements.

REVIEW OF OPERATIONS (CONTINUED)

YALBRA GRAPHITE PROJECT (CONTINUED)

Subsequent Events cont.

On 25th July the Company advised that it had successfully completed its RC & diamond drilling program at the Yalbra Graphite Project and provided results for 4 of the 17 drill-holes. Drilling has confirmed and extended graphite mineralisation defined in the 2013 drilling program. Of particular note is the identification of a new and very wide zone of graphite in drill-hole YBRC028 which returned a down-hole intercept of 127m @ 13.4% TGC (Figures 8 and 9). This intercept remains open, with the hole having finished in 1m grading 28.9% TGC. Additionally, intercepts in YBRC029 show that graphite mineralisation extends west of the currently defined resource area. The major zones of graphite mineralisation are also generally open in most positions along strike to the west, and at depth.

On 5th August, Buxton provided results from a further 7 drill-holes and stated intercepts in YBRC019 and YBRC023 confirm high grade graphite mineralisation continues along strike to the west of the currently defined resource area and remains open.

On 21st August, the Company reported the final batch of results from the drilling program. Results from diamond core drill holes continued to show multiple, parallel high grade zones within the main zone of mineralisation (Figures 8, 9 & 10). Additionally, the drilling program extended mineralisation in excess of a further 200m to the west of the existing JORC resource.

An updated resource estimate will commence shortly now that all drilling results have been received. It is expected that the total tonnage will increase from the current inferred resource of **2.27 million tonnes @ 20.1% TGC**.

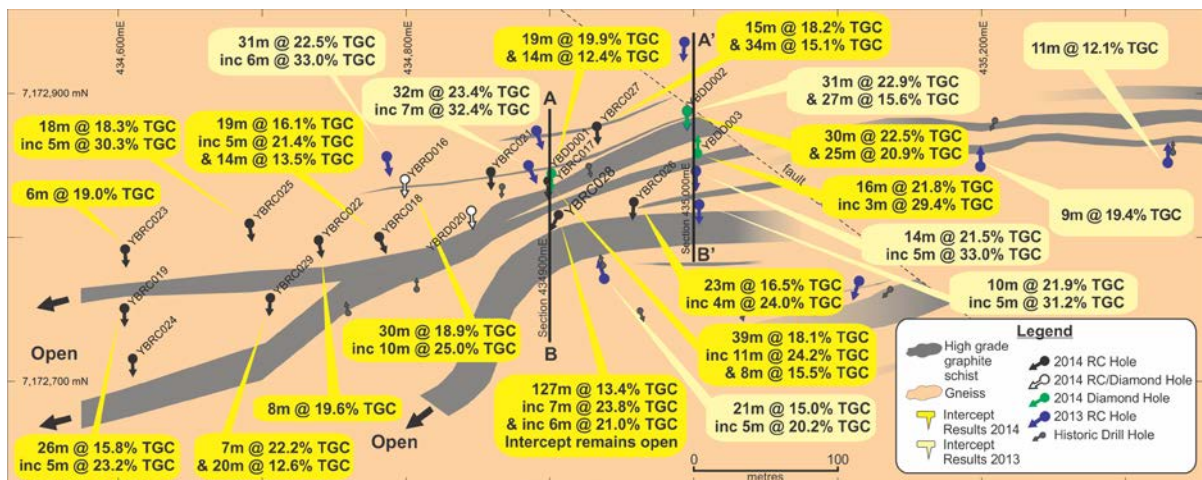


Figure 8. Simplified map of Main Zone at Yalbra showing substantial intercepts of very high grade graphite.

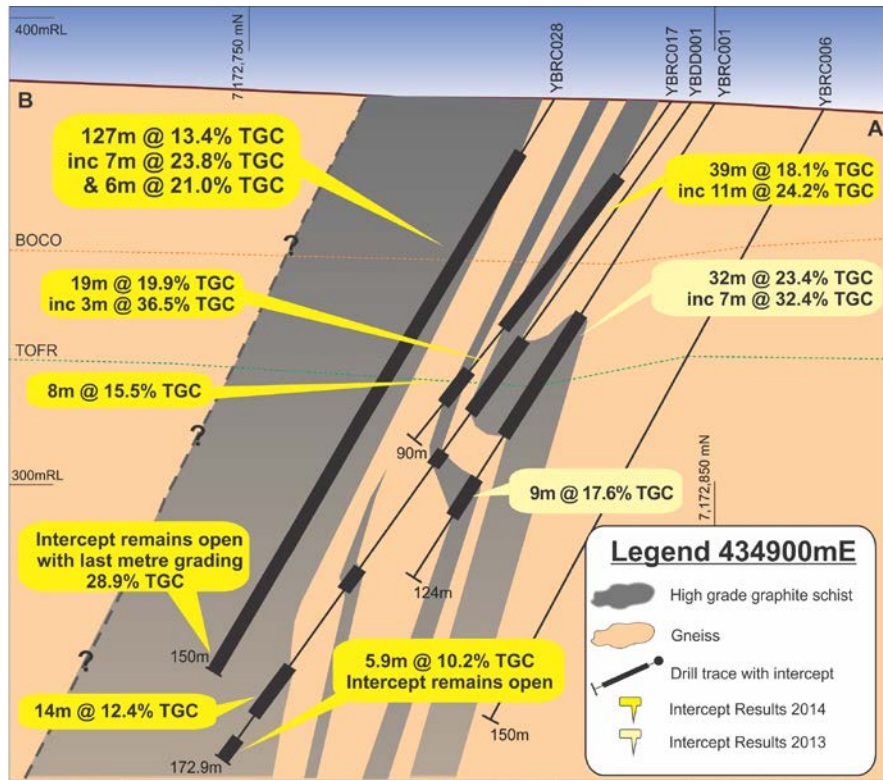


Figure 9. Cross-section 434900mE showing substantial intercepts from 2013 & 2014 drilling programs

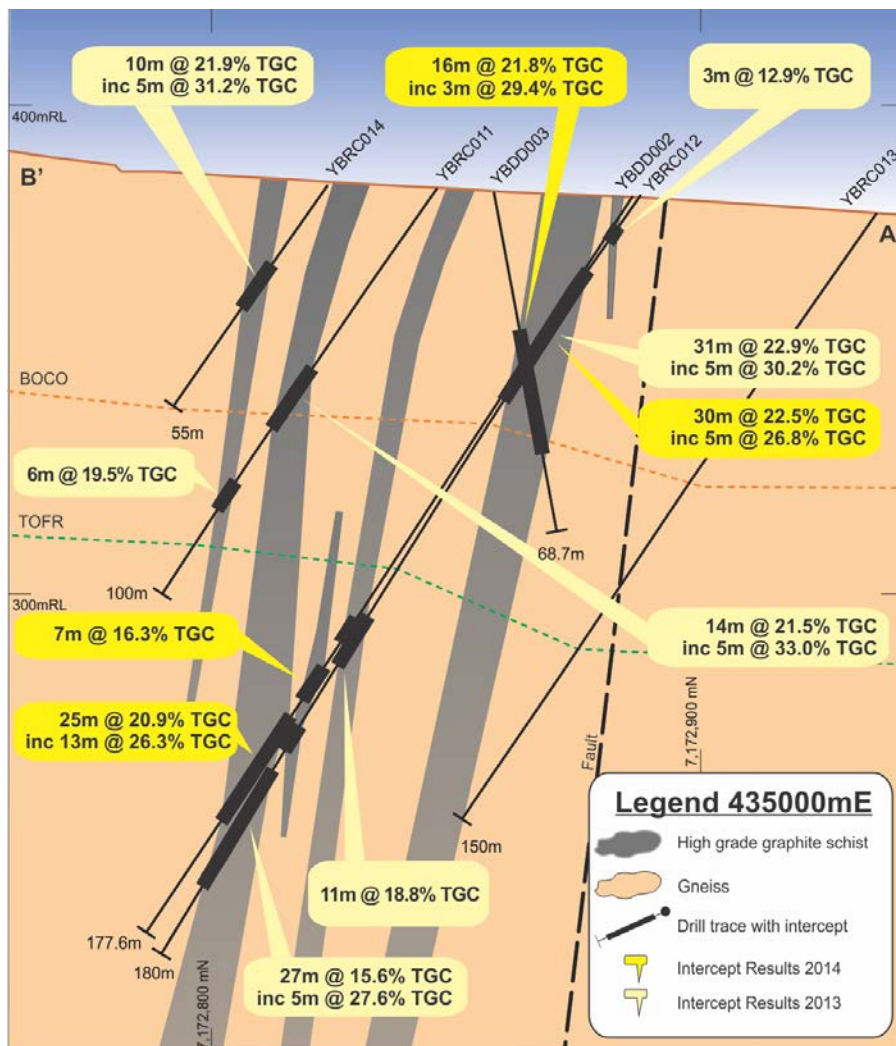


Figure 10. Cross-section 435000mE showing substantial intercepts from 2013 & 2014 drilling programs

REVIEW OF OPERATIONS (CONTINUED)

DEMPSTER

Dempster E63/1582 (90% Buxton), E63/1595, E63/1525, E63/1596, E63/1634 (100% Buxton)

Buxton has acquired a significant ground position totaling 1,365km² prospective for nickel-copper and gold deposits at Dempster within the Albany Fraser Orogen. This project straddles the interpreted boundary of the Archaean Yilgarn Craton and the Proterozoic Albany Fraser Orogen and has a similar tectonic position to the Tropicana Gold Deposit.

