Wishbone Gold PLC

FINANCIAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2014

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Company Information

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FINANCIAL PUBLIC RELATIONS	Damson PR Blisbury Farm Berkeley Gloucester GL13 9RB

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REGISTERED NUMBER	103190

Wishbone Gold PLC
Chairman's Statement

Dear Shareholders

Throughout the year, and currently, your Company has continued to pursue a search for suitable acquisitions whilst continuing our exploration activities on our existing properties. It is a source of immense frustration to me and your board that we are unable to keep the market and our shareholders fully informed of all these activities in the way that we would wish but we are subject to the AIM rules in this regard and thus limited in the information we can provide to shareholders until such time as deals can be concluded.

You will also note that at the year end there are a substantial amount of current liabilities. US$292,684 (£188,403) of which relates solely to directors' fees and shareholder loans. As part of any future transaction it is the Company's intention to require the conversion of these liabilities into new equity. The Company continues to pursue the acquisition strategy set out in the Admission Document and the Company has, as a consequence of the AIM Rules, effectively been in a closed period since it was admitted to AIM.

I am committed to supporting the key projects in the pipeline and ensuring Wishbone has sufficient funds to meet these objectives. It is likely that further fundraisings will be required as part of the Company's future plans. The Company continues to receive financial support from the Black Swan group, of which I am Chairman and which is a major shareholder of the business, and Black Swan Plc has indicated that it will not call the shareholder loans currently amounting to US$576,615 and intends to convert such loans into equity at the earliest opportunity. In addition, it has pledged further financial support to the business to the extent it is required. It should be noted that these loans would have been converted if it was permitted under the AIM Rules. Further funding during the last two months has been advanced, details of which are disclosed below.

In April 2015, the Black Swan group advanced to the Company a further loan of £200,000 at 5% interest. As I am Chairman of Black Swan plc (of which Black Swan FZE is a wholly owned subsidiary) this was classified as a related party transaction under Rule 13 of the AIM Rules for Companies. The independent directors of the Company, being in this instance Jonathan Harrison, George Cardona, Professor Michael Mainelli and Alan Gravett, having consulted with the Company's nominated adviser, Sanlam Securities UK Limited, considered that the terms of the loan were fair and reasonable insofar as shareholders were concerned.

Exploration on our Current prospects

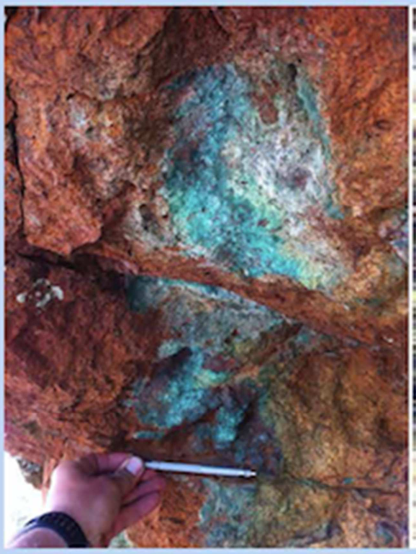
Our exploration in the last year has focussed on our White Mountains prospect and has highlighted the underexplored nature of this region on the western margin of the well mineralized North Queensland Charters Towers Gold Province. Significantly, there is very little previous drilling in the whole of the White Mountains area other than in Granite Castle to the west of our tenement.

The most unusual aspect of the prospect is a zoned polymetallic hydrothermal system which is present with an elemental association Ni, Co, Cr, As, Sb, indicating possible heterogeneous fluids. Our geologists attribute this to (1) possibly Permo-Carboniferous associated with dykes and (2) fluid that has interacted with mafic/ultramafic rocks. Similar patterns have been noted elsewhere in the district, for example near Antler and Homestead. These have been shown to trend into precious metal zones in other parts of the region.

We have documented previously that there are several small gold and polymetallic historical workings on the White Mountains tenement. In addition, just to the west, there are several drilled gold prospects, the notable one being Granite Castle which is an advanced exploration play with a JORC gold resource currently being assessed by Mantle Mining. Some of these trends extend along strike into the Wishbone Gold tenements and provide obvious targets for further exploration this season.

Exploration on our Current prospects (continued)

Lastly, further exploration is indicated for the Edwards antimony-goldarsenic structure. This was originally delineated by ground magnetics and has now been shown by rock chip sampling to be developed over 2 km of strike.



Chrome and copper staining on Brady's Jubilation outcrop

Edwards Prospect :
High grade sample of antimony rich material :

steely stibnite oxidised to yellow cervantite.

Future exploration will focus on determining the extent of the outcropping and buried Au-Sb mineralised veining along the trend of exploration surrounding the property and our objective is to delineate drill targets for the current year.

Grant of Share Options

In recognition of our CFO, Clive Hyman's contribution to the Company, he was granted options of over 5 million new ordinary shares in the Company to vest as follows: 2,000,000 immediately on grant on 7 March 2014, 2,000,000 on 7 March 2015, and 1,000,000 on 7 March 2016.

Change of Advisors

Sanlam Securities UK Limited was appointed as Nominated Adviser on 26 January, 2015. We are extremely pleased to have Sanlam on board and welcome their experience and advice.

Financial Overview

At the end of the period under review, Wishbone Gold held cash balances totalling US$303,790 (2013: US$135,074). Since then a net US$457,000 has been added to cash as a result of the Open Offer. Costs continue to be tightly controlled to ensure the maximum amount of funds available to the Company are spent in the ground for exploration purposes and on the acquisition program. Acquisition costs of US$831,915 have been incurred during the year. The Directors are all paid minimal salaries and, at the Company's option, these can be paid in ordinary shares. During the period under review and during the current year all directors' salaries have been paid by shares in this way. Administrative costs, including interest during the year totalled US$673,085 (2013: US$625,872).

Financial Overview (continued)

During the financial year the following key events occurred:

- The conditional agreement with GRIT became unconditional on 7 March 2014 and Wishbone Gold Plc issued 45,772,693 ordinary shares in exchange for 1,031,360 ordinary shares in GRIT at an issue price of £1.
- Share options were issued to Clive Hyman, the CFO, on 7 March 2014 over 5 million new ordinary shares in the Company to vest as follows: 2,000,000 immediately on grant, 2,000,000 on 7 March 2015, and 1,000,000 on 7 March 2016.
- The Company appointed Tabarak Investment Bank as one of its advisors on 2 April 2014.
- The Company announced a conditional Placing and Open Offer on 4 April 2014. A total of 33,677,181 new ordinary shares were admitted to trading on AIM on 28 April 2014. The issue was underwritten by Black Swan FZE a company of which Richard Poulden is a director and which is part of the Black Swan group and 980,888 commission shares were paid accordingly representing 3% of the amount underwritten. The total issued and voting share capital after this event is 262,551,235 ordinary shares.

The following events took place after the year end:

- A further loan of £ 200,000 was provided by Black Swan Plc on 9 April 2015 on the same terms as the existing loan as disclosed in note 14.

Further details of our funding requirements are set out in note 2. The group is dependent on the support of its directors and Black Swan Plc and will be required to raise additional funds to carry out its investment strategy and continue to meet its liabilities as they fall due. This represents a material uncertainty which is also referenced in the auditor’s opinion as an emphasis of matter. However, you should note that the opinion is not qualified in this regard.