In addition, historical work at the Dempster Project has identified significant nickel surface calcrete anomalies. One of these, the Prickle prospect, was drilled and shown to be underlain by a mafic-ultramafic rock package including gabbros and dunites. Peak results were 0.25% Ni and 348ppm Cu, indicating potential fertile source rocks for nickel-copper sulphide mineralisation.

Historical BHP drilling also intersected 1m @ 0.7 ppm Au at the base of a RAB drill hole.

Recent work by other exploration companies in the area has defined a number of high quality Ni-Cu sulphide targets immediately along strike from Buxton's tenements. The Company is excited about the potential at Dempster and intends to ramp up its exploration efforts in this area in 2014.

Subsequent Events

Subsequent to the end of the period, the Company commissioned a review of all geophysical data for the Dempster project, with particular focus on the Prickle and Thorn areas (Figure 11). This review will assist in targeting planned ground EM and geochemical programs set to begin early in 2015.

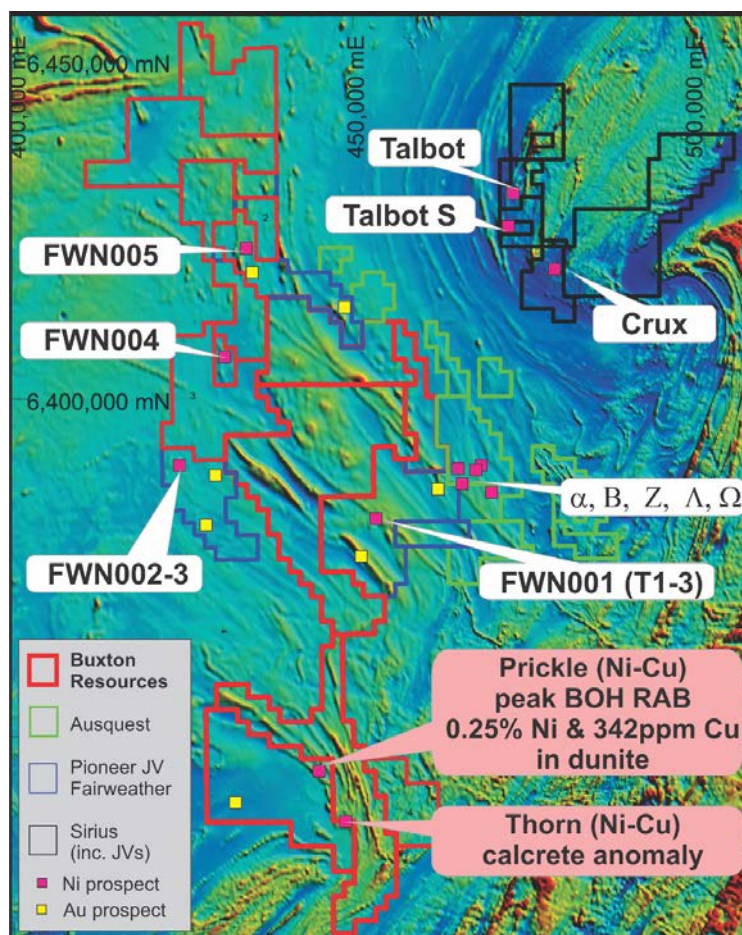


Figure 11. Location of the Company's Dempster tenements in relation to other companies' projects and major prospects.

REVIEW OF OPERATIONS (CONTINUED)

WIDOWMAKER NI-CU PROJECT (100% BUXTON)

The Widowmaker Ni-Cu Project is located approximately 22km along strike from Sirius Resources' (ASX: SIR) Nova-Bollinger Ni-Cu discovery in the emerging Fraser Range Nickel Province, Western Australia. The project covers an area of 225km², and over 20km of potential strike of the gneiss units that host "the Eye" mafic – ultramafic intrusive that contains the Nova-Bollinger deposit.

A calcrete sampling program was completed at Widowmaker to follow up a significant area of very strong multi-metal anomalism along a regional shear zone. The metal association over this anomaly variable includes Ni-Cu-Co-Cr-As. The broad anomaly is in the order of 3km long, whilst a central core zone has a strike length of approximately 700m (Figure 12).

The sampling program conducted nominally at 40m x 200m spacing also identified a number of other weaker multi-metal anomalies which will require infill sampling in the future. Peak results at the main calcrete anomaly were: 143ppm Ni, 115ppm Cu, 25ppm Co, 1,130 ppm Cr & 137ppm As. Statistics of the Widowmaker calcrete sampling program are listed in Table 4 below.

Table 4. Statistics for main elements of interest, Widowmaker calcrete sampling.

Element ppm	Tot	Min	Max	Mean	Median	25th percentile	50th percentile	75th percentile	90th percentile
As	289	0	227	6.2	0	0	0	6	17.0
Co	289	0	26	7.0	7	4	7	10	13.0
Cr	289	0	1130	53.9	39	25	39	73	103.2
Cu	289	0	79	20.0	19	14	19	26	35.0
Ni	289	0	143	19.9	19	11	19	30	36.0

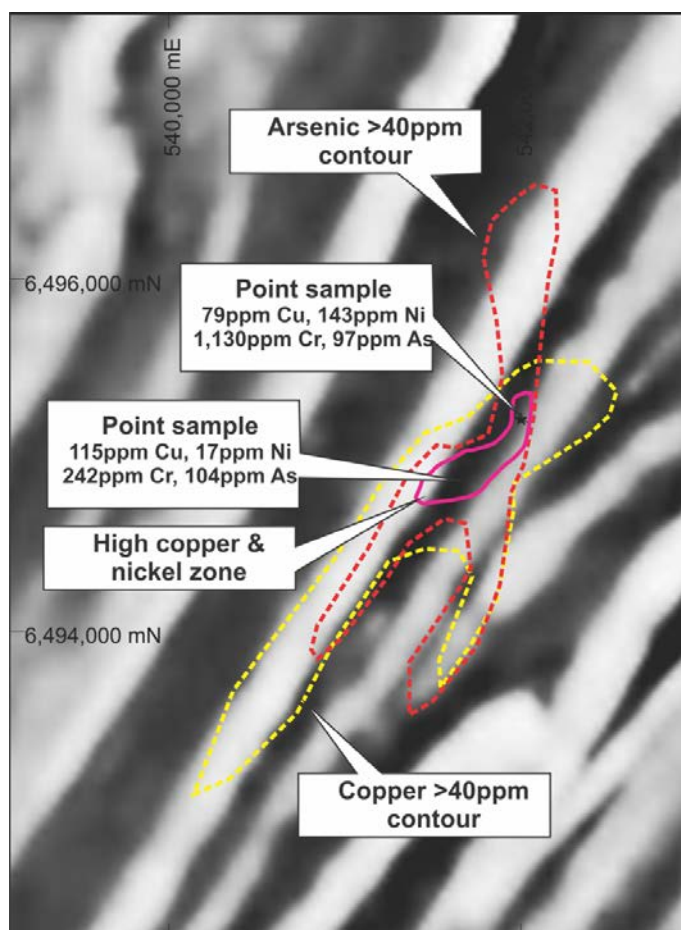


Figure 12. Main calcrete multi-metal anomaly over RTP_1VD magnetic image.

REVIEW OF OPERATIONS (CONTINUED)

NORTHAMPTON BASE METALS PROJECT (100% BUXTON)

E66/85, E66/86, E66/87

The Northampton project area is located 477km North of Perth, along the Northwest Coastal Highway between Geraldton (in the South) and Ajana (in the North). The Northampton project area includes two tenement applications, E66/88 and E66/87 for a total area of 872 km² (Figure 13). The main target commodities in this project are Cu, Pb, Zn, Ag and Au. The principal target style is structurally controlled polymetallic sulphide veins and pods.

The Northampton area has been explored and mined since the early 1800s, with mining commencing in 1842. The majority of production has been centred on the towns of Northampton and Pindadanno in the Galena area.

Recorded historic production from all mines was approximately 77,000t of lead, 4,300t of copper, 42t of zinc, and 210kg of silver. Mining concentrated predominantly on lead and copper; zinc ore was discarded and ignored in exploration due to its low value at the time.

Most of the more recent (1970's to present) exploration in the area has involved detailed sampling and drilling around known abandoned mines, looking for extensions either at depth or along strike. The deepest historic mine development in the area was to 150m although greater than 60% of the mines did not go below 50m suggesting some potential may remain below this depth at existing mines

All of the deposits found historically have outcropped at the surface. Little is documented on the exploration for "blind" ore deposits. The scarcity of outcrop in the area indicates that there is excellent potential for "blind" deposits.

Buxton's principal focus at the Northampton Project will be to target new base metal targets in areas of thin Silurian to Permian cover along with recent cover. Many of these areas are surrounded by historic mines with mineralisation controlling structure having indicated continuity beneath the cover in aeromagnetic data. This provides a high level of encouragement that obscured mineralised positions are likely to be present.

The potential development of a deep water port at Oakajee adds additional upside to development of any discoveries made in the area as does the proximity to services and a ready labour supply in the Geraldton to Northampton region.