Outlook

We hope, in the very near term, to be in a position to announce the next stage in your company’s development.

In conclusion, I would like to thank the board, management team and all our advisers for their hard work during the year and to express all our thanks to you our shareholders for your continuing support. I am of the belief that this will be vindicated by performance in future.

R O’D Poulden
Chairman

30 June 2015

Wishbone Gold PLC
Directors' Report

The directors submit their report and the audited consolidated financial statements for the year ended 31 December 2014.

Activities, review of business and future developments

The Group's principal activity is a diversified holding company with its principal interests in mineral properties in Australia.

The directors' comments concerning the results and future developments are included in the Chairman's Statement.

The Group's business key performance indicators (KPIs) are cash, exploration costs, administrative costs and shareholder reserves, all of which are disclosed in these consolidated accounts.

Results for the year and dividends

The Group's loss after taxation and minority interests was US$2,591,395 (2013: US$662,041) after charging the following:

Group	**2014**	**2013**
	$	**$**
Exploration costs expensed	-	(19,026)
Abortive acquisition costs	(831,915)	(17,143)
Impairment losses	(1,086,395)	-
Other administration costs (including interest payable)	(673,085)	(625,872)
	(2,591,395)	(662,041)

The Company's loss after taxation was US$2,566,571 (2013: US$682,768) after charging the following:

Company	**2014**	**2013**
	$	**$**
Abortive acquisition costs	(831,915)	(17,143)
Impairment losses	(1,086,395)	-
Other	(648,261)	(665,625)
	(2,566,571)	(682,768)

The directors do not recommend the payment of a dividend for the year ended 31 December 2014.

Directors

The directors listed on page 1 have served on the board throughout the year ended 31 December 2014 and the year ended 31 December 2013.

Financial risk management

Details of the Group's financial instruments and its policies with regard to financial risk management are given in note 16 to the consolidated financial statements.

Principal risks and uncertainties

The principal risk and uncertainty facing the Group is whether potential mineral reserves can be exploited economically. Further information on this can be found in the Chairman's statement.

Going concern

As disclosed in note 2, the Group has incurred losses during the financial years ended 31 December 2014 and 31 December 2013. The Directors have reviewed the financial performance of the Group since 31 December 2014 and have considered the Group's cash projections and funding plan for the 12 months from the date of approval of these financial statements. The Board of Directors is confident that the Group has access to continued financial support from its major shareholders, including parties other than Black Swan Plc, sufficient to enable the Group to meet its liabilities as and when they fail due for at least the next twelve months.

Exploration and evaluation

Exploration and evaluation costs capitalised as intangible assets amounted to US$ 409,409 (2013: US$ 408,239) at the year end. The Directors recognise that the realisation of intangible assets depends on the successful discovery and development of mineral reserves. The Directors have reviewed the proposed work programme for exploration and evaluation assets and on the basis of the encouraging results from the exploration programme and the prospects for raising additional funds as required, consider it appropriate to prepare the financial statements on the going concern basis.

Creditor payment policy

The Group does not follow a code or standard on payment practice. Payment terms are normally agreed with individual suppliers at the time of order placement and are honoured, provided that goods and services are supplied in accordance with the contractual conditions.

At 31 December 2014, the Group had creditor days of 270 days (2013: 37 days) based on the financial data for the year. However, the calculation for 2014 is misleading as a result of a small number of large payables incurred in the final quarter in relation to acquisition costs.

Corporate governance

The Directors intend, in so far as practicable given the Group's size and the constitution of the board, to comply with the main provisions of the Combined Code: Principles of Corporate Governance and Code of Best Practice which is consistent with the recommendations on Corporate Governance Guidelines of the Quoted Companies Alliance for AIM companies.

The Directors have adopted terms of reference for an audit committee and remuneration committee. The Directors do not fully comply with the Corporate Governance Code to the extent that there is no nomination committee as the Board does not consider it appropriate to establish at this stage of the Group's development.

The Directors comply with Rule 21 of the AIM Rules relating to the Directors' dealings as applicable to AIM companies and will also take all reasonable steps to ensure compliance with Rule 21 by the Group's relevant employees.

Events after the reporting year

The following events took place after the year end:

- Sanlam Securities UK Limited were appointed as NOMAD on 26 January 2015
- A further loan of £200,000 was provided by Black Swan Plc on 9 April 2015 on the same terms as the existing loan as disclosed in note 14.

Statement regarding disclosure of information to the auditors

Each director of the Company has confirmed that, in fulfilling their duties as a director, they are aware of no relevant audit information of which the Group's auditors are not aware and that they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Gibraltar Companies Act.

Independent auditors

A resolution for the re-appointment of both PricewaterhouseCoopers LLP and PricewaterhouseCoopers Limited will be proposed at the next Annual General Meeting.

The financial statements on pages 15 to 39 were approved by the Board of Directors on 30 June 2015 and signed on its behalf by:

Name: J Harrison

Date: 30 June 2015

Company's registered number: 103190

Wishbone Gold PLC
Directors and Officers

The Board comprises of one executive Director and four non-executive Directors. The management of the Group is undertaken by the executive director and the Chief Financial Officer.

Mr Richard Poulden, Executive Chairman and Chief Executive Officer, aged 64 (Executive)

Mr Poulden was recently Chairman and Chief Executive Officer of quoted Sirius Minerals Plc, where he oversaw the transformation of the company to a substantial potash company. This was achieved through a series of acquisitions acquiring companies in Australia, the USA and the UK. He resigned from Sirius Minerals Plc in January 2012 having handed over to a new and expanded management team the previous year.

Mr Poulden qualified as a Barrister in 1976 after which he moved into merchant banking where he worked for Samuel Montagu & Co Limited. Following an MBA at the London Business School and an exchange program with Harvard, he joined the international management consultancy firm, Arthur D. Little, where he worked in their European strategy practice. He also worked in their Financial Industries Group, of which he was a founder. Mr Poulden has been Executive Chairman of JMI Seed Capital and has served in the UK Leadership Team of Electronic Data Systems, where he worked on developing new financial structures for the sale of EDS' services. He has founded or co-founded companies in healthcare, retail, internet-based technology and natural resources and in all these sectors he has executed strategies for growth by acquisition. Mr Poulden has filed patent applications covering mobile telephone funds transfer and a rating system for carbon trading. He is currently Deputy Chairman of PCG Entertainment Plc and a non-executive director of MoneySwap Plc, both also quoted on AIM.

Mr Jonathan Harrison, aged 69 (Non-executive)

Mr Harrison is a Chartered Accountant with experience in quoted and unquoted companies. Previously he spent 16 years at Intercontinental Hotels Corporation, where he held various positions as Vice President of Finance. In 1989 he joined the Boddington Group Plc, where he developed and became Operations Director of the Village Leisure Hotels division, responsible for the operation of six leisure hotels. Between February 1994 and September 1995, while still at the Boddington Group Plc, he was Finance Director of the Country House Retirement Homes Limited business during which time the number of nursing homes nearly doubled to 31 nursing homes.

In March 1997 he led a management buy-in of 25 hotels from Queens Moat Houses Plc with Duke Street Capital. Six months later he managed the refinancing of the new Group, County Hotels Group Plc, through a listed bond offering and, in January 1999, successfully sold the company to Regal Hotels Group Plc. In September 1999 he joined Topnotch Health Clubs Plc and in March 2000 oversaw the company's listing on AIM. From 2005 to 2011 he was Finance Director of Sirius Minerals Plc (formerly Sirius Exploration) working with Richard Poulden overseeing the financial aspects of the company through flotation and its series of acquisitions.