REVIEW OF OPERATIONS (CONTINUED)

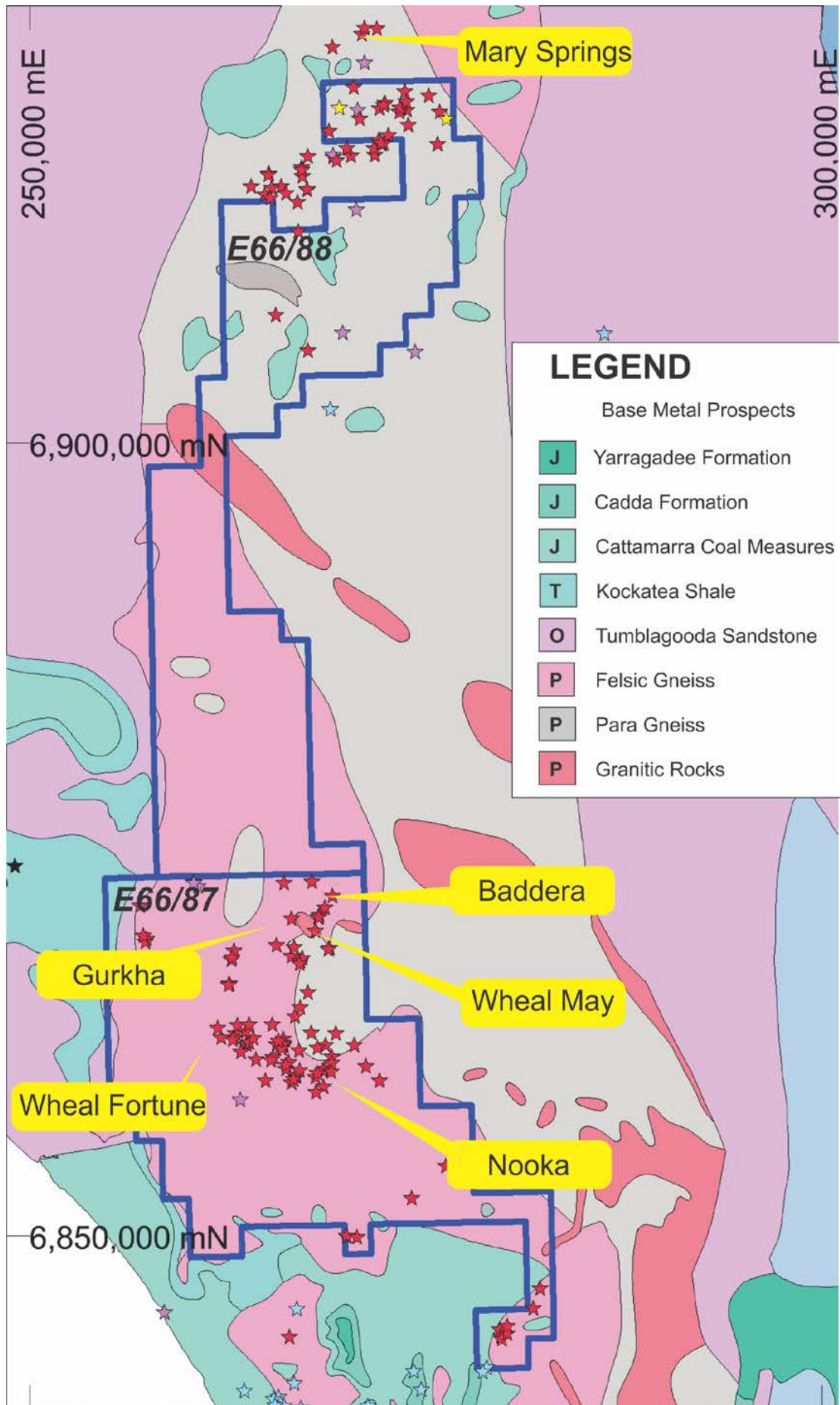


Figure 13. Map of the Company's Northampton tenements over regional geology with major mineral prospects and workings shown.

REVIEW OF OPERATIONS (CONTINUED)

COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results and geology for the Dempster and Northampton projects has all previously been reported under the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. No material changes have occurred to this information. Dr Stephens has sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

The information in this report that relates to exploration results and geology for the Yalbra, Zanthus and Widowmaker projects is based on information previously reported under the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. No material changes have occurred to this information. Dr Stephens has sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

The information in this report that relates to in-situ Mineral Resources is based on information compiled by David Williams of CSA Global Pty Ltd and previously reported 25/2/2014. David Williams is a Member of the Australasian Institute of Mining and Metallurgy, and a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he has undertaken, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). David Williams previously consented to the inclusion of such information in the previous report in the form and context in which it appeared. There have been no material changes to the information reported in the previous report.

CORPORATE

During the year the Company issued 3,955,000 unlisted options to Directors and consultants. The options have an exercise price of 28 cents and an expiry date of 15 November 2017.

ANNUAL GENERAL MEETING

Buxton held its Annual General Meeting of Shareholders on 28 November 2014 at Steve's Wine Cellar, 30 The Avenue, Nedlands, Western Australia and all resolutions that were put were unanimously passed on a show of hands.

Directors' Report

Your directors submit their report for the year ended 30 June 2014.

DIRECTORS

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

Mr Seamus Cornelius - Non-Executive Chairman
Mr Anthony Maslin - Managing Director
Dr Julian Stephens - Technical Director
Mr Liu Xing Zhou – Non-Executive Director
Mr Stuart Fogarty – Non-Executive Director (appointed 11 July 2013)

COMPANY SECRETARY

Mr Sam Wright

INFORMATION ON DIRECTORS

Mr Seamus Cornelius - Non-Executive Chairman

Qualifications: B.Juris, LLB, LLM

Mr Cornelius brings to the Board 21 years of corporate experience in both legal and commercial negotiations. Mr Cornelius has been living and working as a corporate lawyer in China for 17 years. He has been based in Shanghai and Beijing since 1993. From 2000 to 2010 he was an international partner with one of Australia's leading law firms and specialized in dealing with cross border investments, particularly in energy and resources. Mr Cornelius has for many years advised large international companies on their investments in China and in recent years has advised Chinese state owned entities on their investments in natural resource projects outside of China including in Australia.

As well as Buxton Resources Limited, Mr Cornelius is also currently the Chairman of ASX listed Duketon Mining Limited (ASX: DKM), Montezuma Mining Limited (ASX: MZM) and South Boulder Mines Limited (ASX: STB).

Mr Anthony Maslin - Managing Director

Qualifications: B.Bus (Finance and Enterprise)

Mr Maslin brings to the Board 20 years of corporate experience in both management and promotion, along with an extensive understanding of financial markets.

In his 6 years as a stockbroker at Hartley Poynton Stockbrokers in Perth, Mr Maslin was instrumental in the capital raisings and promotion of several resource development companies. In the subsequent 7 years in his role as founding Managing Director of Solar Energy Systems Ltd (Now Solco Ltd (ASX Code: SOO)) he had significant experience in capital raisings and management of both people and projects. Mr Maslin has also worked as a corporate promotion consultant to a number of listed companies.

Mr Maslin is also currently a Non-Executive Director of ASX listed Pancontinental Oil & Gas NL (ASX: PCL).

Dr Julian Stephens - Non-Executive Director

Qualifications: BSc (Hons) Applied Geology, PhD, MAIG

Dr Stephens has extensive experience in the resources sector having spent in excess of 16 years in board, executive management, senior operational, and economic geology research roles for private and public companies. Most recently, Dr Stephens held the position of Chief Executive Officer of Dampier Gold Limited (ASX: DAU).

Dr Stephens holds a PhD from James Cook University, Queensland and is a member of the Australian Institute of Geoscientists (MAIG), and the Society of Economic Geologists.

Directorships held: Globe Metals and Mining Ltd 24th Dec 2008 to 26th June 2012. Tate Minerals Pty Ltd 12th September 2011 - present

Mr Liu Xing Zhou - Non-Executive Director

Qualifications: BA (Accounting), MBA, CFA, CICPA

Mr. Liu brings over 16 years of experience working in senior finance roles with major Financial institutions and diversified industrial and investment companies in China and the United States.

Mr. Liu is the Deputy General Manager of National Business Holding Co. Ltd, a substantial shareholder in Buxton Resources, and is responsible for managing NBH's corporate and financial strategy. Previously Mr. Liu worked as the financial controller of a large California based multi-national manufacturing and trade group Aelous Down Inc and held the position of Deputy Manager of International Trade for China Bank of Communications, a major Chinese financial institution.

Mr Liu holds an MBA from University of Illinois, Chicago and a Bachelor of accounting from the Shanghai University of Finance and Economics.

During the past 3 years Mr Liu has not served as a director of any other listed company.

Mr Stuart Fogarty - Non-Executive Director

Qualifications: BSc (Hons)

Mr Fogarty has over 19 years of exploration experience with BHP Billiton and Western Mining Corporation. Until recently, he was BHP's Senior Exploration Manager for North and South America. Mr Fogarty has a very strong background in nickel exploration, having commenced his career at Kambalda Nickel in 1994. He has held senior roles with BHP including Senior Geoscientist for nickel exploration in the Leinster and Mt Keith region, Project Manager WA Nickel Brownfields and Regional Manager Australia – Asia where he was responsible for a \$100 million per annum exploration budget

Mr Fogarty is the Managing Director of Duketon Mining Limited (ASX: DKM).

Mr Sam Wright - Company Secretary

Mr Wright is experienced in the administration of ASX listed companies, corporate governance and corporate finance. He is a member of the Australian Institute of Company Directors, the Financial Services Institute of Australasia, and the Chartered Secretaries of Australia.

Mr Wright is currently a Director and Company Secretary of PharmAust Limited and Company Secretary of Buxton Resources Limited, Cove Resources Limited and Structural Monitoring Systems plc. Mr Wright also has filled the role of Director and Company Secretary with a number of unlisted companies.