Wishbone Gold PLC
Directors and Officers

Mr George Cardona, aged 63 (Non-executive)

Mr Cardona is chair of the remuneration committee and a member of the audit committee of the Company. He trained at Morgan Grenfell in London, UK. He worked as a Treasury desk officer for the Conservative Party from 1974 to 1979, before becoming a Special Advisor to HM Treasury. He subsequently became Head of Group Planning for HSBC Holdings in Hong Kong and London. Mr Cardona then founded and subsequently sold investment banking boutique Cardona Lloyd & Co and holds several non-executive positions on various boards including mining groups Strategic Minerals Plc, Siberian Coal Energy Co, EuroChemGroup, and K+S AG.

Mr Cardona was a non-executive director of two investment trusts listed on the London Stock Exchange: Close Finsbury Eurotech and Martin Currie Pacific, and of Renewable Energy Generation, also listed in London. He was also a director of the Cardona Lloyd Hedge Portfolio, listed on the Irish Stock Exchange.

Professor Michael Mainelli, aged 56 (Non-executive)

Professor Mainelli is chair of the audit committee and a member of the remuneration committee of the Company.

Professor Mainelli is a qualified accountant, computer specialist and management consultant with a degree in Government from Harvard as well as mathematics and engineering at Trinity College Dublin and a PhD from the London School of Economics. His previous roles include several years as a partner and board member of one of the leading accountancy firms directing global consulting work, and serving on the UK Ministry of Defence’s Defence Evaluation and Research Agency board. In 1994, he co-founded Z/Yen, a commercial think-tank based in the City of London with numerous finance and technology clients where he is Executive Chairman. From 2005, Professor Mainelli has been a non-executive director of AIM listed Sirius Minerals Plc, working with the team to transform the company to a substantial potash company. He is Emeritus Professor, Trustee and Fellow of Gresham College and a non-executive director of the United Kingdom Accreditation Service – the UK’s sole accreditation body for certification, testing, inspection and calibration services.

Professor Mainelli’s natural resources experience dates back to 1979 where earlier research work on mapping and satellite imagery led him to starting companies in seismology, cartography and oil and gas information for a Swiss firm. In the early 1980’s Professor Mainelli initiated and ran a multi-million dollar oil industry consortium (Shell, BP, Chevron and Elf Acquitaine were major partners plus ten minor partners) to digitise the world which culminated in the development of Geodat and MundoCart, an oil industry standard set of cartographic data at scales from 1:50,000 to 1:250,000 with over 60 million geographic features.

Mr Alan Gravett, Director, aged 67 (Non -executive)

Mr Gravett worked at Barclaytrust Limited, (then Barclays Bank Executor and Trustee Department) from 1965 to 1988, reaching the highest level in Gibraltar administering offshore companies and trusts, leaving in 1988 to join a large local trust corporation.

He is now a freelance consultant based in Gibraltar but continues to be closely involved with company and trust structures for a range of international clients.

Wishbone Gold PLC
Directors and Officers

Mr Clive Hyman, age 54 - Officer of the Company- Chief Financial Officer

Mr Hyman is a graduate of Christ' College, Cambridge and a Chartered Accountant with experience in quoted and unquoted companies. He was a partner with KPMG in their London office, where he was a founding partner of KPMG's Transaction services business. In addition, he was a founding partner of the private equity group. He developed relationships in the private equity community in New York and London for the firm. He serviced many large clients in the corporate and private equity community during his time at KPMG, including, inter alia: Laporte Plc, Morgan Crucible, GE Capital, GE Equity, Dupont, KKR, TPG, BC Partners, ISIS Private Equity and Gresham Private Equity. He led and founded KPMG's K-Ventures fund in 1999 and invested successfully in early stage propositions. He left the firm in 2005 to found his own consultancy business and was interim CEO/CFO of Nick and Chris Candy of Candy and Candy in 2005. He was Group CFO of a healthcare Business from July 2010 to August 2011. He served as a non-executive and independent board member of Petrol Ofisi SA, a Turkish listed group, majority owned by OMV AG from April 2012 to April 2015. He became a consultant to Black Swan Plc in April 2013 and Wishbone in April 2013. He is also Chief Finance Officer of PCG Entertainment Plc and Delta Energy Solutions.

On 7 March 2014, Mr Hyman was granted the following options over 5 million new ordinary shares in the Company (the 'options'), to vest as follows:

No of Options	**Vesting date**
2,000,000	Immediately on grant
2,000,000	07 March 2015
1,000,000	07 March 2016

The Options have as expiry date of 25 February 2019 and have been issued with an exercise price of 2.125p per share, being the closing mid-price on 25 February 2014.

Wishbone Gold PLC
Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

d. prepare the financial statements on the going concern basis unless it is inappropriate to resume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the requirements of the Companies Act, the Gibraltar Companies (Accounts) Act 1999 and the Gibraltar Companies (Consolidated Accounts) Act 1999. Specifically, pursuant to section 7B of the Gibraltar Companies (Accounts) Act 1999, the directors have elected to follow International Financial Reporting Standards as adopted by the European Union. The directors are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate financial statements included on the Company's website. Legislation in Gibraltar governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

R O'D Poulden
Chairman

30 June 2015

Independent auditors' report to the members of Wishbone Gold Plc

Report on the consolidated financial statements

What we have audited

Wishbone Gold Plc's Group and Company financial report and financial statements (the "consolidated financial statements") comprise:

- the Consolidated and Company statements of financial position as at 31 December 2014;
- the Consolidated income statement and the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated and Company statements of cash flows for the year then ended;
- the Consolidated and Company statements of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the consolidated financial statements is applicable law in Gibraltar and International Financial Reporting Standards ("IFRSs") as adopted by the European Union and in accordance with the Gibraltar Companies Act, the Gibraltar Companies (Accounts) Act 1999 and the Gibraltar Companies (Consolidated Accounts) Act 1999.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Our opinion

In our opinion:

- the consolidated financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2014 and of the Group's loss and the Group's and Company's cash flows for the year then ended;
- the consolidated financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and in accordance with the Gibraltar Companies Act, the Gibraltar Companies (Accounts) Act 1999 and the Gibraltar Companies (Consolidated Accounts) Act 1999; and

Emphasis of matter - Going concern

Without qualifying our opinion, we have considered the adequacy of the disclosure made in note 2 to the consolidated financial statements concerning the Group's and Company's ability to continue as a going concern. The Group and Company will require additional funding in the short term to enable them to continue as a going concern for the foreseeable future. Management are currently assessing sources of finance including a new equity issuance and shareholder loans in the short term as well as converting all current shareholder loans and directors fees into equity. Should the Group and Company be unsuccessful in obtaining financing, they will not be viable. These conditions, along with the other matters explained in note 2 to the consolidated financial statements indicate the existence of a material uncertainty which may cast significant doubt about the Group's and Company's ability to continue as a going concern. The consolidated financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

Report on Other Legal and Regulatory Requirements

Opinion on matter prescribed by the Gibraltar Companies (Accounts) Act 1999

In our opinion, the information given in the Directors' Report for the financial year for which the consolidated financial statements are being prepared is consistent with the consolidated financial statements.

Other matters on which we are required to report by exception

Propriety of accounting records and information and explanations received

We have nothing to report in respect of the following matters where the Gibraltar Companies Act requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- we have not received all the information and explanations we require for our audit.

Directors' remuneration and other transactions

Under the Gibraltar Companies Act we are required to report to you if, in our opinion, information regarding Directors' remuneration and other transactions specified by law is not disclosed. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Directors' responsibilities for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 12, the Directors are responsible for the preparation of the financial statements in accordance with IFRS as adopted by the European Union and for being satisfied that they give a true and fair view, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing ("ISAs").

We conducted our audit in accordance with ISAs. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body for in accordance with Section 182 of the Gibraltar Companies Act and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Barry Pillans
Statutory Auditor
For and on behalf of PricewaterhouseCoopers Limited
Gibraltar
30 June 2015

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Registered in Gibraltar: Number 94799

PricewaterhouseCoopers LLP
Chartered Accountants
London, United Kingdom
30 June 2015

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525.
The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH.
PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business

Wishbone Gold PLC

Consolidated Income Statement
for the year ended 31 December 2014

	Notes	2014 $	2013 $
Pre-exploration costs expensed	5	-	(19,026)
Abortive acquisition costs	5	(831,915)	(17,143)
Administrative expenses	5	(663,083)	(624,638)
Operating loss	5	(1,494,998)	(660,807)
Impairment of investments	12	(1,086,395)	-
Interest expense		(10,002)	(1,234)
Loss on ordinary activities before taxation		(2,591,395)	(662,041)
Tax on loss on ordinary activities	7	-	-
Loss for the financial year		(2,591,395)	(662,041)
Loss per share:			
Basic and diluted (cents)	8	(1.065)	(0.374)

There are no recognised gains or losses other than disclosed above and there have been no discontinued activities or acquisitions in the year.

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2014

	Notes	2014 $	2013 $
Loss for the year		(2,591,395)	(662,041)
Other Comprehensive loss			
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translating foreign operations		1,564	(66,589)
Other comprehensive gain/(loss) for the year, net of tax		1,564	(66,589)
Total comprehensive loss for the year attributable to equity owners of the parent		(2,589,831)	(728,630)

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC
Consolidated Statement of Financial Position
as at 31 December 2014

	Notes	2014	2013
		$	$
Current assets			
Trade and other receivables	9	28,611	42,355
Cash and cash equivalents		303,790	135,074
		332,401	177,429
Non-current assets			
Intangible assets	10	409,409	408,239
Investments	11	384,537	-
		793,946	408,239
Total assets		1,126,347	585,668
Current liabilities	13	1,250,467	433,867
Capital and reserves			
Share capital	15	419,146	286,351
Share premium		3,671,758	1,535,399
Share based payment reserve		74,205	29,449
Accumulated losses		(4,191,326)	(1,599,931)
Foreign exchange reserve		(97,903)	(99,467)
Total equity and liabilities		1,126,347	585,668

The financial statements on pages 15 to 39 were approved by the board on 30 June 2015.

JC Harrison
Director

R O'D Poulden
Director

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC
Company Statement of Financial Position
as at 31 December 2014

	Notes	2014	2013
		$	$
Current assets			
Trade and other receivables	9	452,888	457,601
Cash and cash equivalents		300,719	97,187
		753,607	554,788
Non-current assets			
Investments	11	558,122	173,584
		558,122	173,584
Total assets		1,311,729	728,372
Current liabilities	13	1,232,390	396,372
Capital and reserves			
Share capital	15	419,146	286,351
Share premium		3,671,758	1,535,399
Share based payment reserve		74,205	29,449
Accumulated losses		(4,085,770)	(1,519,199)
Total equity and liabilities		1,311,729	728,372

The financial statements on pages 15 to 39 were approved by the board on 30 June 2015.

JC Harrison
Director

R O'D Poulden
Director

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Changes in Equity
for the year ended 31 December 2014

	Share Capital $	Share Premium $	Share Based Payment Reserve $	Accumulated Losses $	Foreign Exchange Translation Reserve $	Total Equity $
Balance at 1 January 2013	267,888	1,223,583	29,449	(937,890)	(32,878)	550,152
Shares issued during the year (net of issue costs)	18,463	311,816	-	-	-	330,279
Loss for the year	-	-	-	(662,041)	-	(662,041)
Foreign exchange	-	-	-	-	(66,589)	(66,589)
Balance at 31 December 2013	286,351	1,535,399	29,449	(1,599,931)	(99,467)	151,801
Shares issued during the year (net of issue costs)	132,795	2,136,359	-	-	-	2,269,154
Options issued during the year (net of issue costs) (note 16)	-	-	44,756	-	-	44,756
Loss for the year	-	-	-	(2,591,395)	-	(2,591,395)
Foreign exchange	-	-	-	-	1,564	1,564
Balance at 31 December 2014	419,146	3,671,758	74,205	(4,191,326)	(97,903)	(124,120)

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC

Company Statement of Changes in Equity
for the year ended 31 December 2014

	Share Capital $	Share Premium $	Share Based Payment Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 January 2013	267,888	1,223,583	29,449	(836,431)	684,489
Shares issued during the year (net of issue costs)	18,463	311,816	-	-	330,279
Loss for the year	-	-	-	(682,768)	(682,768)
Balance at 31 December 2013	286,351	1,535,399	29,449	(1,519,199)	332,000
Shares issued during the year (net of issue costs)	132,795	2,136,359	-	-	2,313,910
Shares issued during the year (net of issue costs) (note 16)	-	-	44,756	-	44,756
Loss for the year	-	-	-	(2,566,571)	(2,566,571)
Balance at 31 December 2014	419,146	3,671,758	74,205	(4,085,770)	79,339

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Cash Flows
for the year ended 31 December 2014

	Notes	2014 $	2013 $
Cash flows from operating activities			
Loss before tax		(2,591,395)	(662,041)
Reconciliation to cash generated from operations:			
Foreign exchange loss		15,984	5,482
Interest expense		10,002	1,234
Impairment losses		1,086,395	-
Administrative expenses converted into ordinary shares		44,756	141,970
Operating cash flow before changes in working capital		(1,434,258)	(513,355)
Decrease/(increase) in receivables		13,744	(17,226)
Increase in payables		724,836	210,153
Cash outflow from operations		(695,678)	(320,428)
Cash flows from investing activities			
Expenditure on exploration activities		(1,170)	(256,165)
Cash flows from financing activities			
Issue of shares for cash	15	780,792	-
Increase in borrowings	14	83,208	162,271
Net cash flow from financing activities		864,000	162,271
Effects of exchange rates on cash and cash equivalents		1,564	(39,720)
Net increase/(decrease) in cash		168,716	(454,042)
Cash at bank and in hand less overdrafts at 1 January		135,074	589,116
Cash at bank and in hand less overdrafts at 31 December		303,790	135,074

The notes on pages 23 to 39 form part of these financial statements.