Mr Wright is the Managing Director of Perth-based corporate advisory firm Straight Lines Consultancy, specialising in the provision of corporate services to public companies.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Buxton Resources Limited were:

	Ordinary shares	Options over ordinary shares Listed	Options over Ordinary Shares Unlisted
Anthony Maslin	791,197	130,198	1,100,000
Seamus Cornelius	1,255,397	183,948	1,050,000
Julian Stephens	150,000	-	1,150,000
Liu Xing Zhou	-	-	700,000
Stuart Fogarty	-	-	500,000

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the acquisition of mining tenements, and the exploration and evaluation of these tenements with the objective of identifying economic mineral deposits.

DIVIDENDS

No dividends were paid or declared during the year. No recommendation for payment of dividends has been made.

Directors' Report continued

OPERATING AND FINANCIAL REVIEW

Finance Review

At the reporting date the Company has cash assets available of \$1,283,756 (2013: \$3,707,577). Funds are being used to actively pursue the Company's exploration projects.

During the year total exploration expenditure incurred by the Company amounted to \$1,455,069 (2013: \$1,250,507). In line with the Company's accounting policies, all exploration expenditure is written off as incurred. The Company received \$205,263 in licence fee revenue (2013: \$406,737). The operating loss after income tax for the year ended 30 June 2014 was \$2,632,329 (2013: \$2,091,887).

During the year the Company issued 3,955,000 unlisted options to Directors and consultants. The options have an exercise price of 28 cents and an expiry date of 15 November 2017.

Operating Results for the Year

Summarised operating results are as follows:

	2014	
	Revenues	Results
	\$	\$
Revenues and loss from ordinary activities before income tax expense	246,412	(2,632,329)

Shareholder Returns

	2014	2013
Basic loss per share (cents)	(4.83)	(3.36)

Risk Management

The board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Annual Report, no significant changes in the state of affairs of the Company occurred during the financial year.

Directors' Report continued

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Subsequent to the balance sheet date the Company issued 200,000 shares on the conversion of options exercisable at 28 cents raising \$56,000. A further 100,000 shares were issued for nil consideration in accordance with the terms of an agreement between the Company and its corporate advisor.

Subsequent to the balance sheet date the Company announced it would raise up to \$1,600,000 in a placement to sophisticated and professional investors through the issue of up to 8 million shares at an issue price of 20 cents per share.

In addition to the placement the Company resolved to offer eligible shareholders the opportunity to participate in a Share Purchase Plan to raise a maximum of \$1,000,000.

The purpose of the raising is to fund future drilling and exploration programs at its Oaktree North prospect, Zanthus Ni-Cu project and Yalbra graphite project as well as for working capital.

As announced on 21st July, the Managing Director, Anthony Maslin has taken personal leave for an indefinite period. In the immediate term, Buxton's other board members and company officers, led by Chairman Mr Seamus Cornelius, have been responsible for the day to day operation of the Company.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to significant environmental regulation in respect to its exploration activities.

The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

The directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Company for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises.

Directors' Report continued

REMUNERATION REPORT (Audited)

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

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Buxton Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The board of Buxton Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company.

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

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

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$300,000). Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

Performance based remuneration

The Company currently has no performance based remuneration component built into director and executive remuneration packages.

Company performance, shareholder wealth and directors' and executives' remuneration

No relationship exists between shareholder wealth, director and executive remuneration and Company performance.

Details of remuneration

Details of the remuneration of the directors, the key management personnel (as defined in AASB 124 *Related Party Disclosures*) and specified executives of Buxton Resources Limited are set out in the following table.

The key management personnel of Buxton Resources Limited include the directors as per page 3 above.

Given the size and nature of operations of Buxton Resources Limited, there are no other employees who are required to have their remuneration disclosed in accordance with the *Corporations Act 2001*.

Directors' Report continued

Key management personnel and other executives of Buxton Resources Limited

	Short-term		Post-employment		Equity	Total
	Salary & Fees \$	Non Monetary \$	Superannuation \$	Retirement benefits \$	Shares \$	\$
Directors						
Anthony Maslin						
2014	180,000	-	16,650	-	110,808	307,458
2013	117,500	-	10,575	-	351,000	479,075
Seamus Cornelius						
2014	80,000	-	-	-	55,404	135,404
2013	49,000	-	-	-	100,000	149,000
Julian Stephens*						
2014	114,290	-	-	-	72,025	186,315
2013	37,000	-	-	-	75,500	112,500
Liu Xing Zhou**						
2014	35,000	-	-	-	55,404	90,404
2013	22,667	-	-	-	-	22,667
Stuart Fogarty***						
2014	35,000	-	-	-	55,404	90,404
Total						
2014	444,290	-	16,650	-	349,045	809,985
2013	226,167	-	10,575	-	526,500	763,242

*Dr Julian Stephens' 2014 fees include \$64,290 in exploration consulting fees (2013: \$11,250).

** Mr Liu appointed 12th September 2012

*** Mr Fogarty appointed 11th July 2013

Service agreements

The Company has an Executive Service Agreement with Mr Anthony Maslin.

Under the Agreement, Mr Maslin is engaged by the Company to provide services to the Company in the capacity of Managing Director. Mr Maslin is paid a salary of \$180,000, plus statutory superannuation.

The Agreement continues until terminated by either Mr Maslin or the Company. Both parties are entitled to a minimum notice period of three months.

Directors' Report continued

Share-based compensation

Share-based compensation amounting to \$349,045 was paid to key management personnel during the year (2013: \$526,500), comprising 3,150,000 unlisted options exercisable at 28 cents per option and expiring 15th November 2017. The options vested immediately.

Share-based payments granted as compensation to key management personnel during the current financial year:

	Date granted	Granted and	% of grant	% of grant	Percentage
		vested during the year Number	vested %	forfeited %	compensation for the year consisting of options %
Directors					
Anthony Maslin	29 November 2013	1,000,000	100%	-	36.04%
Seamus Cornelius	29 November 2013	500,000	100%	-	40.92%
Julian Stephens	29 November 2013	650,000	100%	-	38.66%
Liu Xing Zhou	29 November 2013	500,000	100%	-	61.28%
Stuart Fogarty	29 November 2013	500,000	100%	-	61.28%

There were no options that were granted to key management personnel as part of their compensation exercised during the year by key management personnel.

Options granted, exercised or lapsed during the year in relation to key management personnel as part of their remuneration

	Value of options granted at the grant date \$	Value of options exercised at the exercised date \$	Value of options lapsed at the date of lapse \$
Directors			
Anthony Maslin	110,808	-	-
Seamus Cornelius	55,404	-	-
Julian Stephens	72,025	-	-
Liu Xing Zhou	55,404	-	-
Stuart Fogarty	55,404	-	-

Directors' Report continued

Key Management Personnel Equity Holdings

2014	Balance at start of the year	Received during the year on the conversion of performance rights	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Ordinary shares					
Anthony Maslin	791,197	-	-	-	791,197
Seamus Cornelius	1,155,397	-	-	100,000	1,255,397
Julian Stephens	150,000	-	-	-	150,000
Liu Xing Zhou	-	-	-	-	-
Stuart Fogarty*	-	-	-	-	-

*Appointed 11th July 2013

2013	Balance at start of the year	Received during the year on the conversion of performance rights	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Ordinary shares					
Anthony Maslin	392,897	700,000	-	(301,700)	791,197
Seamus Cornelius	930,397	200,000	-	25,000	1,155,397
Julian Stephens	-	150,000	-	-	150,000
Liu Xing Zhou*	-	-	-	-	-

*Appointed 12th September 2012

2014	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Listed options							
Anthony Maslin	130,198	-	-	-	130,198	130,198	-
Seamus Cornelius	183,948	-	-	-	183,948	183,948	-
Julian Stephens	-	-	-	-	-	-	-
Liu Xing Zhou	-	-	-	-	-	-	-
Stuart Fogarty*	-	-	-	-	-	-	-

*Appointed 11th July 2013

2013	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Listed options							
Anthony Maslin	130,198	-	-	-	130,198	130,198	-
Seamus Cornelius	183,948	-	-	-	183,948	183,948	-
Julian Stephens	-	-	-	-	-	-	-
Liu Xing Zhou*	-	-	-	-	-	-	-

*Appointed 12th September 2012

Directors' Report continued

Key Management Personnel Equity Holdings (continued)

2014	Balance at start of the year	Granted	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Unlisted options							
Anthony Maslin	1,100,000	1,000,000	-	-	2,100,000	2,100,000	-
Seamus Cornelius	550,000	500,000	-	-	1,050,000	1,050,000	-
Julian Stephens	650,000	650,000	-	-	1,300,000	1,300,000	-
Liu Xing Zhou*	200,000	500,000	-	-	700,000	700,000	-
Stuart Fogarty	-	500,000	-	-	500,000	500,000	-

*Appointed 11th July 2013

Unlisted options

2013	Balance at start of the year	Granted	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Unlisted options							
Anthony Maslin	-	1,100,000	-	-	1,100,000	1,100,000	-
Seamus Cornelius	-	550,000	-	-	550,000	550,000	-
Julian Stephens	-	650,000	-	-	650,000	650,000	-
Liu Xing Zhou*	-	200,000	-	-	200,000	200,000	-

*Appointed 12th September 2012

DIRECTORS' MEETINGS

During the year the Company held seven meetings of directors. The attendance of directors at meetings of the board were:

	Directors Meetings	
	A	B
Anthony Maslin	7	7
Seamus Cornelius	7	7
Julian Stephens	7	7
Liu Xing Zhou	3	7
Stuart Fogarty	7	7

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the year.