Wishbone Gold PLC

Company Statement of Cash Flows
for the year ended 31 December 2014

	2014	2013
	$	$
Cash flows from operating activities		
Loss before tax	(2,566,571)	(682,768)
Reconciliation to cash generated from operations:		
Foreign exchange loss	15,984	83,641
Interest expense	10,002	1,234
Impairment losses	1,086,395	-
Administrative expenses converted into ordinary shares	44,756	141,970
Operating cash flow before changes in working capital	(1,409,434)	(455,923)
Decrease in receivables	4,713	29,377
Increase in payables	744,253	187,411
Cash outflow from operations	(660,468)	(239,135)
Cash flows from financing activities		
Issue of shares for cash	780,792	-
Increase in borrowings	83,208	162,271
Net cash flow from financing activities	864,000	162,271
Effects of exchange rates on cash and cash equivalents	-	(4,035)
Net increase/(decrease) in cash	203,532	(80,899)
Cash at bank and in hand less overdrafts at 1 January	97,187	178,086
Cash at bank and in hand less overdrafts at 31 December	300,719	97,187

The notes on pages 23 to 39 form part of these financial statements.

1 General information

The consolidated financial statements of Wishbone Gold Plc for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of the Company's directors on 29 June 2015.

The Company was incorporated in Gibraltar under the name of Wishbone Gold Plc as a public company under the Gibraltar Companies Act. The authorised share capital of the Company is £1,000,000 divided into 1,000,000,000 shares of £0.001 each. The registered office is located at G1 Haven Court, 5 Library Ramp, Gibraltar. The principal activity of the Company is that of holding company of a group which is engaged in mineral exploration.

On 2 July 2013, the Company approved the conversion of £207,222.87 of expenses and debts into 11,841,307 ordinary shares to the Directors at a price of 1.75p to satisfy debts and expenses incurred on behalf of the Company.

On 18 December 2013 the Company approved the conversion of £7,500 of expenses into 272,727 shares at the price of 2.75p.

On 7 March 2014 the Company issued 45,772,693 ordinary shares in exchange for 1,031,360 ordinary shares in Global Resources Investment Trust, net of issue costs of US$34,450.

The Company undertook a conditional Placing and Open Offer on 4 April 2014. A total of new issues, including commission shares, of 33,677,181 new ordinary shares were admitted to trading AIM on 28 April 2014 which raised US$780,792 net of expenses of US$32,682.

On 17th July 2014, the Company approved the conversion of £7,500 of expenses into 500,000 new ordinary shares at the price of 1.5p.

2 Accounting policies

Basis of preparation

The financial statements of Wishbone Gold Plc and its subsidiary, together "the Group" have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") applied in accordance with the provisions of the Gibraltar Companies Act, Gibraltar Companies (Accounts) Act 1999 and Gibraltar (Consolidated Accounts) Act 1999.

In accordance with the Gibraltar Companies (Consolidated Accounts) Act 1999, the individual statement of financial position of the Company has been presented as part of these financial statements. The individual statement of comprehensive income has not been presented as part of these financial statements as permitted by Section 10 of the Act. The individual statement of comprehensive income of the Company shows a loss for the year of US$2,566,571 (2013: US$682,768).

IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") and there is an on-going process of review and endorsement by the European Commission. The accounts have been prepared on the basis of the recognition and measurement principles of IFRS that are applicable for the year commencing 1 January 2014.

The consolidated financial statements have been prepared under the historical cost convention. The principal accounting policies set out below have been consistently applied to all years presented other than changes from the new and amended standards and interpretations effective from 1 January 2014.

2 Accounting policies (continued)

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Directors' Report. The financial position of the Group at the year end and its cash flows and liquidity position are included in the consolidated statement of financial position on page 17 and the consolidated statement of cash flows on page 21. As at 31 May 2015 the Company and Group cash balances amounted to US$139,279 and current liabilities, excluding directors and other fees for which agreement has been reached to settle via the issue of equity (amounting to US$292,684), were US$957,783. The Group closely monitors and manages its capital position and liquidity risk regularly throughout the year to ensure that it has sufficient funds to meet forecast cash requirements and satisfy the working capital requirements and proposed acquisition and exploration activity.

After making enquiries and careful consideration, the directors have concluded that there is a reasonable expectation that the Group has access to adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. However in making this assessment the directors have considered the following matters which give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. If as a result of this material uncertainty the Group was unable to continue as a going concern, it is unlikely that it would be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include the adjustments that may result if the Company and Group was unable to continue as a going concern.

<u>Funding requirements for ongoing operations:</u>

As set out above the Company and Group held US$139,279 cash as at 31 May 2015 and needs to raise funds to meet current liabilities. As noted above the Group will convert certain liabilities to equity once approval from AIM has been given to issue new equity. Further funding will be required to meet remaining liabilities and also to meet ongoing corporate and other costs and this will be met through a planned equity placing or short term shareholder loans as required. Further funding has been advanced post year end by Black Swan Plc, details of which are disclosed in note 21.

The Group will also need additional funds to enable it to progress existing and new projects in 2015 and beyond as detailed in note 18. The Group continues to work on a financial strategy to secure the funds to support the next phase of the Group's planned activities which will include the commencement of the new projects. The estimated quantum of funds will be determined by the potential acquisitions being considered and the funding requirement for the group to maintain its exploration programme for its existing exploration permits in Australia. The Group is actively looking at a number of fund-raising options including an equity placing and further information will be provided to shareholders in due course on how the Group's ongoing and planned business plans will be financed.

The outcome of the selected fund-raising options outlined above cannot be predicted, and sufficient funds may not be forthcoming to fund the Group's operations. This represents a material uncertainty that casts significant doubt over the Company's and the Group's ability to continue as a going concern.

Basis of consolidation

The Group's consolidated financial statements incorporate the financial statements of the Company and its subsidiary prepared to 31 December each year. Control is achieved where the company has power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

2 Accounting policies (continued)

Basis of consolidation (continued)

All intra-group transactions and balances and any unrealised gains and losses arising from intra-group transactions are eliminated in preparing the consolidated accounts.

In the parent company financial statements the investment in the subsidiary is accounted for at cost.

Business combinations and goodwill

On acquisition, the assets and liabilities and contingent liabilities of subsidiaries are measured at their fair values at the date of acquisition. Any excess of cost of acquisition over the fair value of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Exploration and evaluation assets

Costs arising from exploration and evaluation activities are accumulated separately for each area of interest and only capitalised where such costs are expected to be recovered through successful development, or through sale, or where exploration and evaluation activities have not, at the reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves.

Expenditure capitalised comprises direct costs that have a specific connection with a particular area of interest. Capitalised expenditure in respect of areas of interest is written off in the income statement when the above criteria do not apply or when the directors assess that the carrying value may exceed the recoverable amount.

Capitalised costs in respect of an area of interest that is abandoned are written off in the period in which the decision to abandon is made.

Once production commences, capitalised expenditure is respect of an area of interest will be amortised on a unit of production basis by reference to the reserves of that area of interest.

Investments

<u>Investments in group undertakings</u>

Investments in group undertakings are measured at cost less any impairments arising should the fair value after disposal costs be lower than cost.

<u>Investments held for resale</u>

Investments held for resale are designated at fair value through profit or loss at inception. Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset. Investments are de-recognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership. Investments held for resale are initially recognised at cost. Subsequent to initial recognition, these investments held for resale are measured at fair value in the statement of financial position. Gains and losses arising from changes in the fair value of these assets are presented in profit or loss in the period in which they arise. During the year the company recognised impairments of US$1,086,395 (2013 : US$nil).

2 Accounting policies (continued)

Impairment

At each year end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior periods. A reversal of impairment loss is recognised in the income statement immediately.

Foreign currencies

The consolidated financial statements are presented in United States Dollars ("US$"), the presentation and functional currency of the Company. All values are rounded to the nearest US$. Transactions denominated in a foreign currency are translated into US$ at the rate of exchange ruling at the date of the transaction. At the year end date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the income statement.

On consolidation, the assets and liabilities of foreign operations which have a functional currency other than US$ are translated into US$ at foreign exchange rates ruling at the year end date. The revenues and expenses of these subsidiary undertakings are translated at average rates applicable in the period. All resulting exchange differences are recognised as a separate component of equity. Foreign exchange gains or losses arising from a monetary item receivable from or payable to a foreign operation are recognised in the consolidated statement of comprehensive income and disclosed as a separate component of equity, such foreign exchange gains or losses are reclassified from equity to the income statement on disposal of the net foreign operation. The same foreign exchange gains or losses are recognised in the stand alone income statements of either the parent or the foreign operation.

In the statement of cash flows, cash flows denominated in foreign currencies are translated into the presentation currency of the Group at the average exchange rate for the year or the prevailing rate at the time of the transaction where more appropriate.

The closing exchange rate applied at the year end date was AUD 1.2258 per US$1 (2013: AUD 1.1268). The average exchange rate applied at the year end date was AUD 1.1094 per US$1 (2013: AUD 1.0362).

2 Accounting policies (continued)

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker as required by IFRS 8 "Operating Segments". The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The accounting policies of the reportable segments are consistent with the accounting policies of the Group as a whole. Segment loss represents the loss incurred by each segment without allocation of foreign exchange gains or losses, investment income, interest payable and tax. This is the measure of loss that is reported to the Board of Directors for the purpose of the resource allocation and the assessment of the segment performance.

When assessing segment performance and considering the allocation of resources, the Board of Directors review information about segment assets and liabilities. For this purpose, all assets and liabilities are allocated to reportable segments (note 4).

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Provision for impairment is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivable. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at effective interest rate.

Cash and cash equivalents

Cash and cash equivalents comprise on demand deposits held with banks, with original maturity of three months or less.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the income statement.

Trade and other payables

Trade payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest rate method.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

Deferred taxation 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, if the deferred tax arises from the 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, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted (or substantively enacted) by the year end date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 Accounting policies (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by a group entity are recorded at the proceeds received, net of any direct issue costs.

Share based payments

The Company has historically issued warrants and share options in consideration for services. During the year, the Company issued share options as disclosed in note 16. The fair value of the warrants/share options have been treated as part of the cost of the service received and is charged to share premium with a corresponding increase in the share based payment reserve.

New standards, interpretations and amendments to published standards effective in the year

- ***Impairment of Assets (Amendments to IAS 36)***

  These amendments clarified the scope of certain disclosures about the recoverable amount of impaired assets. These amendments are effective for annual periods beginning on or after 1 January 2014. The Group has impaired its investments during the year and has considered the amendments to this standard in providing the disclosures in notes 11 and 12.

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

- IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted subject to EU endorsement. The group is yet to assess IFRS 9's full impact.

- IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted subject to EU endorsement. The group is assessing the impact of IFRS 15.

  There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2 Accounting policies (continued)

New standards, amendments and interpretations not yet adopted (continued)

In addition to the standards, interpretations and amendments noted above, the Government of Gibraltar passed into law the Companies Act 2014 ("the New Act") on 1 November 2014. The accounting and audit provisions of the New Act come into force for annual periods commencing on or after 1 November 2014. The Company and the Group are continuing to assess the impact of the New Act but this is expected to be negligible.

3 Critical accounting estimates and judgements

The critical accounting estimates and judgements made by the Group regarding the future or other key sources of estimation, uncertainty and judgement that may have a significant risk of giving rise to a material adjustment to the carrying values of assets and liabilities within the next financial year are:

Critical judgements in applying the group's accounting policies

Going concern

The preparation of the financial statements requires an assessment on the validity of the going concern assumption as disclosed in note 2. The validity of the going concern assumption is dependent on the discovery, successful further development and ultimate production of reserves and the availability of sufficient finance to bring the reserves to economic maturity and profitability.

Impairment of exploration and evaluation assets

The Board of Directors continue to budget for the exploration and evaluation commitments noted in note 18 and continue to invest in these. The Board of Directors do not consider that the exploration and evaluation assets are impaired. The carrying value of these assets is dependent on the judgements reached in relation to going concern in order to fund and develop these assets.

Determination of functional currency

The Directors considers the US$ to be the currency that most faithfully represents the economic effect of the underlying transactions, cash flows, events and conditions of the Company. The US$ is the currency in which the Company measures its performance and reports its results, as well as the currency in which it assesses the viability of projects.

Parent company statement of financial position - impairment of the investment in and loan to the subsidiary

At the reporting date, the subsidiary had net liabilities of US$117,227 (AUD 143,697) (2013: US$93,968 (AUD 105,884)). As noted above, the Board of Directors do not consider that the exploration and evaluation assets are impaired and therefore there is no indication of impairment of the investment in and loan to the subsidiary of US$173,584 (2013: US$173,584) and US$424,970 (2013: US$421,281) respectively.

Key accounting estimates

Valuation of warrants and options

As described in note 16, the fair value of the warrants and options granted was calculated using the Black & Scholes model which requires the input of highly subjective assumptions, including volatility of the share price. Changes in subjective input assumptions may materially affect the fair value estimate.

4 Segmental analysis

Management has determined the operating segments by considering the business from both a geographic and product perspective. For management purposes, the Group is currently organised into one operating division: resource evaluation. The division is the business segment for which the Group reports its segment information internally to the Board of Directors. The group's operations are predominantly in Australia.

5 Operating loss

	2014	2013
	$	$
This is stated after charging:		
Pre-exploration costs	-	19,026
Abortive acquisition costs	831,915	17,143
Consultancy fees	-	2,209
Fees payable to the company's auditor for the audit of the Group consolidated financial statements	23,303	19,231
Other assurance services	-	7,243
The audit of the company's subsidiaries pursuant to legislation	-	9,651
Accounting and tax compliance	35,828	10,295
Share based payments	44,756	-
Other administrative costs	238,571	389,819
Remuneration of the directors of the Group	190,963	166,798
Remuneration of the directors of subsidiaries	10,649	13,910
Foreign exchange losses	119,013	5,482
	1,494,998	660,807

Abortive acquisition costs relate to costs incurred in exploring and evaluating potential acquisition targets which were later aborted by the directors.

Remuneration paid to the directors of the Group has historically been settled via the issue of equity in the Company, as disclosed in note 19.

6 Staff costs

The Group has no employees. Staff costs for the year ended 31 December 2014 were US$nil (2013: US$nil).

7 Tax on loss on ordinary activities

	2014 $	2013 $
Total income tax recognised in the current year	-	-

If full provision had been made for deferred taxation for the year, the taxation charge would have increased/(decreased) as follows:

	2014 $	2013 $
Loss before taxation	(2,591,395)	(662,041)
Loss before taxation multiplied by the standard rate in Gibraltar 10% (2013: 10%)	(259,140)	(66,204)
Taxation effects of :		
Non-deductible expenditure	257,661	(230,830)
Accumulated losses	1,479	297,034
	-	-

The Group has unused tax losses from its subsidiary, which is subject to tax in Australia, of approximately US$460,695 at 31 December 2014 (2013: US$435,182). A related deferred tax asset has not been recognised in the financial information due to the uncertainty surrounding its recoverability. The deferred tax asset can be recovered against suitable future trading profits in the same jurisdiction. Tax losses have no expiry date.