Directors' Report continued

SHARES UNDER OPTION

At the date of this report there are 4,194,450 listed and 14,540,000 unlisted options over unissued ordinary shares.

Listed options	Number of options
Balance at the beginning of the year	4,194,450
Exercised during the year	-
Issued during the year	-
Total number of options outstanding as at 30 June 2014 and the date of this report	4,194,450

The balance is comprised of the following:

Expiry date	Exercise price (cents)	Number of options
31 January 2016	30	4,194,450
Total number of options outstanding at the date of this report		4,194,450

Unlisted options

Balance at the beginning of the year	10,585,000
Exercised during the year	-
Issued during the year	3,955,000
Total number of options outstanding as at 30 June 2014 and the date of this report	14,540,000

The balance is comprised of the following:

Expiry date	Exercise price (cents)	Number of options
31 January 2016	35	3,200,000
15 November 2016	50	4,500,000
15 November 2016	63	2,885,000
15 November 2017	28	3,955,000
Total number of options outstanding at the date of this report		14,540,000

No person entitled to exercise any option referred to above has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.

INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums insuring all the directors of Buxton Resources Limited against costs incurred in defending proceedings for conduct involving:

- (a) a wilful breach of duty; or
- (b) a contravention of sections 182 or 183 of the *Corporations Act 2001*,

as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid is \$8,015.

NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Rothsay Chartered Accountants, or associated entities during the year.

Directors' Report continued

PROCEEDINGS ON BEHALF OF THE COMPANY

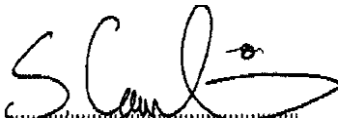
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those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

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 31.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'SC', with a stylized flourish extending to the right.

Seamus Cornelius

Chairman

Perth, 24 September 2014

ROTHSAY

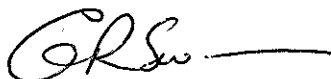
Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
P.O. Box 8716, Perth Business Centre WA 6849
Phone (08) 9486 7094 www.rothsayresources.com.au

The Directors
Buxton Resources Limited
PO Box 9028
Subiaco WA 6904

Dear Sirs

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 30 June 2014 financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Graham R Swan FCA (Lead auditor)

Rothsay Chartered Accountants

Dated 24 September 2014



Chartered Accountants

Corporate Governance Statement

The Board of Directors

The Company's constitution provides that the number of directors shall not be less than three and not more than nine. There is no requirement for any shareholding qualification.

As and if the Company's activities increase in size, nature and scope the size of the board will be reviewed periodically, and as circumstances demand. The optimum number of directors required to supervise adequately the Company's constitution will be determined within the limitations imposed by the constitution.

The membership of the board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the board shall include quality of the individual, background of experience and achievement, compatibility with other board members, credibility within the Company's scope of activities, intellectual ability to contribute to board's duties and physical ability to undertake board's duties and responsibilities.

Directors are initially appointed by the full board subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the *Corporations Act 2001*, the board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, may revoke any appointment.

The board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees (other than an Audit Committee) at this time. The board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for oversight of management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

Independent Professional Advice

The board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

Trading Policy

Under the Company's securities trading policy, an executive or director must not trade in any securities of the Company at any time when they are in possession of unpublished, price-sensitive information in relation to those securities.

Before commencing to trade, an executive must first obtain the approval of the Managing Director to do so and a Director must first obtain approval of the Chairman. Only in exceptional circumstances will approval be forthcoming inside of the period commencing on the tenth day of the month in which the Company is required to release its Quarterly Activities Report and Quarterly Cashflow Report and ending two days following the date of that release.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The directors recognise that mining exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

ASX Principles of Good Corporate Governance

The board has reviewed its current practices in light of the revised ASX Corporate Governance Principles and Recommendations with a view to making amendments where applicable after considering the company's size and the resources it has available.

As the company's activities develop in size, nature and scope, the size of the board and the implementation of any additional formal corporate governance committees will be given further consideration.

The board has adopted the revised Recommendations and the following table sets out the company's present position in relation to each of the revised Principles.

	ASX Principle	Status	Reference/comment
	Principle 1: Lay solid foundations for management and oversight		
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions	A	Matters reserved for the Board are included on the Company website in the Corporate Governance Section.
1.2	Companies should disclose the process for evaluating the performance of senior executives	A	The remuneration of management and employees is reviewed by the Managing Director and approved by the Board. Acting in its ordinary capacity the Board from time to time carries out the process of considering and determining performance issues.
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1	A	Satisfied. The Board Charter is available at www.buxtonresources.com.au in the Corporate Governance Statement. Whilst the performance of management is appraised on an ongoing basis. During the year no formal appraisal of management was conducted.
	Principle 2: Structure the board to add value		
2.1	A majority of the board should be independent directors	A	Satisfied.
2.2	The chair should be an independent director	A	Satisfied.
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	A	Satisfied. Mr Cornelius is the Chairman and Mr Maslin is the Managing Director.
2.4	The board should establish a nomination committee	N/A	The full Board is the Nomination Committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for screening and appointing new Directors. In view of the size and resources available to the Company it is not considered that a separate Nomination Committee would add any substance to this process.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors	N/A	Given the size and nature of the Company a formal process for performance evaluation has not been developed.
2.6	Companies should provide the information indicated in the Guide to reporting on Principle 2	A	The skills and experience of the Directors are set out in the Company's Annual Report and on the website.
	Principle 3: Promote ethical and responsible decision-making		
3.1	Companies should establish a code	A	The Company has established a Code of Conduct which can be

	of conduct and disclose the code or a summary of the code as to:		viewed on its website.
	<ul style="list-style-type: none"> the practices necessary to maintain confidence in the company's integrity the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders the responsibility and accountability of individuals for reporting and investigating reports of unethical practices 		
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	A	Not Satisfied. The Board is currently developing a diversity policy for adoption.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	A	The Board is currently developing a diversity policy for adoption. Once adopted the Company will be in a position to disclose the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	A	The five board members and the company secretary are all male.
3.5	Companies should provide the information indicated in the Guide to reporting on Principle 3.	A	The Board is currently developing a diversity policy for adoption which will be made available at that time.
Principle 4: Safeguard integrity in financial reporting			
4.1	The board should establish an audit committee	N/A	The full Board acts as the audit committee.
4.2	The audit committee should be structured so that it:		
	<ul style="list-style-type: none"> consists only of non-executive directors consists of a majority of independent 	A	Satisfied
		A	Satisfied.

	directors		
	<ul style="list-style-type: none"> • is chaired by an independent chair, who is not chair of the board • has at least three members 	A	Satisfied
4.3	The audit committee should have a formal charter	A	Satisfied
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4	A	Satisfied
Principle 5: Make timely and balanced disclosure			
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies	A	Directors must obtain the approval of the Chairman of the Board and notify the Company Secretary before they buy or sell shares in the Company, and it is subject to Board veto. Directors must provide the information required by the Company to ensure Compliance with Listing Rule 3.19A.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5	A	The Board receives monthly reports on the status of the Company's activities and any new proposed activities. Disclosure is reviewed as a routine agenda item at each Board Meeting.
Principle 6: Respect the rights of shareholders			
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy	A	In line with adherence to continuous disclosure requirements of the ASX all shareholders are kept informed of major developments affecting the Company. This disclosure is through regular shareholder communications including the Annual report, Quarterly Reports, the Company Website and the distributions of specific releases covering major transactions and events.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6	A	The Company has formulated a Communication Policy which is included in its Corporate Governance Statement on the Company Website.
Principle 7: Recognise and manage risk			
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies	N/A	<p>While the Company does not have formalised policies on risk management the Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at Board meetings and risk management culture is encouraged amongst employees and contractors.</p> <p>Determined areas of risk which are regularly considered include:</p> <ul style="list-style-type: none"> • performance and funding of exploration activities • budget control and asset protection • status of mineral tenements

			<ul style="list-style-type: none"> • compliance with government laws and regulations • safety and the environment • continuous disclosure obligations
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks	N/A	While the Company does not have formalised risk management policies it recognises its responsibility for identifying areas of significant business risk and ensuring that arrangements are in place to adequately manage these risks. This issue is regularly reviewed at Board meetings and a risk management culture is encouraged amongst employees and contractors.
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	A	Assurances received from CEO and CFO (or equivalent) each year.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7	A	Satisfied
Principle 8: Remunerate fairly and responsibly			
8.1	The board should establish a remuneration committee	N/A	Satisfied.
8.2	The remuneration committee should be structured so that it: <ul style="list-style-type: none"> • consists of a majority of independent directors • is chaired by an independent chair • has at least three members. 	A	Satisfied.
8.3	Companies should clearly distinguish	A	The structure of directors' remuneration is disclosed in the

the structure of non-executive directors' remuneration from that of executive directors and senior executives.

remuneration report of the annual report.

8.4 Companies should provide the information indicated in the Guide to reporting on Principle 8.

A Remuneration committee charter is available at www.buxtonresources.com.au in the Corporate Governance statement.

A = Adopted

N/A = Not adopted

Other Information

Further information relating to the Company's corporate governance practices and policies has been made publicly available on the Company's web site at www.buxtonresources.com.au.

Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2014

	Notes	The Company	
		2014 \$	2013 \$
REVENUE	4	246,412	427,569
EXPENDITURE			
Depreciation expense		(21,712)	(11,799)
Employee benefits expense		(672,921)	(458,922)
Exploration expenses		(1,455,069)	(1,250,507)
Corporate expenses		(201,826)	(231,376)
Share based payment expense		(438,244)	(526,500)
Administration costs		(171,387)	(147,429)
Loss from operating activities		(2,714,747)	(2,198,964)
Financial income		82,418	107,240
Financial expenses		-	(163)
Net financing income		82,418	107,077
LOSS BEFORE INCOME TAX		(2,632,329)	(2,091,887)
INCOME TAX BENEFIT / (EXPENSE)	6		-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF BUXTON RESOURCES LIMITED		(2,632,329)	(2,091,887)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company (cents per share)	25	(4.83)	(3.36)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position

AT 30 JUNE 2014

	Notes	The Company	
		2014	2013
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	1,283,756	3,707,577
Trade and other receivables	8	100,819	67,855
Other current assets	9	109,937	107,763
TOTAL CURRENT ASSETS		1,494,512	3,883,195
NON-CURRENT ASSETS			
Exploration Asset	10	227,210	220,500
Plant and equipment	11	70,518	41,746
TOTAL NON-CURRENT ASSETS		297,728	262,246
TOTAL ASSETS		1,792,240	4,145,441
CURRENT LIABILITIES			
Trade and other payables	12	271,190	222,359
Unearned income	13	-	205,263
Provisions	14	-	2,684
TOTAL CURRENT LIABILITIES		271,190	430,306
TOTAL LIABILITIES		271,190	430,306
NET ASSETS		1,521,050	3,715,135
EQUITY			
Issued capital	15	9,836,381	9,836,381
Reserve	16	1,052,053	613,809
Accumulated losses	17	(9,367,384)	(6,735,055)
TOTAL EQUITY		1,521,050	3,715,135

The above Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

YEAR ENDED 30 JUNE 2014

	Notes	Issued Capital \$	Accumulated Losses \$	Share-based payment Reserve	Total \$
The Company					
BALANCE AT 1 JULY 2012		5,418,800	(4,643,168)	613,809	1,389,441
Loss for the year	17	-	(2,091,887)	-	(2,091,887)
TOTAL COMPREHENSIVE LOSS		-	(2,091,887)	-	(2,091,887)
Shares issued for cash		3,841,932	-	-	3,841,932
Shares issued to acquire tenements		85,500	-	-	85,500
Shares issued on exercise of options		195,640	-	-	195,640
Share issue costs		(231,991)	-	-	(231,991)
Share based payments		526,500	-	-	526,500
BALANCE AT 30 JUNE 2013		9,836,381	(6,735,055)	613,809	3,715,135
BALANCE AT 1 JULY 2013		9,836,381	(6,735,055)	613,809	3,715,135
Loss for the year	17	-	(2,632,329)	-	(2,632,329)
TOTAL COMPREHENSIVE LOSS		-	(2,632,329)	-	(2,632,329)
Share based payments		-	-	438,244	438,244
BALANCE AT 30 JUNE 2014		9,836,381	(9,367,384)	1,052,053	1,521,050

The above Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Statement of Cash Flows

YEAR ENDED 30 JUNE 2014

	Notes	The Company	
		2014	2013
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		40,000	651,629
Payments to suppliers and employees		(910,592)	(957,912)
Expenditure on mining interests		(1,600,393)	(1,082,930)
Interest paid		-	(163)
Interest received		104,357	94,128
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	24	(2,366,628)	(1,295,248)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(50,483)	(36,107)
Payments related to tenement acquisitions		(6,710)	-
Payment for acquisition of option agreement		-	1,585
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(57,193)	(34,522)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	3,841,932
Proceeds from conversion of options		-	195,640
Payment of share issue costs		-	(231,911)
NET CASH INFLOW FROM FINANCING ACTIVITIES		-	3,805,581
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(2,423,821)	2,475,811
Cash and cash equivalents at the beginning of the financial year		3,707,577	1,231,766
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	1,283,756	3,707,577

The above Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements are for Buxton Resources Limited as an individual entity. The financial statements are presented in the Australian currency. Buxton Resources Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 24th September 2014. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and the *Corporations Act 2001*.

Compliance with IFRS

The financial statements of Buxton Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(b) Segment reporting

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

(c) Revenue recognition

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

(d) Income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Financial Statements

(e) Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases (note 18). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(h) Investments and other financial assets

Classification

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Notes to the Financial Statements

Financial assets - reclassification

The Company may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Company may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Company has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the statement of profit or loss and other comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Company's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial investments is determined are disclosed in note 2.

Impairment

The Company assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of profit or loss and other comprehensive income.

If there is evidence of impairment for any of the Company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of comprehensive income.

(i) Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the reducing balance method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates vary between 20% and 50% per annum.

Notes to the Financial Statements

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement profit or loss and other of comprehensive income. When revalued assets are sold, it is Company policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(j) Exploration and evaluation costs

Exploration and evaluation costs, excluding the costs of acquiring tenements, are expensed as incurred. Acquisition costs will be assessed on a case by case basis and, if appropriate, they will be capitalised. These acquisition costs are carried forward only if the rights to tenure of the area of interest are current and either:

- They are expected to be recouped through successful development and exploitation of the area of interest or;
- The activities in the area of interest at the reporting date have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest, are continuing.

Accumulated acquisition costs in relation to an abandoned area are written off in full to the statement of Profit or Loss and Other Comprehensive Income in the year in which the decision to abandon the area is made.

The carrying values of acquisition costs are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(l) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(m) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

(n) Goods and Services Tax (GST)

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

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

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

(o) New accounting standards and interpretations

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

Notes to the Financial Statements

AASB 119 Employee Benefits (2011), AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2011)

When effective Applicable to annual reporting periods beginning on or after 1 January 2013

30 June 2014 – Applicability – Full years	Mandatory
30 June 2014 – Applicability – Half-years	Already Implemented

This amended standard now includes revised requirements for pensions and other postretirement benefits, termination benefits and other changes.

New or revised domestic standards

AASB 1031 Materiality (December 2013)

When effective Applicable to annual reporting periods beginning on or after 1 January 2014

(early adoption not permitted)

30 June 2014 – Applicability – Full years	n/a
30 June 2014 – Applicability – Half-years	Mandatory

Revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality.

AASB 1048 Interpretation of Standards (December 2013)

When effective Applicable to annual reporting periods ending on or after 20 December 2013 (early adoption permitted subject to criteria)

30 June 2014 – Applicability – Full years	Mandatory
30 June 2014 – Applicability – Half-years	Mandatory

A 'service' Standard giving effect to the latest applicable versions of Interpretations and the Framework.

New amending standards

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

When effective Applicable to annual reporting periods beginning on or after 1 July 2013

30 June 2014 – Applicability – Full years	Mandatory
30 June 2014 – Applicability – Half-years	Mandatory

Amends AASB 124 Related Party Disclosures to remove the individual key management personnel (KMP) disclosures required by Australian specific paragraphs.

Disclosure requirements in relation to remuneration referred to in s.300(1)(c) of the Corporations Act 2001 are detailed in Regulation 2M.3.03 of the Corporation Regulations 2001.

(p) Critical accounting judgements, estimates and assumptions

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all board members to be involved in this process. The Managing Director, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the board on risk management.

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia the Company is not exposed to foreign exchange risk.

(ii) Price risk

Given the current level of operations the Company is not exposed to price risk.

Notes to the Financial Statements

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of cash and cash equivalents for the Company \$1,283,756 (2013: \$3,707,577) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Company was 1.99% (2013: 42%).

Sensitivity analysis

At 30 June 2014, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been \$23,302 lower/higher (2013: \$17,075 +/- 100 basis points) as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

As the Company does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Company. Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Company's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Company at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

Notes to the Financial Statements

3. SEGMENT INFORMATION

AASB 8: *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Company's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Company's operations and allocation of working capital.

Due to the size and nature of the Company, the Board as a whole has been determined as the chief operating decision maker.

The Company operates in one business segment and one geographical segment, namely mineral exploration industry in Australia only. AASB 8: *Operating Segments* states that similar operating segments can be aggregated to form one reportable segment. Also, based on the quantitative thresholds included in AASB 8, there is only one reportable segment, namely mineral exploration industry. However, none of the other operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Company has therefore decided to aggregate all their segments into one reportable operating segment.

The revenues and results of this segment are those of the Company as a whole and are set out in the statement of profit or loss and other comprehensive income. The segment assets and liabilities of this segment are those of the Company and are set out in the statement of financial position.

Segment performance is evaluated based on the operating profit and loss and cash flows and is measured in accordance with the Company's accounting policies.