8 Loss per share

	2014 $	2013 $
Loss for the purpose of basic loss per share being net loss attributable to equity owners of parent	(2,591,395)	(662,041)
Loss for the purpose of diluted earnings per share	(2,591,395)	(662,041)
Number of shares:		
Weighted average number of ordinary shares for the purpose of the basic and diluted loss per share	243,387,111	176,917,694
Basic and diluted (cents)	(1.065)	(0.374)

Due to the Company and the Group being loss making, the share options and warrants (note 16) are anti-dilutive.

9 Trade and other receivables

	2014	2013
	$	$
Group		
Debtors	693	6,035
Prepayments	27,918	17,262
Deferred costs	-	19,058
	28,611	42,355

Company	2014	2013
	$	$
Amounts owed by subsidiary undertakings (note 19)	424,970	421,281
Deferred costs	-	19,058
Prepayments and accrued income	27,918	17,262
	452,888	457,601

The amount owed by subsidiary undertaking relates to an interest free loan to Wishbone Gold Pty, repayable on demand.

10 Intangible fixed assets

Group	Exploration & evaluation assets	Total
	$	$
Cost		
At 1 January 2014	408,239	408,239
Additions	1,170	1,170
At 31 December 2014	409,409	409,409
Accumulated amortisation		
Net book value		
At 31 December 2014	409,409	409,409
At 31 December 2013	408,239	408,239

The Group holds Exploration Permits for Mining ("EPMs") to four tenements which have initial expiration dates ranging from April 2016 to September 2018. The renewal of the EPMs is for a maximum further period of 5 years. Permits are not automatically renewed but require an application to the Queensland Department of Natural Resources and Mines.

11 Investments

	Group:		Company:	
	2014	2013	2014	2013
	$	$	$	$
Shares in subsidiary undertakings	-	-	173,585	173,584
Investments held for resale	384,537	-	384,537	-
	384,537	-	558,122	173,584

11 Investments (continued)

The movement in investments held for resale during the year is as follows:

	Group:		Company:	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
At 1 January 2014	-	-	-	-
Additions	1,531,116	-	1,531,116	-
Impairment	(1,086,395)	-	(1,086,395)	-
Foreign exchange losses	(60,184)	-	(60,184)	-
At 31 December 2014	384,537	-	384,537	-

Wishbone Gold Pty Ltd	110,000,000 ordinary shares of AUD 0.001 each	100%	AUD (143,697)	AUD (41,142)
Wishbone Gold Tasmania Pty Limited	1 ordinary share of AUD 1 each	100%	AUD 1	AUD nil

Wishbone Gold Pty Ltd is an exploration company and Wishbone Gold Tasmania Pty Limited has remained dormant. Both companies are incorporated in Australia and the registered office address is PKF, RSL Centre Level 5, 9 Beach Road, Surfer's Paradise QLD 4217, Australia.

Investments held for resale

Investments held for resale of both the Group and the Company relate to Global Resources Investment Trust which was acquired as a result of a share-for-share exchange as disclosed in note 15. The investments held for resale are valued based on the market price of the shares. During the year, the directors have recognised an impairment loss of US$1,086,395 through the consolidated income statement.

12 Impairment of investments

As stated in note 11, the directors have recognised impairment on the investment held in Global Resources Investment Trust to reflect the fair value of the investment. The impairments recognised in both the Group and the Company accounts are as follows:

	2014	**2013**
	$	**$**
As at 1 January	-	-
Impairments recognised during the year (note 11)	1,086,395	-
As at 31 December	1,086,395	-

13 Current liabilities

	2014	**2013**
	$	**$**
Group		
Borrowings (note 14)	233,025	164,952
Trade payables	428,992	60,608
Accruals and deferred income	295,766	55,888
Directors fees accrued and expenses payable	292,684	152,419
	1,250,467	433,867

13 Current liabilities (continued)

	2014	2013
	$	$
Company		
Borrowings (note 14)	233,025	164,952
Trade payables	425,966	42,928
Accruals and deferred income	280,715	86,771
Directors fees accrued and expenses payable	292,684	101,721
	1,232,390	396,372

In addition to the directors' fees payable as disclosed in note 19, directors' expenses amounting to US$169,916 (2013: US$50,698) have been accrued and are expected to be settled via the issue of equity.

14 Borrowings - Group and Company

	2014	2013
	$	$
Loan from Black Swan FZE	233,025	164,952

A loan facility was entered into in the course of the year ended 31 December 2013 from Black Swan FZE for a maximum amount of £150,000. This loan carries an interest charge of 5% per annum, calculated on the principle and interest outstanding each month until redemption. The loan is repayable at any time at the option of the Black Swan FZE.

£100,000 (US$163,506) of the facility was drawn down on 6 November 2013. The remaining facility of £50,000 (US$83,208) was drawn down on 4 March 2014.

The Directors consider that the carrying amount of borrowings approximates to their fair value.

15 Share capital - Group and Company

	2014	2013
	$	$
Authorised:		
1,000,000,000 Ordinary shares of £0.001 (US$0.0016) each	1,600,000	1,600,000

	2014	2013	2014	2013
	No	No	$	$
Allotted and called up:				
Ordinary shares of £0.001 (US$ 0.0016) each	263,051,235	183,101,361	419,146	286,351

On 2 July 2013, the company approved the conversion of £207,222.87 of expenses and debts into 11,841,307 ordinary shares to the directors at a price of 1.75p to satisfy debts and expenses incurred on behalf of the Company.

On 18 December 2013 the Company approved the conversion of £7,500 of expenses into 272,727 shares at a price of 2.75p.

On 7 March 2014 the Company issued 45,772,693 ordinary shares in exchange for 1,031,360 ordinary shares in Global Resources Investment Trust, net of issue costs of US$34,450.

15 Share capital - Group and Company (continued)

The Company announced a conditional Placing and Open offer on 4 April 2014. A total of new issues, including commission shares, of 33,677,181 new ordinary shares were admitted to trading AIM on 28 April 2014 which raised US$780,792 net of expenses of US$32,682.

On 17 July 2014 the Company approved the conversion of £7,500 of expenses into 500,000 shares at a price of 1.5 p.

Ordinary shares carry a right to receive notice of, attend, or vote at any Annual General and Extraordinary General Meetings of the company. The holders are entitled to receive dividends declared and paid by the Company.

16 Share based payments

Share options were issued to Clive Hyman, the CFO, on 7 March 2014 over 5,000,000 new ordinary shares in the Company to vest as follows: 2,000,000 immediately on grant, 2,000,000 on 7 March 2015, and 1,000,000 on 7 March 2016. The fair value of the options as at the date of issue was US$44,756, which has been recognised within administrative expenses in the consolidated income statement.

Details of the warrants and share options in issue during the year ended 31 December 2014 are as follows:

	Number of warrants / options 2014 No	Average exercise price 2014 £	Number of warrants / options 2013 No	Average exercise price 2013 £
Outstanding at 1 January	1,709,873	0.02000	1,709,873	0.02000
Issued during the year	5,000,000	0.02125	-	-
Outstanding at 31 December	6,709,873	0.02093	1,709,873	0.02000

Fair value is measured by use of the Black & Scholes model with the assumption of 60% future market volatility and a future interest rate of 5% per annum based on a future normalised economic climate. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability and exercise restrictions. The fair value of share options and warrants granted as at 31 December 2014 was US$74,205 (2013: US$29,449).

17 Financial Instruments

The Group's financial instruments comprise cash and cash equivalents, borrowings and items such as trade payables which arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Group's operations.

The Group's operations expose it to a variety of financial risks including credit risk, liquidity risk, interest rate risk and foreign currency exchange rate risk. The Directors do not believe the Group is exposed to any material equity price risk. The policies are set by the Board of Directors.

17 Financial Instruments (continued)

Classification of financial instruments

All Group financial assets are classified as loans and receivables, and are held at amortised cost. All of the Group's financial liabilities classified as other financial liabilities are also held at amortised cost. The carrying value of all financial instruments approximates to their fair value.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Group defines capital as being share capital plus reserves. The Board of Directors monitor the level of capital as compared to the Group's commitments and adjusts the level of capital as is determined to be necessary, by issuing new shares. The Group is not subject to any externally imposed capital requirements.

Credit risk

The Group's credit risk is primarily attributable to its cash and cash equivalents. However, these are deposited at reputable financial institutions, therefore management do not consider the risk to be significant.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was US$304,483 (2013: US$141,109).

The total of other receivables and cash and cash equivalents constitutes all of the financial assets within the IAS 39 category; loans and receivables held by the Group.

Interest rate risk

The Group's interest bearing assets comprise only cash and cash equivalents and earn interest at a variable rate. The Group has a policy of maintaining debt at fixed rates which are agreed at the time of acquiring debt to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of the policy should the Group's operations change in size or nature.

The only Group borrowing at 31 December 2014 was US$233,025 (2013: US$164,952) owing to Black Swan FZE, 5% interest is payable on this borrowing and it is repayable any time at option of Black Swan FZE and cannot be converted into shares.

No sensitivity analysis for interest rate risk has been presented as any changes in the rates of interest applied to cash balances would have no significant effect on either profit or loss or equity.

The Group has not entered into any derivative transactions during the year under review.

Liquidity risk

The Group actively maintains cash balances that are designed to ensure that sufficient funds are available for operations and planned expansions. The Group monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due. All of the Group's financial liabilities are measured at amortised cost. Details of the Group's funding requirements are set out in note 2.

Non-derivative financial liabilities, comprising borrowings, trade creditors and accruals of US$724,758 (2013: US$116,496) are repayable within 1-3 months from the year end. The amounts represent the contractual undiscounted cash flows, balances due equal their carrying balances as the impact of discounting is not significant.

17 Financial Instruments (continued)

Foreign currency exchange rate risk

The Group undertakes certain transactions in foreign currencies. Hence, exposure to exchange rate fluctuations arises.

The Group and Company incurs foreign currency risk on transactions denominated in currencies other than their functional currencies. The principal currencies that give rise to this risk at Group level is United States Dollars. At the year end, the Group's exposure to currencies other than the functional currencies is minimal; accordingly any increase or decrease in the exchange rates relative to the functional currencies would not have a significant effect on the financial statements.

Fair values of financial instruments

In the opinion of the directors, the book values of financial assets and liabilities represent their fair values.

18 Commitments

Expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various authorities. These obligations are subject to periodic renegotiations. These obligations are not provided for in the financial statements and as at 31 December 2014 and 31 December 2013 are payable as follows:

	2014	**2013**
	$	**$**
Within one year	173,786	111,932
After one year but not more than five years	276,532	407,829
	450,318	519,761

19 Related parties

An outstanding balance of a convertible loan note issued by the Company to Black Swan Plc was converted into shares on 2 July 2013 as part of the conversion of directors' fees and expenses into equity (note 15). Richard Poulden, who is the Chairman of the Company, is also a director of Black Swan Plc. The company drew down on a new facility granted in 2013 by Black Swan FZE (a company in which Richard Poulden has an interest) of £150,000 which was drawn down as follows: US$163,506 (£100,000) on 6 November 2013 and US$83,208 (£50,000) on 4 March 2014. The terms of this facility are set out in note 14. Interest accrued of US$11,326 is outstanding as at 31 December 2014 (2013: US$1,234) and included in trade creditors.

As part of the placing and open offer outlined in note 15, Black Swan FZE underwrote the issue and 980,888 commission shares were paid accordingly representing 3% of the amount underwritten.

19 Related parties (continued)

The following summarises the fees incurred in respect of directors and officers services for the year ended 31 December 2014 and 2013, and the amounts settled by the Company by way of share issues:

31 December 2014:	Balance as at 1 January 2014 $	Charge for the year $	Settled in shares $	Balance as at 31 December 2014 $
Richard Poulden	19,230	38,462	-	57,692
Jonathan Harrison	14,723	19,918	-	34,641
George Cardona	9,615	19,231	-	28,846
Alan Gravett	9,615	19,231	-	28,846
Professor Michael Mainelli	10,076	17,199	-	27,275
Clive Hyman	38,462	121,678	44,756	115,384
Total	101,721	235,719	44,756	292,684

31 December 2013:	Balance as at 1 January 2013 $	Charge for the year $	Settled in shares $	Balance as at 31 December 2013 $
Richard Poulden	18,300	37,937	37,007	19,230
Jonathan Harrison	20,804	32,212	38,293	14,723
George Cardona	9,608	19,171	19,164	9,615
Alan Gravett	9,608	19,171	19,164	9,615
Professor Michael Mainelli	9,395	19,845	19,164	10,076
Clive Hyman	-	38,462	-	38,462
Total	67,715	166,798	132,792	101,721

Richards Poulden's services are billed by Black Swan FZE, in which Richard Poulden, a director of the Company, has an interest for consultancy services. In addition, the services of the CFO, Clive Hyman, who is not a director of the Company, are also billed by Black Swan FZE to Wishbone Gold Plc. The company settled US$nil (2013: US$12,642) of these fees in ordinary shares to Black Swan FZE, a company in which Richard Poulden has an interest. Travelling expenses of US$119,218 (2013: US$102,767) were incurred on behalf of the Company during the year. A total of US$169,916 (2013: US$50,698) is payable at the year end. US$nil (2013: US$93,821) were settled through the issue of ordinary shares during the year.

Jonathan Harrison's services are billed by Easy Business Consulting Limited, in which Jonathan Harrison, a director of the Company, has an interest for consultancy services. Professor Michael Mainelli's services are billed by Z/Yen Group Limited, in which Professor Michael Mainelli, a director of the Company, has an interest for consulting services.

20 Ultimate controlling party

The directors believe that there is no single ultimate controlling party.

21 Events after the reporting date

The following took place after the year end:

- Sanlam Securities UK Limited were appointed as NOMAD on 26 January 2015
- A further loan of £200,000 by Black Swan Plc on 9 April 2015 on the same terms as the existing loan as disclosed in note 14.

22 Availability of accounts

The full report and accounts are being posted on the Company's website, www.wishbonegold.com.