	The Company	
	2014	2013
	\$	\$
Exploration segment		
Segment revenue	205,263	427,569
Reconciliation of segment revenue to total revenue before tax:		
Other revenue	41,149	-
Interest revenue	82,418	107,240
Total revenue	328,830	534,809
Segment results	(1,249,806)	(950,938)
Reconciliation of segment result to net loss before tax:		
Share based payments	(438,244)	(526,500)
Other corporate and administration	(944,279)	(614,449)
Net loss before tax	(2,632,329)	(2,091,887)
Segment operating assets	231,200	226,089
Reconciliation of segment operating assets to total assets:		
Other corporate and administration assets	1,561,040	3,919,352
Total assets	1,792,240	4,145,441
4. REVENUE		
From continuing operations		
Interest	82,418	107,240
Licence fee	205,263	406,737
Other revenue	41,149	20,832
	328,830	534,809

Notes to the Financial Statements

	The Company	
	2014	2013
	\$	\$
5. EXPENSES		
Loss before income tax includes the following specific expenses:		
Minimum lease payments relating to operating leases	68,534	62,199
Defined contribution superannuation expense	41,693	28,401
	<u>41,693</u>	<u>28,401</u>
6. INCOME TAX		
(a) The prima facie income tax expenses on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
Accounting loss before tax from continuing operations	(2,632,329)	(2,091,887)
Tax at the applicable tax rate of 30%	(789,699)	(627,566)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	2,168	790
Movements in unrecognised temporary differences	(67,738)	25,689
Tax effect of current year tax losses for which no deferred tax asset has been recognised	855,269	601,087
Income tax expense	<u>-</u>	<u>-</u>
(b) Unrecognised temporary differences		
Deferred Tax Assets (at 30%)		
<i>On Income Tax Account</i>		
Capital raising costs	63,089	85,571
Accruals	15,554	67,467
Carry forward tax losses	2,692,180	1,836,911
	<u>2,770,823</u>	<u>1,989,949</u>
Deferred Tax Liabilities (at 30%)		
Unearned income	1,308	69,559
	<u>1,308</u>	<u>69,559</u>
7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	224,570	1,707,577
Short-term deposits	1,059,186	2,000,000
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	<u>1,283,756</u>	<u>3,707,577</u>

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Notes to the Financial Statements

	The Company	
	2014	2013
	\$	\$
8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES		
Sundry Debtor	1,265	35,707
Accrued Interest	4,360	26,300
GST Receivable	95,194	5,848
	100,819	67,855
9. OTHER CURRENT ASSETS		
Deposits	105,000	105,000
Prepayments	4,937	2,763
	109,937	107,763
10. NON-CURRENT ASSETS – EXPLORATION ASSETS		
Tenement acquisition costs carried forward in respect of mining areas of interest		
Opening net book amount	220,500	135,000
Capitalised tenement acquisition costs	6,710	85,500
Closing net book amount	227,210	220,500
The ultimate recoupment of costs carried forward for tenement acquisition is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not being charged pending the commencement of production.		
11. NON-CURRENT ASSETS - PLANT AND EQUIPMENT		
Plant and equipment		
Cost	152,076	101,592
Accumulated depreciation	(81,558)	(59,846)
Net book amount	70,518	41,746
Plant and equipment		
Opening net book amount	41,746	18,190
Additions	50,484	36,107
Disposals		(752)
Depreciation charge	(21,712)	(11,799)
Closing net book amount	70,518	41,746
12. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES		
Trade payables	204,953	150
Other payables and accruals	66,237	222,209
	271,190	222,359
13. CURRENT LIABILITIES – UNEARNED INCOME		
Unearned licence fee income	-	205,263

Notes to the Financial Statements

14. PROVISIONS

Employee leave entitlements	-	2,684
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15. ISSUED CAPITAL

(a) Share capital

	Notes	2014		2013	
		Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	15(b), 15(d)	54,516,455	9,836,381	54,516,455	9,836,381
Total issued capital		<u>54,516,455</u>	<u>9,836,381</u>	54,516,455	9,386,381

(b) Movements in ordinary share capital

Beginning of the financial year	54,516,455	9,836,381	41,118,194	5,418,800
Issued for cash	-	-	11,167,728	3,841,932
Issued on conversion of options	-	-	560,533	195,640
Issued for tenement option during the year	-	-	225,000	85,500
Conversion of performance rights shares	-	-	1,200,000	526,500
Issued under employee plan	-	-	245,000	-
Share issue costs	-	-	-	(231,991)
End of the financial year		<u>54,516,455</u>	<u>9,836,381</u>	54,516,455

(c) Movements in options on issue

	Number of options	
	2014	2013
Unlisted		
Beginning of the year	10,585,000	3,750,000
Issued during the year	3,955,000	7,385,000
Exercised during the year	-	(550,000)
Expired during the year	-	-
End of the year	<u>14,540,000</u>	<u>10,585,000</u>
Listed		
Beginning of the year	4,194,450	4,004,983
Issued during the year	-	200,000
Exercised during the year	-	(10,533)
End of the year	<u>4,194,450</u>	<u>4,194,450</u>

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(e) Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2013 and 30 June 2012 is as follows:

Notes to the Financial Statements

	The Company	
	2014	2013
	\$	\$
Cash and cash equivalents	1,283,756	3,707,577
Trade and other receivables	5,625	62,007
Trade and other payables	(265,190)	(222,361)
Unearned income	-	(205,263)
Working capital position	<u>1,024,191</u>	<u>3,341,960</u>

16. RESERVES

Share-based payment reserve

Balance at beginning of year	613,809	613,809
Issue of unlisted options during the year	438,244	-
Balance at end of year	<u>1,052,053</u>	<u>613,809</u>

Option reserve

The share-based payment reserve is used to record the value of options issued by the Company.

17. ACCUMULATED LOSSES

	The Company	
	2014	2013
	\$	\$
Accumulated losses		
Balance at beginning of year	(6,735,055)	(4,643,168)
Net loss for the year	(2,632,329)	(2,091,887)
Balance at end of year	<u>(9,367,384)</u>	<u>(6,735,055)</u>

18. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

Notes to the Financial Statements

19. DIRECTORS AND EXECUTIVES DISCLOSURES

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

	The Company	
	2014	2013
Short-term benefits	380,000	226,167
Post employment benefits	16,650	10,575
Share based payments	349,045	526,500
	745,695	763,242

Detailed remuneration disclosures are provided in the remuneration report on page 26.

20. REMUNERATION OF AUDITORS

	The Company	
	2014	2013
	\$	\$
During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:		
Audit services		
Rothsay Chartered Accountants - audit and review of financial reports	26,500	24,500
Total remuneration for audit services	26,500	24,500

21. CONTINGENCIES

Contingent Remuneration

There are no material contingent liabilities or contingent assets of the Company at balance date.

22. COMMITMENTS

(a) Exploration commitments

The Company has certain commitments to meet minimum expenditure requirements on the mining exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	2014	2013
	\$	\$
within one year	475,500	472,500
later than one year but not later than five years	1,902,000	1,890,000
	2,377,500	2,362,500

(b) Lease commitments: Company as lessee

	2014	2013
	\$	\$
within one year	5,060	60,402
later than one year but not later than five years	-	-
	5,060	60,402

Notes to the Financial Statements

23. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Subsequent to the balance sheet date the Company issued 200,000 shares on the conversion of options exercisable at 28 cents raising \$56,000. A further 100,000 shares were issued for nil consideration in accordance with the terms of an agreement between the Company and its corporate advisor.

Subsequent to the balance sheet date the Company announced it would raise up to \$1,600,000 in a placement to sophisticated and professional investors through the issue of up to 8 million shares at an issue price of 20 cents per share.

In addition to the placement the Company resolved to offer eligible shareholders the opportunity to participate in a Share Purchase Plan to raise a maximum of \$1,000,000.

The purpose of the raising is to fund future drilling and exploration programs at its Oaktree North prospect, Zanthus Ni-Cu project and Yalbra graphite project as well as for working capital.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years

The Company	
2014	2013
\$	\$

24. NOTE TO STATEMENT OF CASH FLOWS

Reconciliation of net loss after income tax to net cash outflow from operating activities

Net loss for the year	(2,632,329)	(2,091,887)
Non-Cash Items		
Depreciation of non-current assets	21,712	11,799
Share-based payments	438,244	526,500
Proceeds from sale of exploration assets		(832)
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(32,965)	20,038
(Increase)/decrease in other assets	(2,174)	(104,955)
Increase/(decrease) in trade and other payables	48,831	144,596
Increase/(decrease) in unearned income	(205,263)	205,263
Increase/(decrease) in provisions	(2,684)	(5,770)
Net cash outflow from operating activities	<u>(2,366,628)</u>	<u>(1,295,248)</u>

Notes to the Financial Statements

	The Company	
	2014	2013
	\$	\$
25. LOSS PER SHARE		
(a) Reconciliation of earnings used in calculating loss per share		
Loss attributable to the owners of the Company used in calculating basic and diluted loss per share	<u>(2,632,329)</u>	<u>(2,091,887)</u>
	Number of shares	
	2014	2013
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	<u>54,516,455</u>	<u>50,197,083</u>
(c) Information on the classification of options		
As the Company has made a loss for the year ended 30 June 2014, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.		

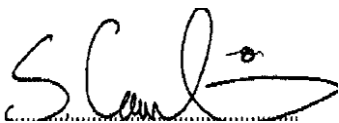
Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 38 to 56 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the financial year ended on that date;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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



Seamus Cornelius

Chairman

Perth, 24 September 2014

ROTHSAY

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BUXTON RESOURCES LIMITED

Report on the financial report

We have audited the accompanying financial report of Buxton Resources Limited ("the Company") which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of 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 our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the *Corporations Act 2001*.



Chartered Accountants



Audit opinion

In our opinion the financial report of Buxton Resources Limited is in accordance with the *Corporations Act 2001*, including:

- a) (i) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- b) the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. 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.

Audit opinion

In our opinion the remuneration report of Buxton Resources Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

Rothsay Chartered Accountants

Graham R Swan FCA
Partner

Dated 24 September 2014



Chartered Accountants

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. Unless otherwise stated, the information is current as at 24 September 2014.

(a) Distribution of equity securities

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

		Ordinary shares	
		Number of holders	Number of shares
1	- 1,000	47	11,559
1,001	- 5,000	230	742,279
5,001	- 10,000	219	1,913,150
10,001	- 100,000	511	19,418,887
100,001	and over	92	40,807,580
		1,099	62,893,455
Minimum \$ 500.00 parcel at \$0.23 per unit		138	184,555

		Listed Options expiring 31/1/16 @ \$0.30	
		Number of holders	Number of options
1	- 1,000	16	9,049
1,001	- 5,000	76	163,182
5,001	- 10,000	21	158,288
10,001	- 100,000	46	1,675,045
100,001	and over	12	2,188,886
		171	4,194,450
Minimum \$500.00 parcel at \$ 0.12 per unit		86	142989

		Unlisted Options expiring 15/11/17 @ \$0.28	
		Number of holders	Number of options
1	- 1,000	0	0
1,001	- 5,000	0	0
5,001	- 10,000	0	0
10,001	- 100,000	5	205,000
100,001	and over	7	3,550,000
		12	3,755,000
The number of shareholders holding less than a marketable parcel of shares are:		0	0

ASX Additional Information continued

		Unlisted Options expiring 31/1/16 @ \$0.35	
		Number of holders	Number of options
1	- 1,000	0	0
1,001	- 5,000	0	0
5,001	- 10,000	0	0
10,001	- 100,000	3	250,000
100,001	and over	6	2,950,000
		9	3,200,000
The number of shareholders holding less than a marketable parcel of shares are:		0	0

		Unlisted Options EXP 15/11/16 @ \$0. 63	
		Number of holders	Number of options
1	- 1,000	0	0
1,001	- 5,000	0	0
5,001	- 10,000	0	0
10,001	- 100,000	5	305,000
100,001	and over	4	2,470,000
		9	2,775,000
The number of shareholders holding less than a marketable parcel of shares are:		0	0

		Unlisted Options EXP 15/11/16 @ \$0.50	
		Number of holders	Number of options
1	- 1,000	0	0
1,001	- 5,000	0	0
5,001	- 10,000	0	0
10,001	- 100,000	0	0
100,001	and over	5	4,500,000
		5	4,500,000
The number of shareholders holding less than a marketable parcel of shares are:		0	0

(b) Twenty largest shareholders

(i) The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% of Units
1.	NATIONAL BUSINESS HOLDING (VU) LTD	8,667,728	13.78
2.	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	3,284,221	5.22
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,888,341	4.59
4.	MONTEZUMA MINING COMPANY LTD	1,790,000	2.85
5.	MS YUFANG HU	1,009,433	1.60
6.	MS YI CHEN	909,120	1.45
7.	MS CASEY LANCEE	800,000	1.27
8.	MR ANTHONY MASLIN + MS MARITE NORRIS <MASLIN FAMILY A/C>	700,572	1.11
9.	MS JULIE ANNE GOOD	664,500	1.06
10.	MR DAVID FARMER	645,000	1.03
11.	ARCHEM TRADING NZ LIMITED	625,000	0.99
12.	MR SEAMUS IAN CORNELIUS	625,000	0.99
13.	J P MORGAN NOMINEES AUSTRALIA LIMITED	618,889	0.98
14.	CITICORP NOMINEES PTY LIMITED	609,750	0.97
15.	TERRY MORGAN ENTERPRISES PTY LTD <TERRY MORGAN S/F A/C>	580,141	0.92
16.	MRS SHAO YUAN NICOLE ZHANG	510,000	0.81
17.	ATOC INC	500,000	0.79
18.	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	480,000	0.76
19.	HUITIANSHENSHI INVESTMENT CO LTD	413,043	0.66
20.	MR THOMAS FRITZ ENSMANN	400,000	0.64
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (TOTAL)		26,720,738	42.49
Total Remaining Holders Balance		36,172,717	57.51

(ii) The names of the twenty largest holders of listed options are:

Rank	Name	Units	% of Units
1.	MONTEZUMA MINING COMPANY LTD	376,250	8.97
2.	MR ANTHONY JOHN VETTER + MRS JEANNETTE VETTER	286,982	6.84
3.	DUKETON MINING LIMITED	201,250	4.80
4.	MR NELSON FENG CHEN	200,000	4.77
5.	MR SIMON ROBERT EVANS + MRS KATHRYN MARGARET EVANS <KAMIYACHO SUPER FUND A/C>	190,402	4.54
6.	MR WEST WALMSLEY	168,980	4.03
7.	MR FENGJIE CHEN	150,000	3.58
8.	GASHUNTER PTY LTD	140,250	3.34
9.	MR HENRY WIECHECKI	130,000	3.10
10.	MR ANTHONY MASLIN + MS MARITE NORRIS <MASLIN FAMILY A/C>	121,136	2.89
11.	MR SEAMUS CORNELIUS	113,636	2.71
12.	ATOC INC	110,000	2.62
13.	GREGORY YOUNG PTY LTD <YOUNG FAMILY DISC A/C>	100,000	2.38
14.	M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C>	100,000	2.38
15.	RANGUTA LIMITED	100,000	2.38
16.	MR LIWEI SUN	95,000	2.26
17.	ARADIA VENTURES PTY LTD <J & A BROWN FAMILY A/C>	87,500	2.09
18.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	76,567	1.83
19.	ANPHIDAMA PTY LTD <TRESISE A/C>	65,240	1.56
20.	ARCHEM TRADING NZ LIMITED	62,500	1.49
Totals: Top 20 holders of LISTED OPTIONS EXPIRING ON 31/01/2016 @\$0.30 (TOTAL)		2,875,693	68.56
Total Remaining Holders Balance		1,318,757	31.44

UNLISTED OPTIONS EXPIRING 15/11/17 @ \$0.28

#	REGISTERED NAME	NUMBER	%
1	MR ANTHONY MASLIN &	1,000,000	26.63%
2	MR SEAMUS IAN CORNELIUS	500,000	13.32%
3	PATO NEGRO	500,000	13.32%
4	DR JULIAN STEPHENS	500,000	13.32%
5	MR LIU XING ZHOU	500,000	13.32%
6	DONGARRA LIMITED	400,000	10.65%
7	STRAIGHT LINES CONSULTANCY	150,000	3.99%
8	MR COLLIN DAVY	50,000	1.33%
9	MISS JODI HASLINGER	50,000	1.33%
10	MISS LYDIA FEE	35,000	0.93%
11	DR BENJAMIN ALEXANDER GRGURIC	35,000	0.93%
12	MS LINNA LIU	35,000	0.93%
		3,755,000	

UNLISTED OPTIONS EXPIRING 15/11/16 @ \$0.63

#	REGISTERED NAME	NUMBER	%
1	MR ANTHONY MASLIN &	1,100,000	39.64%
2	COASTAL VIEW INVESTMENTS PTY	650,000	23.42%
3	KONGMING INVESTMENTS LIMITED	550,000	19.82%
4	NEW CITY ENTERPRISES PTY LTD	170,000	6.13%
5	STRAIGHT LINES CONSULTANCY	100,000	3.60%
6	MR LIU XING ZHOU	100,000	3.60%
7	MISS LYDIA FEE	35,000	1.26%
8	MS LINNA LIU	35,000	1.26%
9	SIX DEGREES INVESTOR	35,000	1.26%
		2,775,000	

UNLISTED OPTIONS EXPIRING 15/11/16 @ \$0.50

#	REGISTERED NAME	NUMBER	%
1	CHANCELLOR ZEUSPAC CAPITAL	2,000,000	44.44%
2	DONGARRA LIMITED	1,000,000	22.22%
3	CHEUNG SHUN LTD	500,000	11.11%
4	RANGUTA LTD	500,000	11.11%
5	TAO YUAN RESOURCES LTD	500,000	11.11%
		4,500,000	

UNLISTED OPTIONS EXPIRING 31/01/16 @ \$0.35

#	REGISTERED NAME	NUMBER	%
1	DONGARRA LIMITED	2,000,000	62.50%
2	ARADIA VENTURES PTY LTD	200,000	6.25%
3	MR MICHAEL ASHLEY GILES	200,000	6.25%
4	KLAAS POOL	200,000	6.25%
5	CHO YONGSU	200,000	6.25%
6	MS JODI HASLINGER	150,000	4.69%
7	MR TREVOR JAMES SAUL	100,000	3.13%
8	TAO YUAN RESOURCES LIMITED	100,000	3.13%
9	MR HANNES HUSTER	50,000	1.56%
		3,200,000	

ASX Additional Information continued

(c) Substantial shareholders

At the date of this report the following shareholders had lodged substantial shareholder notices with the Company, in accordance with section 671B of the *Corporations Act 2001* are:

1. National Business Holding (VU) Ltd is a substantial shareholder holding a relevant interest in 8,667,728 shares representing 13.78% of the voting power.

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Schedule of interests in mining tenements

Tenement	Location	% held
E 28/2201	Zanthus	100
E 28/1959	Zanthus	100
ELA 28/2395	Zanthus	100
ELA 28/2396	Zanthus	100
E 63/1595	Dempster	100
ELA 63/1582	Dempster	90
ELA 63/1675	Dempster	100
ELA 63/1676	Dempster	100
ELA 63/1677	Dempster	100
ELA 63/1684	Dempster	100
ELA 63/1685	Dempster	100
ELA 63/1686	Dempster	100
ELA 63/1687	Dempster	100
ELA 63/1688	Dempster	100
E 09/1985	Yalbra	85
E 09/1972	Yalbra	90
E 09/2022	Yalbra	100
ELA 09/2101	Yalbra	100
ELA 66/87	Northampton	100
ELA 66/88	Northampton	100
ELA 70/4563	Bridgetown	100
ELA 77/2237	Yilgarn	100
ELA 77/2238	Yilgarn	100